

UBM Development AG

Buy (unchanged) **Target: Euro 30.00** (unchanged)

27 | November | 2025



■ **Price (Euro)** **22,40**
52 weeks range 24.50 / 14.95

■ Key Data

Country	Austria
Industry	Real Estate
Segment	Development (trading oriented)
ISIN	AT0000815402
WKN	852735
Reuters	UBMV.VI
Bloomberg	UBS VI
Internet	www.ubm-development.com
Reporting Standard	IFRS
Fiscal Year	31/12
Market Cap (EUR million)	167,4
Number of shares (million)	7,47
Free Float	49,2%
Free Float MCap (million)	82,3
CAGR pre tax profit '22 - '27e	-1,5%

Multiples	2024	2025e	2026e	2027e
MarketCap/revenues	1,58	1,20	0,98	0,88
PE ratio	-4,7	-27,7	29,9	0,0
Dividend yield	0,0%	0,0%	1,3%	4,5%
Price-to-Book ratio	0,49	0,50	0,49	0,47

Key Data per Share (Euro)	2024	2025e	2026e	2027e
Earnings per share (EPS)	-4,77	-0,81	0,75	2,51
Dividends per share (DPS)	0,00	0,00	0,30	1,00
Book Value per share (BVPs)	45,99	45,18	45,93	48,14

Financial Data (Euro '000)	2024	2025e	2026e	2027e
Revenues	106.239	139.117	171.144	191.142
Operating profit (EBITDA)	-6.694	2.387	37.649	59.272
Operating profit (EBIT)	-9.169	-25	33.995	54.945
Pre-tax profit (EBT)	-23.191	371	11.443	29.211
Net profit (after minorities)	-35.646	-6.041	5.591	18.725
Adj. shareholders' equity	343.653	337.612	343.203	359.687
RoE after tax	-9,9%	-1,8%	1,6%	5,3%

■ Financial Calendar

2025 annual report	27 March 2026
AGM	21 May 2026
1Q 2026	28 May 2026
2Q 2026	27 August 2026
3Q 2026	26 November 2026

■ Main Shareholders

Syndicate Ortner/ Strauss	38,8%
IGO Ortner Gruppe	7,0%
J. Dickinger	5,0%
Management & Supervisory board	3,9%
Own shares	1,6%

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Third quarter pre-tax profit again improved, stable balance sheet with high liquidity position and very high residential sales – Buy recommendation and Euro 30.00 target price affirmed

Today, UBM Development released the 9M 2025 report. The company did well and delivered a steep hike in residential sales again. With a continued cost discipline, the company managed to return to profitability and expand the small pre-tax profit from the second quarter. In detail, UBM sold 355 residential units in Germany, Austria and Czech Republic, +25% to last year's number of 283 sold units. Keep in mind, that the 2024 number was flattered by a global sale of 124 units, which means that UBM exploited the very high demand for residential products to remarkably speed up the pace in selling. The result is also impressive on a quarterly basis, as UBM sold 87 units in 1Q 2025 and 121 units in 2Q and again increased the 2Q number by 21% to 147 units in 3Q. For the full year the sold residential units should be around 450, which would translate into a +10% hike compared to the 403 units in 2024.

The total output in the residential business segment increased by 56%, from Euro 70m to Euro 109m, the group's revenues were up quite similar by 54%, from Euro 63m to Euro 97m and helped to significantly improve the 9M pre-tax result, from Euro -14.5m in 9M 2024 to now only Euro -3.9m in 9M 2025. On a quarterly basis, the picture looks even better, as UBM returned to profit zone in 2Q 2025 with a small Euro 0.5m re-tax profit, which now quadrupled to Euro 1.9m in 3Q 2025. With a more detailed look at Leopold-Quarter and Village im Dritten in Vienna, which we have seen personally during a Vienna property tour two weeks ago and which have their completion coming soon during 2026, and Na Plzeň in Prague with a completion in 2027, all have a pre-sales rate of at least 65% or even clearly above. The company understands to build appealing homes with a moderate Carbon footprint and a high level of comfort in the sought-after metropolitan hubs, as in Vienna very close to the first Vienna inner city district.

