



Blue Owl Capital (OWL)

Updated March 2nd, 2026 by Samuel Smith

Key Metrics

Current Price:	\$10.6	5 Year CAGR Estimate:	30.0%	Market Cap:	\$16.4 B
Fair Value Price:	\$18.1	5 Year Growth Estimate:	13.0%	Ex-Dividend Date:	5/20/26 ¹
% Fair Value:	59%	5 Year Valuation Multiple Estimate:	11.2%	Dividend Payment Date:	6/10/26 ²
Dividend Yield:	8.5%	5 Year Price Target	\$33	Years Of Dividend Growth:	4
Dividend Risk Score:	D	Sector:	Financials	Rating:	Hold

Overview & Current Events

Blue Owl Capital is one of the world's largest alternative asset managers that offers primarily permanent capital solutions to clients. It is headquartered in New York City and went public in 2021. Its largest business segment is direct lending, but it also offers general partner private equity investment solutions and manages real estate and digital infrastructure investments.

On February 5, 2026, Blue Owl Capital, Inc. reported fourth-quarter 2025 results with earnings per share of \$0.24, beating analyst expectations of \$0.22. The quarter highlighted solid profitability, with fee-related earnings of \$0.27 per share and distributable earnings of \$0.24 per share, supporting a healthy earnings base and dividend capacity. For the full year 2025, FRE of \$0.96 per share and DE of \$0.84 per share reflected steady operational execution, even as the firm navigated a competitive fundraising and deployment environment. Blue Owl crossed the \$300 billion AUM threshold and raised a record \$56 billion during the year, including more than \$17 billion in the fourth quarter, underscoring strong demand across both institutional and private wealth channels and reinforcing its position as a scaled alternative asset manager. On the capital return front, management declared a fourth-quarter dividend of \$0.225 per share and set an annual fixed dividend of \$0.92, or \$0.23 per quarter, signaling confidence in recurring cash flows. At the same time, the outlook embeds only modest margin expansion, with FRE margins finishing 2025 at 58.3 percent and guidance for 2026 targeting approximately 58.5 percent, indicating that while efficiency remains a positive, upside may be incremental given the competitive backdrop and ongoing investment needs to support further growth.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	---	---	---	---	---	\$0.32	\$0.53	\$0.65	\$0.77	\$0.84	\$0.95	\$1.75
DPS	---	---	---	---	---	\$0.13	\$0.48	\$0.56	\$0.72	\$0.86	\$0.90	\$1.49
Shares	---	---	---	---	---	404.9	445.6	465.7	608.3	664.8	664.8	700.0

OWL is currently growing rapidly as it strives to rapidly scale its three asset management platforms and achieve economies of scale. OWL's business model is uniquely structured in the alternative asset management space to avoid generating any carried interest while also consisting primarily of permanent capital. As a result, its earnings stream is expected to be much more stable than those of its peers. OWL's fundraising outlook appears to be strong for the foreseeable future despite the deceleration in the growth rate, and its permanent capital, carried interest-free earnings stream should be able to be quite resilient in the face of economic turmoil.

On top of that, its general partner solutions and triple net lease real estate businesses should be able to generate exceptionally stable earnings through economic cycles while its direct lending platform benefits from rising interest rates. As a result, we estimate that earnings per share will grow at a 13.0% CAGR over the next half decade and expect the dividend per share to grow rapidly over that same period as well.

¹ Estimate

² Estimate

Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.



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Valuation Analysis

Year	2015	2016	2017	2018	2019	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	---	---	---	---	---	43.4	21.9	21.3	30.3	18.1	11.2	19.0
Avg. Yld.	---	---	---	---	---	0.9%	4.1%	4.1%	3.1%	6.0%	8.5%	4.5%

OWL has a very short operating history as a public company, and therefore, it is difficult to know exactly what valuation multiple is fair. Given that the company is still growing quickly in its early stages and recently expanded into the digital infrastructure space, which should benefit from the rapid growth of artificial intelligence, we think a relatively high valuation multiple of 19 times is warranted.

