

BANCA MEDIOLANUM

Sector: Asset mgmt

OUTPERFORM

Price: Eu12.70 - Target: Eu14.50

Equipped for Any Scenario

Alberto Villa +39-02-77115.431

alberto.villa@intermonte.it

Stock Rating

Rating: from BUY to OUTPERFORM

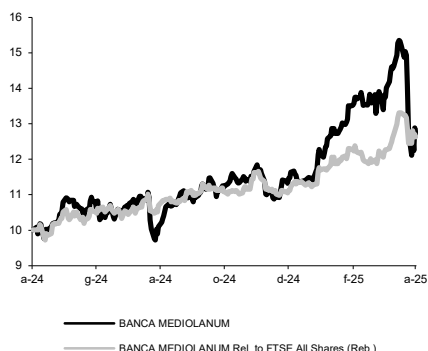
Target Price (Eu): Unchanged

	2025E	2026E	2027E
Chg in Adj EPS	-6.5%	-2.2%	-2.0%

Next Event

Results Out May, 08

BANCA MEDIOLANUM - 12M Performance



Stock Data

Reuters code: BMED.MI

Bloomberg code: BMED IM

Performance	1M	3M	12M
Absolute	-5.2%	4.5%	26.9%
Relative	4.3%	7.5%	26.2%
12M (H/L)		15.35/9.72	
3M Average Volume (th):		1,734.86	

Shareholder Data

No. of Ord shares (mn):	743
Total no. of shares (mn):	744
Mkt Cap Ord (Eu mn):	9,434
Total Mkt Cap (Eu mn):	9,434
Mkt Float - Ord (Eu mn):	2,784
Mkt Float (in %):	29.5%
Main Shareholder:	
Doris family	40.4%

Balance Sheet Data

Book Value (Eu mn):	4,014
BVPS (Eu):	5.39

■ **1Q25 results due out on 8 May 2025.** Considering strong monthly inflows seen in 1Q25, we estimate a positive contribution from entry fees (+27% YoY) and management fees (+12% YoY). Taking into account a higher cost of funding due to successful commercial initiatives on remunerated term deposits, in place during the last months of 2024 and in Jan-Feb 2025, we estimate a 18% YoY decline in 1Q25 NII but still consider the annual guidance of mid-single digit YoY decline achievable; this projects that the main negative impact of the offers will be in 1Q25. By contrast, we expect resilient performance fees in 1Q25 due to positive financial markets in Europe at the beginning of the year, while estimating a slowdown ahead due to turmoil seen in current weeks. Total operating costs seen at €214mn (-3% YoY), while we expect an easy YoY comparison on provisions considering that from this year there is no more contribution to the Deposit Guarantee Scheme, and Insurance provisions are estimated stable YoY.

■ **Strong 1Q25 inflows. Business model resilience expected to be a plus in market turmoil phases.** 1Q25 inflow data confirmed the resilience of the BMED business model. Inflows to AuM at €2.0bn, almost double the 1Q24 figure, while AuC/AuA were €1.75bn (vs. €1.9bn in 1Q24). March figures positively reverse the slightly poor mix seen in February, when the remunerated offer campaign and the BTP Più placement accelerated AuC inflows. We believe that even in a turbulent market environment, as occurring now, the next months' inflow figures will confirm BMED's strong positioning thanks to continuous and intelligent reallocation of client liquidity toward AuM.

■ **Change in Estimates: -6.5%/-2.2%/-2.0% FY25/26/27 EPS.** Taking into account the insights that emerged from 1Q25 inflow data, we are factoring into our estimates a higher level of entry fees, but considering good results from the remunerated liquidity offer in place until February, we revise our NII estimate slightly downward. We believe that recent financial market turmoil will have an impact on the value of managed assets, slightly reducing our management fee projection for FY25. For the same reason, we are reducing our 2025 performance fees from an already much lower level than the extraordinary figure recorded in FY24.

■ **OUTPERFORM from Buy; target confirmed at €14.5 or ~13.0x P/E'25.** While market turbulence could hit short-term earnings momentum, we think BMED is equipped to continue to grow in any market condition and will show the unique appeal of its managed asset inflows during market corrections. In light of a solid 1Q and some adjustments to our earnings estimates, we are keeping our positive view on the stock but moving to OUTPERFORM from Buy with a target price of €14.5 pre-dividend, equating to a 13.0x P/E multiple. Post-dividend upside (DPS of €63c to be paid on April 22nd) is ca. 20%.