With regards to balance sheet and debt metrics, the company reported a very stable 30.0% equity ratio unchanged to 2Q and higher than in December 2024 with 29.1%. The cash and cash equivalents remain on a high Euro 142m level at the end of 3Q (2Q '25: 167m). After the reporting period UBM was successful with the placement of the second Green Bond of the year in October with a Euro 75m volume, after a Euro 65m Green Hybrid Bond was already placed in May to strengthen the equity position. After the repayment of the Euro 75m from the 2021 – 2025 bond on 13 November and the Euro 27m “fresh money” from the new Green Bond in October, the current cash position remains at a very solid level of around Euro 100m. **UBM will continue the steady way to return to profitability in 4Q 2025 and in the full year 2026. The big overhang in resi demand will prevail and UBM works on a high level of standardization and pre-fabrication, as LeopoldQuarter already reached a 43% pre-fabrication. With the upward trend in bottom line results and a stable balance we keep the Buy rating.**

UBM Development AG

Industry: Real Estate Development
Sub-segment: Residential, Office
Country: Austria
Headquarter: Vienna
Foundation: 1873
Employees: 211

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Management Board of UBM

Thomas G. Winkler, LL.M. (CEO)
Dipl.-Ökonom Patric Thate (CFO)
Martina Maly-Gärtner, MRICS (COO)
Dipl.-Ing. Peter Schaller (CTO)

Supervisory Board of UBM

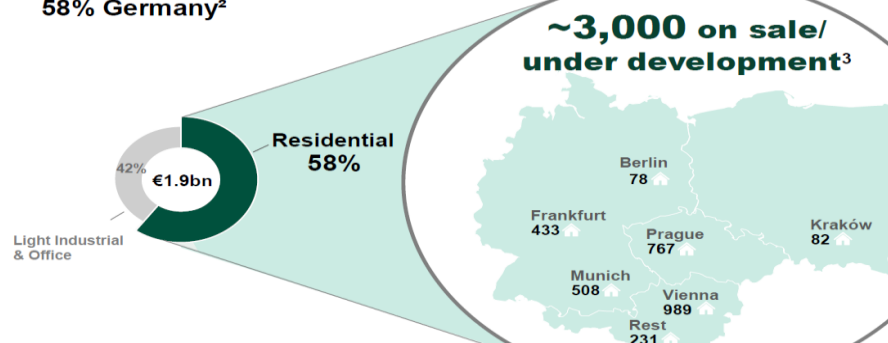
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DI Iris Ortner (Dep. Chairwoman)
DI Klaus Ortner
Dr. Bernhard Vanas
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Mag. Paul Unterluggauer
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Founded in 1873 as "Union-Baumaterialien-Gesellschaft" the company has now an outstanding history of more than 145 years. Keep in mind, that since 1873, the firm is also listed on the Viennese stock market and thus is the oldest Austrian real estate company. After the initial focus was on the renting of construction equipment, the firm made a significant step ahead since the early Nineties where the firm started to initiate many new development projects after a 50% increase of share capital in 1991. In 1992 the firm started to develop numerous lucrative projects in Eastern Europe, in particular in Poland and Czech Republic. Between 2001 and 2010 UBM entered some opportunistic markets like France and the Netherlands with hotels. In 2014 PORR, the Vienna-based construction and development conglomerate decided to separate its non-core real estate development activities from its construction activities with the destination to create two pure play entities and separately listed companies. In this spirit, PIAG was used as a spin-off vehicle which held PORR's non-core real estate development activities as well as PORR's share in UBM. In a second step UBM Realitäten AG was merged with PIAG and Strauss & Partner to the "new" UBM.

The UBM Development AG acts now since 2016 as a pure-play trade developer. After a record year in 2019 with a net profit of Euro 53m, the 2020 fiscal year was impacted by the Covid pandemic, however, considering the circumstances turned out to be very successful as well and above expectations. 2021, which was originally considered to be a year that reflects a Corona dent, turned out to deliver the second highest bottom line in the firm's history at almost Euro 44m. Thus, UBM lifted the dividend to Euro 2.25 per share, representing a new record dividend. The strong balance sheet remained with the full year 2022 numbers as equity ratio remained at almost 35% and with Euro 1.10 the company continued the shareholder friendly policy in a much more rough economic and interest environment. The 2022 bottom line was impaired by two major delays, the permit for Munich Bauberger Strasse and the Frankfurt FAZ tower closing did not come in 2022. Net profit after minorities halved from Euro 34m to Euro 17m. Due to the current market environment and mainly the high increase of interest rates, the firm reported a net loss for 2023 of Euro 46m, driven by the negative impact of revaluations. The times could be easier for developers, but UBM has an appealing and sustainable pipeline for residential and light industrial & office properties, as for instance the highly rated Timber Highrises in Germany to come in Frankfurt, Mainz and Düsseldorf as well as in Vienna with the TimberOffice at Leopoldquartier, here the section A is to be completed soon, in 4Q 2025.