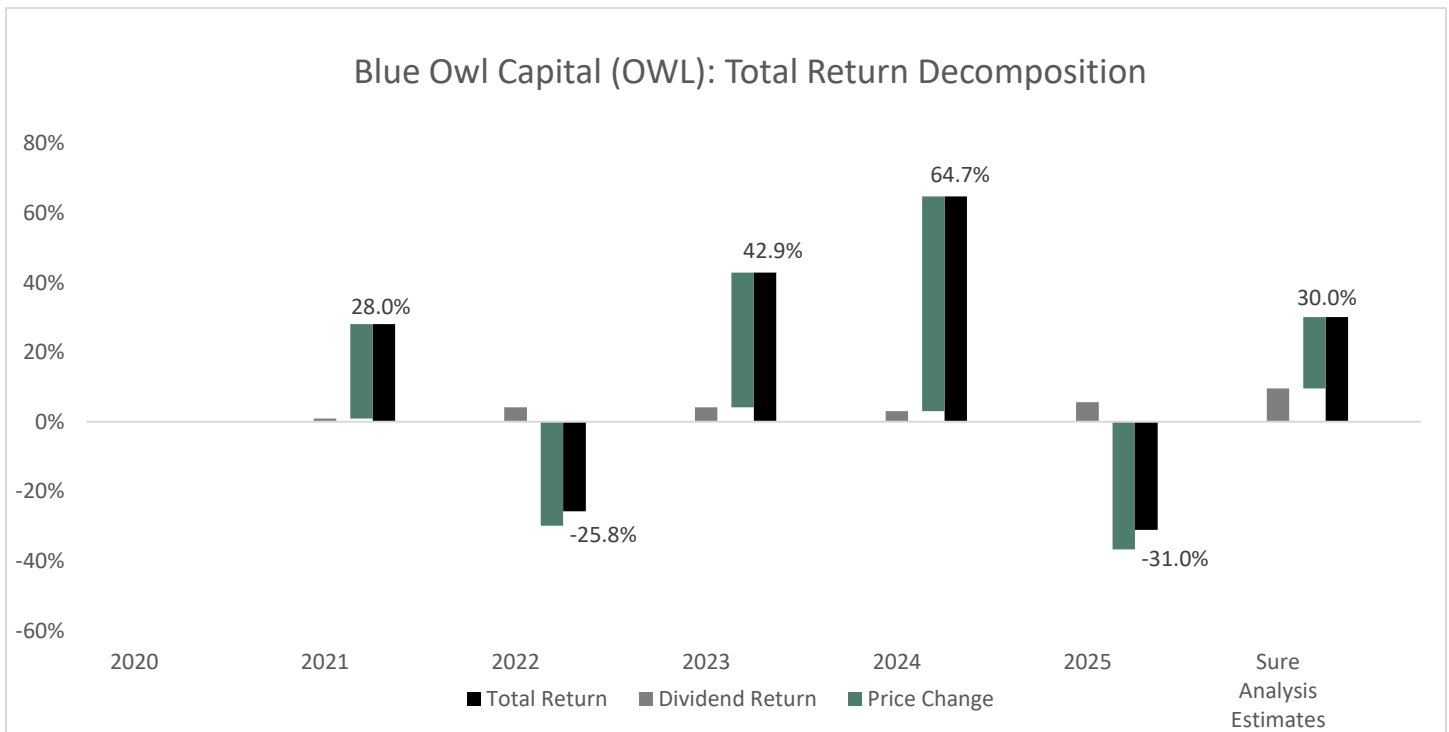
Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	---	---	---	---	---	41%	91%	86%	94%	108%	95%	85%

OWL's competitive advantage stems from its large and dominant market positioning in both direct lending and general partner private equity solutions. As a result, it should be able to continue raising funds at a strong pace in the coming years to further scale those businesses. While OWL has not operated through a recession before, we think it is better positioned than many asset managers to weather an economic storm given that almost all its assets under management is permanent capital and it does not accrue carried interest on its balance sheet either, resulting in a very stable earnings stream. Its balance sheet is also quite strong given its investment grade credit rating.

Final Thoughts & Recommendation

OWL offers investors pretty attractive risk-reward at the moment thanks to its very strong expected earnings per share and dividend per share growth over the next half-decade, backed by a solid investment-grade balance sheet and a fairly defensively positioned and well-diversified business model. While the growth runway and the forward dividend yield make for a very attractive total return profile, the current elevated payout ratio keeps us from rating it a Buy today, and we therefore rate it a Hold.



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Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue					250	824	1,370	1,732	2,295	2,870
Gross Profit					249	707	1,098	1,421	2,021	2,488
Gross Margin					99.7%	85.9%	80.1%	82.1%	88.0%	86.7%
SG&A Exp.					68	140	221	243	413	748
D&A Exp.					1	117	272	311	275	382
Operating Profit					(59)	(825)	10	331	681	493
Operating Margin					-23.5%	-100.1%	0.8%	19.1%	29.7%	17.2%
Net Profit					(82)	(1,802)	(40)	221	420	305
Net Margin					-33.0%	-218.8%	-2.9%	12.7%	18.3%	10.6%
Free Cash Flow					5	276	663	881	935	1,198
Income Tax					(0)	(65)	(9)	26	49	42

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets					122	8,266	8,893	8,818	10,992	12,468
Cash & Equivalents					12	43	68	104	152	195
Accounts Receivable					-	6,744	6,611	6,334	7,602	8,513
Goodwill & Int. Ass.					623	2,419	3,344	3,540	5,186	6,413
Total Liabilities					356	1,263	1,865	2,001	2,979	3,863
Long-Term Debt					(508)	1,664	1,605	1,528	2,128	2,205
Shareholder's Equity					(0.70)	0.76	1.16	1.31	1.40	1.75
LTD/E Ratio					122	8,266	8,893	8,818	10,992	12,468

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets						-43.0%	-0.5%	2.5%	4.2%	2.6%
Return on Equity						-67.4%	-0.7%	4.1%	7.6%	5.2%
ROIC						-51.7%	-0.6%	3.0%	5.2%	3.3%
Shares Out.						404.9	445.6	465.7	608.3	664.8
Revenue/Share					7.27	2.03	3.16	3.62	4.11	4.34
FCF/Share					0.13	0.68	1.53	1.84	1.68	1.81

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.

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