

Italian Mid/Small Caps Monthly

Mid/Small Cap Valuations at 4-Year Low Relative to Large Caps

by Intermonte Research Team

Italian Equity Market

- **Performance (-).** The Italian equity market (prices as at 18 February 2025) has posted a positive 6.2% performance in the last month and is up 12.3% YtD. The FTSE Italy Mid-Cap index (+5.2%) has underperformed the main index in the last month by 1.0% (-5.2% YtD on a relative basis), with the FTSE Italy Small Caps index (+4.9%) performing 1.3% below the market and -8.1% on a relative basis YtD. Looking at mid/small cap performances across Europe, the MSCI Europe Small Caps index has risen 5.5% in the last month, slightly outperforming Italian mid-caps.
- **Estimates (-).** Since the beginning of 2025, we have trimmed our 2025/2026 EPS estimates by -0.2%/0.0%; notably, in the last month, estimate revisions have been slightly negative for large caps (-0.4%/-0.4% on 2025/2026 EPS) due to ENI, a revision partially offset by a number of minor estimate upgrades. On the other hand, focusing on our mid/small cap coverage, we have changed our 2025/2026 EPS by -0.3%/-0.3% since the start of the year, changes implemented in the last month.
- **Valuations (+).** If we compare performance since the start of 2025 to the change in FY25 estimates over the same period, we see that FTSE MIB stocks have recorded a 12.9% re-rating; mid-caps have re-rated by 7.3%, while small caps have re-rated by 5.5%. On a P/E basis, our panel is trading at a 19% premium to large caps, the lowest level in the last 4 years, almost in line with the historical average premium (18%), and below the level one month ago (23%).
- **Liquidity (+).** Looking at official Italian index trends, we note that liquidity for large caps in the last month (measured by multiplying average volumes by average prices in a specific period) is 30.7% higher than in the corresponding period one year ago and is up 26.0% YtD. The picture is similar for mid-caps while it is weaker for small caps: specifically, since 1/1/25 liquidity is up 23.1% YoY for mid-caps while it is merely up 4.3% for small caps.
- **Investment strategy.** Since the beginning of the year, markets have been constantly shaken by the uninterrupted succession of announcements and threats made every day by the newly elected President Trump, but the overall trend has been decidedly bullish. Importantly, Italian mid/small caps have now reached a 4-year low in terms of their valuation relative to large caps. This leads us to reiterate our positive view on this asset class and, in particular, our preference for quality companies, leaders in their respective sectors, whose valuations are justified by realistic growth prospects or supported by strong cash generation. Thanks also to a rather stable Italian political framework, we believe Italian mid/small caps can recapture the attention of foreign investors. In this context, initiatives such as the National Strategic Fund, which we expect to start by the summer, should make a positive contribution.

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Performance

Mid/small caps slightly underperformed large caps in a very positive month

The Italian equity market (prices as at 18 February 2025) has posted a positive 6.2% performance in the last month and is up 12.3% YtD. The FTSE Italy Mid-Cap index (+5.2%) has underperformed the main index in the last month by 1.0% (-5.2% YtD on a relative basis), with the FTSE Italy Small Caps index (+4.9%) performing 1.3% below the market and -8.1% on a relative basis YtD.

Italian Market Indexes – performance analysis (prices as at 18 February 2025)

Index	Price (Eu)	% Change 1 Month	% Change 3 Months	% Change 6 Months	% Change YTD	% Change 1 Year	% Change 2 Years	% Change 3 Years	% Change 5 Years
FTSE Italia Mid Cap	51,149	5.2%	9.1%	10.9%	7.1%	12.4%	14.6%	10.9%	21.2%
FTSE Italia Small Cap	29,501	4.9%	9.3%	4.6%	4.2%	6.9%	-2.5%	-4.0%	29.6%
FTSE Italia Star	47,253	3.1%	5.5%	3.3%	4.2%	1.3%	-6.3%	-14.4%	15.8%
FTSE Italia Growth Index	7,838	-0.3%	0.9%	-1.7%	-0.9%	-3.6%	-18.7%	-25.7%	0.8%
FTSE Italia All-Share	40,855	6.2%	13.8%	16.1%	12.3%	20.6%	36.2%	41.4%	49.1%
FTSE MIB	38,554	6.3%	14.2%	16.7%	12.8%	21.5%	38.9%	45.5%	52.9%
Relative Performance vs FTSE Italy All Share		% Change 1 Month	% Change 3 Months	% Change 6 Months	% Change YTD	% Change 1 Year	% Change 2 Years	% Change 3 Years	% Change 5 Years
FTSE Italia Mid Cap		-1.0%	-4.7%	-5.2%	-5.2%	-8.3%	-21.6%	-30.6%	-27.9%
FTSE Italia Small Cap		-1.3%	-4.5%	-11.5%	-8.1%	-13.8%	-38.7%	-45.5%	-19.6%
FTSE Italia Star		-3.1%	-8.3%	-12.8%	-8.1%	-19.3%	-42.5%	-55.8%	-33.3%