Key Figures & Ratios	2023A	2024A	2025E	2026E	2027E
Commissions Income (Eu mn)	1,718	2,035	2,114	2,270	2,405
Total Income (Eu mn)	2,655	3,076	3,093	3,243	3,389
Net Operating Profit (Eu mn)	1,067	1,455	1,081	1,126	1,157
Net Profit Adj (Eu mn)	830	1,120	818	853	876
EPS New Adj (Eu)	1.115	1.505	1.100	1.146	1.177
EPS Old Adj (Eu)	1.115	1.505	1.176	1.172	1.202
DPS (Eu)	0.700	1.000	0.800	0.840	0.900
Market Cap/F.U.M.	11.6%	10.7%	9.9%	9.1%	8.5%
P/E Adj	11.4	8.4	11.5	11.1	10.8
Div. Yield	5.5%	7.9%	6.3%	6.6%	7.1%
ROE	26.0%	31.1%	21.0%	20.7%	20.2%

DISCLAIMER (for more details go to [DISCLAIMER](#))**IMPORTANT DISCLOSURES**

The reproduction of the information, recommendations and research produced by Intermonte SIM contained herein and of any its parts is strictly prohibited. None of the contents of this document may be shared with third parties without authorisation from Intermonte.

This report is directed exclusively at market professional and other institutional investors (Institutions) and is not for distribution to person other than "Institution" ("Non-Institution"), who should not rely on this material. Moreover, any investment or service to which this report may relate will not be made available to Non-Institution.

The information and data in this report have been obtained from sources which we believe to be reliable, although the accuracy of these cannot be guaranteed by Intermonte. In the event that there be any doubt as to their reliability, this will be clearly indicated. The main purpose of the report is to offer up-to-date and accurate information in accordance with regulations in force covering "recommendations" and is not intended nor should it be construed as a solicitation to buy or sell securities.

This disclaimer is constantly updated on Intermonte's website www.intermonte.it under LEGAL NOTICES. Valuations and recommendations can be found in the text of the most recent research and/or reports on the companies in question. For a list of all recommendations made by Intermonte on any financial instrument or issuer in the last twelve months consult the web page CUSTOMER AREA.

Intermonte distributes research and engages in other approved activities with respect to Major U.S. Institutional Investors ("Majors") and other Qualified Institutional Buyers ("QIBs"), in the United States, via Plural Securities LLC under SEC 15a-6 guidelines. Intermonte is not registered as a broker dealer in the United States under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and is not a member of the Securities Investor Protection Corporation ("SIPC"). Plural Securities LLC is registered as a broker-dealer under the Exchange Act and is a member of SIPC.

ANALYST CERTIFICATION

For each company mentioned in this report the respective research analyst hereby certifies that all of the views expressed in this research report accurately reflect the analyst's personal views about any or all of the subject issuer (s) or securities. The analyst (s) also certifies that no part of their compensation was, is or will be directly or indirectly related to the specific recommendation or view in this report.

The analyst (s) responsible for preparing this research report receive(s) compensation that is based upon various factors, including Intermonte's total profits, a portion of which is generated by Intermonte's corporate finance activities, although this is minimal in comparison to that generated by brokerage activities.

Intermonte's internal procedures and codes of conduct are aimed to ensure the impartiality of its financial analysts. The exchange of information between the Corporate Finance sector and the Research Department is prohibited, as is the exchange of information between the latter and the proprietary equity desk in order to prevent conflicts of interest when recommendations are made.

The analyst responsible for the report is not a) a resident of US; b) an associated person of a U.S. broker-dealer; c) supervised by a supervisory principal of a U.S. broker-dealer. This Research Report is distributed in the U.S. through Plural Securities LLC, 950 3rd Ave, Suite 1702, NY 10022, USA.

GUIDE TO FUNDAMENTAL RESEARCH

The main methods used to evaluate financial instruments and set a target price for 12 months after the investment recommendation are as follows:

- Discounted cash flow (DCF) model or similar methods such as a dividend discount model (DDM)
- Comparison with market peers, using the most appropriate methods for the individual company analysed: among the main ratios used for industrial sectors are price/ earnings (P/E), EV/EBITDA, EV/EBIT, price /sales.
- Return on capital and multiples of adjusted net book value are the main methods used for banking sector stocks, while for insurance sector stocks return on allocated capital and multiples on net book value and embedded portfolio value are used
- For the utilities sector comparisons are made between expected returns and the return on the regulatory asset base (RAB)

Some of the parameters used in evaluations, such as the risk-free rate and risk premium, are the same for all companies covered, and are updated to reflect market conditions. Currently a risk-free rate of 4.0% and a risk premium of 5.5% are being used.

Frequency of research: quarterly.

Reports on all companies listed on the S&P500 Index, most of those on the MIBEX Index and the main small caps (regular coverage) are published at least once per quarter to comment on results and important newsflow.