The year 2024 remained challenging, in particular for the office and hotel investment markets, but UBM managed a steep growth of sales in residential units, which quadrupled in only one year. The company also managed a much higher cash position and a lower debt level. The equity ratio remained more or less stable at 29% at year-end 2024. The pre-tax loss of Euro -39m in 2023 was reduced to a relatively small Euro -23m in 2024, with improved residential sales and a cost cutting in staff and other operating expenses. As the firm did not return to profit zone in 2024, there was no dividend payment for 2024. The share price might profit from a quick return to the shareholder friendly dividend policy in the coming years and also from the new share buyback program which recently started on 18 March 2025 and was finished on 18 November 2025 with 122,180 bought back shares for about Euro 2.58m. After a pre-tax loss in 1Q 2025 (Euro -6.3m) the company managed to return to profit zone on a quarterly basis with a Euro 0.5m pre-tax profit in 2Q 2025 and a Euro 1.9m pre-tax profit in 3Q 2025. The 9M 2025 sales in residential units were expanded to over 350 units (+25% compared to 9M 2024). Almost 60% of the current Euro 1.9bn pipeline is residential and 76% is focused on a green and carbon saving timber construction.

76% Timber (300,000m²)
58% Germany²



Source: Company data, SRC Research

P & L UBM Development AG

31/12 IFRS (Euro '000 except for per share-data)	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR '22 - '27e
Revenues	183.339	278.313	133.944	85.315	106.239	139.117	171.144	191.142	7,4%
Changes in the portfolio	-21.145	-45.874	2.965	33.011	12.323	-7.588	10.015	24.004	
Share of profit/loss of companies accounted for under the equity method	27.813	36.003	25.396	-14.059	-13.102	450	22.240	26.457	
Income from fair-value adjustments to investment property	69.853	11.568	25.454	318	16.084	355	12.558	14.712	
Other operating income	8.224	11.767	12.740	51.039	10.477	9.078	14.547	15.745	
Cost of materials and other related production services	-115.673	-141.421	-86.858	-70.389	-66.218	-89.774	-134.147	-145.783	
Staff expenses	-34.847	-36.807	-37.255	-30.910	-22.728	-25.689	-26.521	-28.771	
Expenses from fair-value adjustments to investment property	-7.543	-6.550	-4.619	-40.767	-23.220	-4.512	-879	-450	
Other operating expenses	-44.922	-31.070	-32.594	-40.842	-26.550	-19.050	-31.310	-37.784	
Operating profit (EBITDA)	65.099	75.929	39.173	-27.284	-6.694	2.387	37.649	59.272	8,6%
Depreciation, amortisation and impairment expenses	-3.085	-2.627	-5.266	-2.779	-2.475	-2.412	-3.654	-4.327	
Operating profit (EBIT)	62.014	73.302	33.907	-30.063	-9.169	-25	33.995	54.945	10,1%
Financial income	23.899	14.040	23.442	21.760	18.087	24.550	12.078	13.478	
Financing costs	-23.654	-27.203	-25.899	-31.060	-32.109	-24.154	-34.630	-39.212	
Financial result	245	-13.163	-2.457	-9.300	-14.022	396	-22.552	-25.734	
Earnings before tax (EBT)	62.259	60.139	31.450	-39.363	-23.191	371	11.443	29.211	-1,5%
Income tax expense	-21.506	-16.428	-4.338	-6.682	-6.402	-1.655	-2.414	-5.539	