Source: FactSet

Looking at mid/small cap performances across Europe, the MSCI Europe Small Caps index has risen 5.5% in the last month, slightly outperforming Italian mid-caps.

European Market Indexes – performance analysis

Index	Price	% Change 1 Month	% Change 3 Months	% Change 6 Months	% Change YTD	% Change 1 Year	% Change 2 Years	% Change 3 Years	% Change 5 Years
MSCI Europe	187	6.5%	11.0%	9.0%	10.0%	13.3%	19.9%	21.3%	29.8%
MSCI Europe Small Cap	457	5.5%	7.4%	4.9%	6.3%	10.0%	9.2%	0.6%	10.5%

Source: FactSet

For individual stocks, in the following tables we rank the best and worst performers over two periods: the last month and year-to-date.

Intermonte Mid & Small Cap Coverage – best and worst performers, 1M

Best Performers	Price (Eu)	Market Cap (Eu mn)	Perf. 1M (%)
DOVALUE	1.77	337	33%
BANCA SISTEMA	1.81	145	31%
SESA	73.45	1,138	24%
LOTTOMATICA	16.42	4,132	21%
FINCANTIERI	8.62	2,785	17%
CEMENTIR	13.18	2,097	16%
ESPRINET	4.83	244	15%
ANTARES VISION	3.66	258	13%
IGD	2.83	312	13%
SOMECE	12.70	88	13%
SECO	1.71	228	12%
SYS-DAT	5.95	186	11%
OVS GROUP	3.72	1,082	11%
CAREL INDUSTRIES	21.10	2,374	11%
TECHNOGYM	11.54	2,323	10%
FERRAGAMO	7.54	1,273	10%
REPLY	164.40	6,150	9%
MEDIA FOR EUROPE	4.42	2,116	9%
DATALOGIC	4.65	272	9%
AVIO	16.22	428	8%
FTSE Italia Mid Cap			5%
FTSE Italia Small Cap			5%
FTSE MIB			6%
Worst Performers	Price (Eu)	Market Cap (Eu mn)	Perf. 1M (%)
CYBEROO	1.68	70	-17%
CY4GATE	3.73	88	-17%
ENAV	3.48	1,883	-14%
GPI	9.28	268	-10%
ERG	18.47	2,776	-9%
UNIDATA	2.68	83	-9%
MISITANO & STRACUZZI	3.51	93	-8%
INTERCOS	13.96	1,344	-7%
ACEA	17.55	3,738	-6%
BANCA IFIS	21.24	1,143	-5%
FINE FOODS	6.84	151	-5%
TALEA GROUP	5.16	43	-5%
ABITARE IN	4.23	113	-4%
ELICA	1.51	95	-4%
SERI INDUSTRIAL	2.33	126	-3%
STAR7	6.30	57	-3%
EL.EN.	10.86	870	-3%
FRANCHI UMBERTO MARMI	5.10	167	-3%
INTRED	10.35	165	-3%
WIIT	18.40	516	-3%