A draft copy of each report may be sent to the subject company for its information (without target price and/or recommendations), but unless expressly stated in the text of the report, no changes are made before it is published.

Explanation of our ratings system:

BUY: stock expected to outperform the market by over 25% over a 12 month period;
OUTPERFORM: stock expected to outperform the market by between 10% and 25% over a 12 month period;
NEUTRAL: stock performance expected at between +10% and -10% compared to the market over a 12 month period;
UNDERPERFORM: stock expected to underperform the market by between -10% and -25% over a 12 month period;
SELL: stock expected to underperform the market by over 25% over a 12 month period.

Prices: The prices reported in the research refer to the price at the close of the previous day of trading

CURRENT INVESTMENT RESEARCH RATING DISTRIBUTIONS

Intermonte SIM is authorised by CONSOB to provide investment services and is listed at n° 246 in the register of brokerage firms.

As at 31 March 2025 Intermonte's Research Department covered 131 companies.

As of today Intermonte's distribution of stock ratings is as follows:

BUY:	32.59 %
OUTPERFORM:	37.78 %
NEUTRAL:	29.63 %
UNDERPERFORM	00.00 %
SELL:	00.00 %

As at 31 March 2025 the distribution of stock ratings for companies which have received corporate finance services from Intermonte in the last 12 months (74 in total) is as follows:

BUY:	52.70 %
OUTPERFORM:	29.73 %
NEUTRAL:	17.57 %
UNDERPERFORM	00.00 %
SELL:	00.00 %

CONFLICT OF INTEREST

In order to disclose its possible conflicts of interest Intermonte SIM states that:

Intermonte acts as financial advisor to Banco BPM in the context of the offer promoted by UniCredit

Intermonte acts as ECM advisor to Banca Ifis in the offer promoted on Illimity Bank

Intermonte acted as financial advisor to Retex S.p.A. – Società Benefit in relation to the voluntary public tender offer launched on Alkemy S.p.A.

Intermonte SIM is acting as counterparty to WIIT Fin S.r.l. in connection with call and put options having WIIT S.p.A. shares and dividends as reference underlying

Intermonte SIM S.p.A. operates or has operated in the last 12 months as the person in charge of carrying out the share buyback plan approved by the shareholders' meeting of ABITARE IN, ANIMA HOLDING, CIVITANAVI SYSTEMS, CYBEROO, ELEN, ELICA, INTRED, PHARMANUTRA, SERVIZI ITALIA, SESA, TMP GROUP, UNIDATA, WEBUILD

Intermonte SIM S.p.A. provides or has provided corporate brokerage services to ALLCORE, ALMAWAVE, ANTARES VISION, AQUAFIL, AVIO, CASTA DIVA GROUP, CUBE LABS, CY4GATE, CYBEROO, DIGITOUCH, DOMINION HOSTING HOLDING, ELICA, ENERGY, ESPRINET, EVISIO, FINE FOODS & PHARMACEUTICALS NTM, FRANCHI UMBERTO MARM, G.M. LEATHER, GPI, GREEN OLEO, GREENTHESIS, HIGH QUALITY FOOD, IGD, IKONISYS SA, ISCC FINTECH, ITALIAN EXHIBITION GROUP, LEMON SISTEMI, LUVÉ, MAPS, MARE ENGINEERING GROUP, NEODECORTECH, NOTORIOUS PICTURES, REDFISH LONGTERM CAPITAL, REVO INSURANCE, REWAY GROUP, SERI INDUSTRIAL, SG COMPANY, SPINDOX, STAR7, TALEA GROUP, ULISSE BIOMED, XENIA HOTELLERIE SOLUTION, Zest Group SpA in the last 12 months

Intermonte SIM S.p.A. operates or has operated in the last 12 months as Financial Content Provider on the company ALLCORE, ALMAWAVE, B&C SPEAKERS, BANCA SISTEMA, BIFIRE, CASTA DIVA GROUP, CLEANBNB, COFLE, CROWDFUNDME, CUBE LABS, CYBEROO, DIGITOUCH, DOMINION HOSTING HOLDING, EDILIZIACROBATICA, ELES, ENERGY, EVISIO, FAE TECHNOLOGY, FIERA MILANO, FILA, FOPE, G.M. LEATHER, GREEN OLEO, HIGH QUALITY FOOD, IGD, IKONISYS SA, INTERCOS, INTRED, ISCC FINTECH, LEMON SISTEMI, MAPS, MARE ENGINEERING GROUP, MASI AGRICOLA, MISITANO & STRACUZZI SPA, NEODECORTECH, NOTORIOUS PICTURES, OLIDATA, OSAI AUTOMATION SYSTEM, RACING FORCE, REDFISH LONGTERM CAPITAL, RETI, SGIUKER FRAMES, SG COMPANY, SIMONE, SOLID WORLD GROUP, SPINDOX, TALEA GROUP, TAMBURI, TINEXTA, TMP GROUP, TPS, ULISSE BIOMED, XENIA HOTELLERIE SOLUTION, Zest Group SpA