Tax rate	34,5%	27,3%	-13,8%	17,0%	27,6%	446,1%	21,1%	19,0%	
Net profit before minorities	40.753	43.711	27.112	-46.045	-29.593	-1.280	9.029	23.672	-2,7%
Minorities and shares of hybrid capital	-7.984	-10.086	-10.322	-6.454	-6.053	-4.761	-3.438	-4.947	
Net profit after minorities	32.769	33.625	16.790	-52.499	-35.646	-6.041	5.591	18.725	2,2%
Earnings per share (EPS)	4,39	4,50	2,25	-7,03	-4,77	-0,81	0,75	2,51	
Dividends per share (DPS)	2,20	2,25	1,10	0,00	0,00	0,00	0,30	1,00	
Payout ratio	50,2%	50,0%	49,0%	0,0%	0,0%	0,0%	40,1%	39,9%	
Number of shares ('000)	7.472	7.472	7.472	7.472	7.472	7.472	7.472	7.472	
Adjusted shareholders' equity without minorities	478.467	545.435	501.449	379.722	343.653	337.612	343.203	359.687	-6,4%
Total assets	1.372.021	1.494.463	1.451.831	1.253.777	1.182.396	1.168.207	1.214.936	1.263.533	-2,7%
Equity ratio	35,5%	37,1%	35,1%	30,3%	29,1%	28,9%	28,2%	28,5%	
Book value per share (BVpS)	64,03	73,00	67,11	50,82	45,99	45,18	45,93	48,14	-6,4%
RoE (after tax)	7,0%	6,6%	3,2%	-11,9%	-9,9%	-1,8%	1,6%	5,3%	
Key ratios & figures	2020	2021	2022	2023	2024	2025e	2026e	2027e	
Growth rates in %									
Sales revenues	-24,2%	51,8%	-51,9%	-36,3%	24,5%	30,9%	23,0%	11,7%	
EBT	-11,7%	-3,4%	-47,7%	-225,2%	-41,1%	-101,6%	2984,4%	155,3%	
Net profit after minorities	-28,8%	2,6%	-50,1%	-412,7%	-32,1%	-83,1%	-192,6%	234,9%	
Margins in %									
Operating profit (EBIT)	33,8%	26,3%	25,3%	-35,2%	-8,6%	0,0%	19,9%	28,7%	
Pre-tax profit (EBT)	34,0%	21,6%	23,5%	-46,1%	-21,8%	0,3%	6,7%	15,3%	
Net Profit (after minorities)	17,9%	12,1%	12,5%	-61,5%	-33,6%	-4,3%	3,3%	9,8%	
Expense ratios in %									
Personnel costs to sales	19,0%	13,2%	27,8%	36,2%	21,4%	18,5%	15,5%	15,1%	
Cost of material to sales	63,1%	50,8%	64,8%	82,5%	62,3%	64,5%	78,4%	76,3%	
Depreciation to sales	1,7%	0,9%	3,9%	3,3%	2,3%	1,7%	2,1%	2,3%	
Profitability in %									
Return on equity (RoE) after tax	7,0%	6,6%	3,2%	-11,9%	-9,9%	-1,8%	1,6%	5,3%	
Return on assets (RoA)	2,4%	2,2%	1,2%	-4,2%	-3,0%	-0,5%	0,5%	1,5%	
Valuation									
P/E-ratio	5,1	5,0	10,0	-3,2	-4,7	-27,7	29,9	8,9	
Price/ BV per Share	0,35	0,31	0,33	0,44	0,49	0,50	0,49	0,47	
Dividend yield	9,8%	10,0%	4,9%	0,0%	0,0%	0,0%	1,3%	4,5%	

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Rating Chronicle	Date	Rating	Former Price	Former Target
UBM Development AG	24 October 2025	Buy	23,00 €	30,00 €
UBM Development AG	29 September 2025	Buy	21,40 €	30,00 €
UBM Development AG	29 August 2025	Buy	21,40 €	30,00 €
UBM Development AG	28 May 2025	Buy	19,65 €	30,00 €
UBM Development AG	07 May 2025	Buy	19,80 €	30,00 €
UBM Development AG	11 April 2025	Buy	20,00 €	30,00 €
UBM Development AG	10 March 2025	Buy	19,20 €	30,00 €
UBM Development AG	28 November 2024	Buy	17,10 €	30,00 €
UBM Development AG	22 October 2024	Buy	19,40 €	30,00 €
UBM Development AG	01 October 2024	Buy	20,70 €	28,00 €
UBM Development AG	29 August 2024	Buy	20,50 €	28,00 €

Please note:

The UBM share price mentioned in this report is from closing of 26 November 2025.

UBM mandated SRC Research for covering the UBM share.

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