Source: FactSet

Intermonte Mid & Small Cap Coverage – best and worst performers YTD

Best Performers	Price (Eu)	Market Cap (Eu mn)	Perf. YTD (%)
BANCA SISTEMA	1.81	145	42%
LOTTOMATICA	16.42	4,132	28%
CEMENTIR	13.18	2,097	25%
FINCANTIERI	8.62	2,785	24%
DOVALUE	1.77	337	23%
MAIRE	9.95	3,268	20%
SESA	73.45	1,138	18%
ANTARES VISION	3.66	258	17%
AVIO	16.22	428	17%
SYS-DAT	5.95	186	15%
IEG	7.48	231	15%
DE' LONGHI	34.32	5,192	14%
CAREL INDUSTRIES	21.10	2,374	14%
IGD	2.83	312	13%
TALEA GROUP	5.16	43	13%
SOMEC	12.70	88	12%
WEBUILD	3.20	3,280	12%
ESPRINET	4.83	244	12%
CREDITO EMILIANO	12.14	4,144	12%
TXT E-SOLUTIONS	39.15	509	12%
FTSE Italia Mid Cap			7%
FTSE Italia Small Cap			4%
FTSE MIB			13%
Worst Performers	Price (Eu)	Market Cap (Eu mn)	Perf. YTD (%)
CY4GATE	3.73	88	-24%
GEOX	0.43	112	-21%
CYBEROO	1.68	70	-21%
GPI	9.28	268	-15%
ENAV	3.48	1,883	-15%
SERI INDUSTRIAL	2.33	126	-12%
ELICA	1.51	95	-10%
UNIDATA	2.68	83	-10%
BFF BANK	8.30	1,563	-10%
DATALOGIC	4.65	272	-9%
FINE FOODS	6.84	151	-9%
EL.EN.	10.86	870	-7%
ACEA	17.55	3,738	-6%
AQUAFIL	1.34	98	-6%
ERG	18.47	2,776	-6%
SECO	1.71	228	-5%
WIIT	18.40	516	-5%
FRANCHI UMBERTO MARMI	5.10	167	-5%
INDEL B	21.80	127	-4%
OMER	4.12	118	-4%

Source: FactSet

Earnings Momentum

Mid/small cap estimates trimmed in the last month

Since the beginning of 2025, we have trimmed our 2025/2026 EPS estimates by -0.2%/0.0%; notably, in the last month, estimate revisions have been slightly negative for large caps (-0.4%/-0.4% on 2025/2026 EPS) due to ENI, a revision partially offset by a number of minor estimate upgrades. On the other hand, focusing on our mid/small cap coverage, we have changed our 2025/2026 EPS by -0.3%/-0.3% since the beginning of the year, changes implemented entirely in the last month.

Italian Market – Intermonte changes to 2025 and 2026 estimates

EPS REVISION	Since 01/01/2025		Since 20/1/2025	
	% chg in EPS FY25	% chg in EPS FY26	% chg in EPS FY25	% chg in EPS FY26
Total Market	-0.2%	0.0%	-0.4%	-0.4%
Total Market - Ex Energy	0.3%	0.7%	0.2%	0.4%
Domestic	0.2%	-0.3%	0.2%	-0.3%
Non domestic	-0.9%	0.3%	-1.6%	-0.7%
Non domestic - Ex Energy	-1.3%	0.0%	0.1%	2.1%
FTSE MIB	-0.2%	0.0%	-0.4%	-0.4%
Mid Caps (our coverage)	-0.2%	-0.3%	-0.2%	-0.2%
Small Caps (our coverage)	-1.3%	-0.9%	-1.3%	-1.1%
Intermonte Mid&Small Caps coverage	-0.3%	-0.3%	-0.3%	-0.3%

Source: Intermonte SIM

For individual stocks, the following tables rank the biggest changes to our 2025 adjusted net profit estimates since the start of the year.

Intermonte Mid & Small Cap Coverage - largest changes to 2025 est. (up/down) since 1/1/25

Stock	Restated Net Profit 25 as of 31/12/24	Restated net profit 25 last estimate	% chg from 31/12/24
Upward Revision			
ANIMA	225	254	12.7%
ANTARES VISION	11	12	8.4%
DE' LONGHI	345	354	2.6%
CEMENTIR	204	207	1.9%
GPI	16	16	1.5%
STAR7	8	8	0.1%
FINCANTIERI	99	99	0.0%
Downward Revision			
CY4GATE	4	-3	-170.2%
ELICA	2	1	-61.9%
FERRAGAMO	18	15	-17.2%
BFF BANK	230	199	-13.1%
MEDIA FOR EUROPE	330	315	-4.5%
MONDADORI	72	75	-2.3%
ERG	211	209	-0.7%
AQUAFIL	9	9	-0.3%