Intermonte SIM S.p.A. performs or has performed in the last 12 months the role of intermediary appointed in the public purchase and/or exchange offer transaction of GROWENS, SAES GETTERS, TINEXTA

Intermonte SIM S.p.A. operates or has operated in the last 12 months as liquidity provider of BANCA SISTEMA, Zest Group SpA

Intermonte SIM S.p.A. performs or has performed in the last 12 months the role of financial advisor for AQUAFIL, BANCA IFIS, BANCO BPM, MAIRE, RETEX SPA, TINEXTA

Intermonte SIM S.p.A. operates or has operated in the last 12 months as market maker on financial instruments with underlying shares issued by A2A, AMPLIFON, AZIMUT, BANCA IFIS, BANCA MEDIOLANUM, BANCO BPM, BCA MPS, BCA POP SONDRIO, BFF BANK, Bper Banca, BREMBO, BUZZI, CAMPARI, DANIELI & C, DIASORIN, ENEL, ENI, ERG, FERRARI, FINCOBANK, INDUSTRIE DE NORA, INTERPUMP GROUP, INTESA SANPAOLO, INWIT, IREN, ITALGAS, IVECO GROUP, LEONARDO, LOTTOMATICA GROUP, MEDIABANCA, MFE B, MONCLER, MONDADORI EDIT., NEXI, OVS, PIRELLI & C, POSTE ITALIANE, PRYSMIAN, SAIPEM, SESA, SNAM S.p.A., STELLANTIS, STMICROELECTRONICS, TECHNOGYM, TECHNOPEX, TELECOM ITALIA, TELECOM ITALIA R, TENARIS, TERNA, UNICREDIT, UNIPOL, WEBUILD

Intermonte Sim S.p.A. has or had in the last 12 months a marketing contract on instruments issued by BARCLAYS, BNP PARIBAS, GOLDMAN SACHS GROUP INC, LEONTEQ, MAREX FINANCIAL, MEDIABANCA, MORGAN STANLEY, NATIXIS, SOCIETE GENERALE, UNICREDIT, VONTOBEL N, WISDOMTREE IRELAND LIMITED

Intermonte SIM S.p.A. performs or has performed in the last 12 months the role of specialist on financial instruments issued by ABITARE IN, ALKEMY, BANCA IFIS, BANCA SISTEMA, CIVITANAVI SYSTEMS, COFLE, CYBEROO, DIGITOUCH, ELEN, EMAX, ENERGY, GREENTHESIS, MISITANO & STRACUZZI SPA, MONDADORI EDIT., OLIDATA, OMER, PHARMANUTRA, OF ALPHA IMM, REPLY, SAES GETTERS, SERVIZI ITALIA, SESA, SG COMPANY, SOMEK, SYS-DAT, TAMBURI, TESMEC, THE ITALIAN SEA GROUP, TINEXTA, TMP GROUP, TXT E-SOLUTIONS, UNIDATA, WIIT with the obligation to disseminate studies

Intermonte SIM S.p.A. plays or has played in the last 12 months the role of sponsor for UNIDATA S.p.A.

Intermonte SIM SpA holds net long or short positions in excess of 0.5% of the overall share capital in the following issuers:

Emittente	%	Long/Short
-----------	---	------------

© Copyright 2025 by Intermonte SIM - All rights reserved

It is a violation of national and international copyright laws to reproduce all or part of this publication by email, xerography, facsimile or any other means. The Copyright laws impose heavy liability for such infringement. The Reports of Intermonte SIM are provided to its clients only. If you are not a client of Intermonte SIM and receive emailed, faxed or copied versions of the reports from a source other than Intermonte SIM you are violating the Copyright Laws. This document is not for attribution in any publication, and you should not disseminate, distribute or copy this e-mail without the explicit written consent of Intermonte SIM.

INTERMONTE will take legal action against anybody transmitting/publishing its Research products without its express authorization.

INTERMONTE Sim strongly believes its research product on Italian equities is a value added product and deserves to be adequately paid.

Intermonte Sim sales representatives can be contacted to discuss terms and conditions to be supplied the INTERMONTE research product.

INTERMONTE SIM is MIFID compliant - for our Best Execution Policy please check our Website [MIFID](#)

Further information is available