Blue Owl Capital Inc. (OWL)

Updated August 6th, 2026, by Kody Kester

Key Metrics

Current Price:	$11.50	**5 Year CAGR Estimate:**	25.2%	**Market Cap:**	$17.9B
Fair Value Price:	$16.02	**5 Year Growth Estimate:**	13.0%	**Ex-Dividend Date:**	08/13/26
% Fair Value:	72%	**5 Year Valuation Multiple Estimate:**	6.9%	**Dividend Payment Date:**	08/27/26
Dividend Yield:	8.0%	**5 Year Price Target**	$29.52	**Years Of Dividend Growth:**	5
Dividend Risk Score:	D	**Sector:**	Financials	**Rating:**	Hold

Overview & Current Events

Blue Owl Capital Inc. (OWL) is one of the world's largest alternative asset managers that offers primarily permanent capital solutions to clients. Headquartered in New York City and public since 2021, the firm has scaled rapidly to $319.0 billion in assets under management as of Jun. 30, 2026. Its business is built on three core pillars: Credit, Real Assets, and GP Strategic Capital.

The firm is anchored by its permanent capital base, which comprises $225.0 billion of its total AUM. This ensures that a supermajority of its management fees are derived from permanent capital vehicles, which insulates it from the volatility typically associated with performance-based assets. With $31.1 billion in AUM not yet paying fees, this represents nearly $380 million in potential annualized management fees.

On Jul. 30, 2026, OWL released its financial results for the second quarter ended Jun. 30, 2026. The company's fee-related EPS rose by 8.7% over the year-ago period to $0.25 in the quarter. That was made possible by OWL's ability to scale its permanent capital base and execute fundraising throughout its three core platforms. In Q2 2026, the company raised another $7.8 billion, bringing the 12 month total to $50.5 billion. All of this capital raising was organic and roughly 40% of it came in the first half of 2026. That was amid constant headlines about private credit and software alongside the conflict in the Middle East. OWL also announced its next quarterly dividend per share of $0.23, payable on Aug. 27 to shareholders of record as of Aug. 13.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
FRE	-	-	-	-	-	$0.32	$0.53	$0.65	$0.77	$0.84	***$0.89***	***$1.64***
DPS	-	-	-	-	-	$0.13	$0.43	$0.55	$0.68	$0.85	***$0.92***	***$1.38***
Shares[1]	-	-	-	-	-	404.9	445.1	464.4	608.4	667.3	***683.9***	***750.0***

OWL's fee-related EPS has compounded at a double-digit percentage annually in recent years. This is also why we think that its fee-related EPS can grow by 13.0% annually through 2031, off an anticipated 2026 base of $0.89. For one, the company's high concentration of permanent capital provides recurring and predictable management fees. Alongside the $31.1 billion in AUM that isn't yet paying fees, this will provide a clear line of sight for FRE expansion independent of market performance. By increasing accessibility for individual investors through semi-liquid structures, OWL is also tapping into a massive and under-penetrated market that offers more stable fundraising cycles than traditional institutional-only models.

[1] Share count is in millions.

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	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/FRE	-	-	-	-	-	46.6	20.0	23.0	31.2	18.2	***12.9***	***18.0***
Avg. Yld.	-	-	-	-	-	0.9%	4.1%	3.7%	2.8%	5.6%	***8.0%***	***4.7%***

Over the last several years, OWL's P/FRE ratio has varied from as low as the low double-digits to as much as the mid-40s. The average P/FRE ratio over that time was nearly 28. Moving forward, we still believe that a fair value P/E ratio of 18 is reasonable for a high-growth, permanent capital-heavy manager. Relative to the current-year multiple of 13, shares remain significantly undervalued.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	-	-	-	-	-	41%	81%	85%	88%	101%	***103%***	***84%***

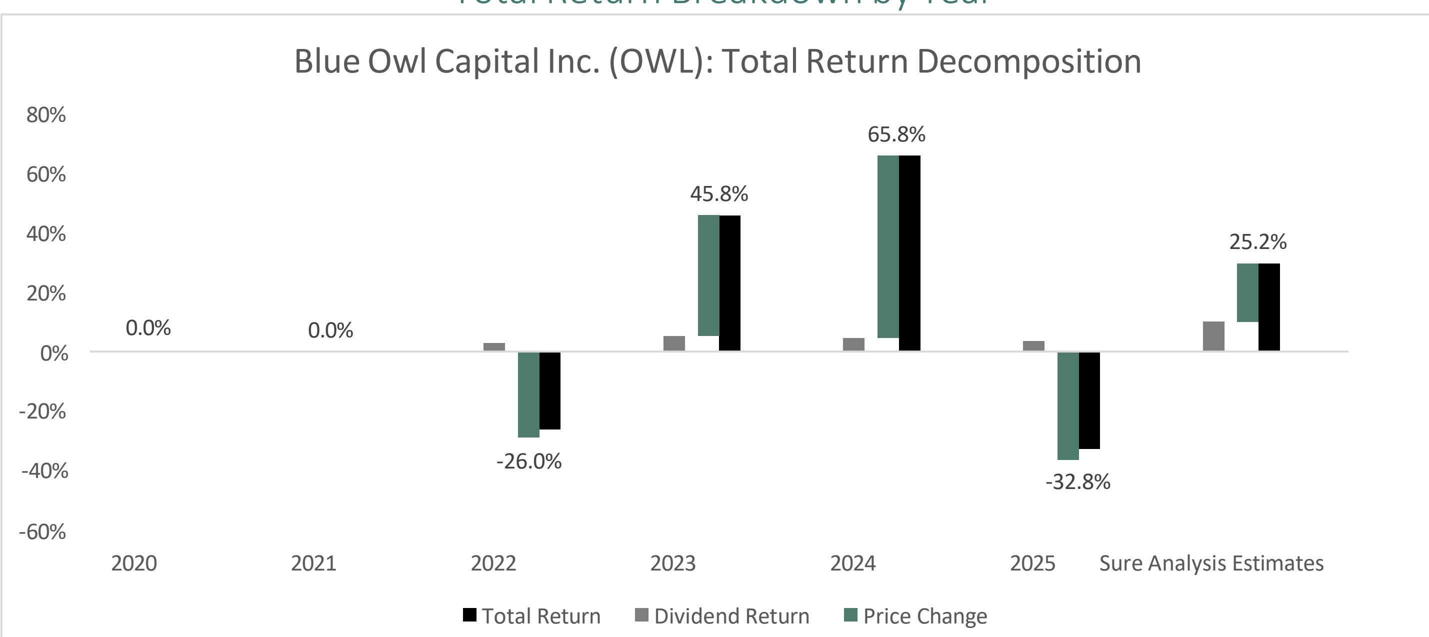
OWL's permanent capital base is a key competitive advantage. Unlike traditional private equity firms that must constantly re-fundraise for every new vintage, the company's permanent capital vehicles provide predictable management fees that are mostly decoupled from short-term market sentiment. As one of the world's largest direct lending platforms, OWL benefits from the network effect within the private equity ecosystem. By acting as a partner of choice for private equity sponsors, the company secures a steady stream of proprietary investment opportunities.

OWL is also financially stable. The company possesses a BBB S&P credit rating with a stable outlook. The payout ratio is currently elevated above 100%. However, OWL is committed to reducing this to a more sustainable payout ratio of around 85% over the next several years. That should better position it to build on its five-year dividend growth streak.

Final Thoughts & Recommendation

OWL's 8.0% dividend yield, 13.0% annual FRE growth prospects, and 6.9% annual valuation multiple expansion could deliver 25.2% annualized total returns through 2031. Due to the lower Dividend Risk Score, however, we're reiterating our Hold rating.

Total Return Breakdown by Year



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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
Goodwill & Int. Ass.					-	6,744	6,611	6,334	7,602	8,513
Total Liabilities					623	2,419	3,344	3,540	5,186	6,413
Long-Term Debt					356	1,263	1,865	2,001	2,979	3,863
Shareholder's Equity					(508)	1,664	1,605	1,528	2,128	2,205
LTD/E Ratio					(0.70)	0.76	1.16	1.31	1.40	1.75

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.