Source: Intermonte SIM

Valuation

Mid/small cap valuation premium at a 4-year low

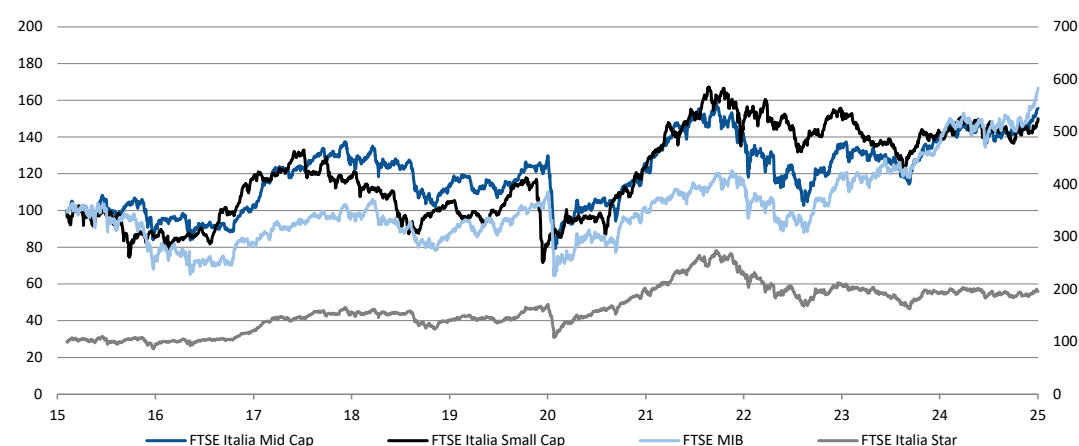
If we compare performance since the beginning of the year to the change in FY25 estimates over the same period, we see that FTSE MIB stocks have recorded a 12.9% re-rating; mid-caps have re-rated by 7.3%, while small caps have re-rated by 5.5%.

Italian Market – re/de-rating by index since 1st January 2025

Index	% Change YTD	on FY25 estimates	
		Chg in estimates	Re/De-rating
FTSE MIB	12.8%	-0.2%	12.9%
FTSE Italia Mid Cap	7.1%	-0.2%	7.3%
FTSE Italia Small Cap	4.2%	-1.3%	5.5%

Source: Intermonte SIM and FactSet

Italian Market Indices – Performances for the last 10 years (base 100)

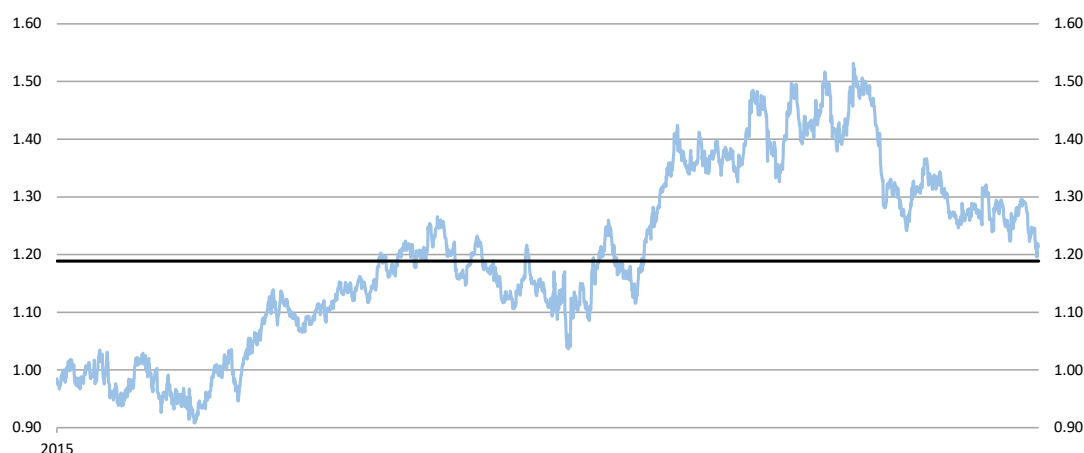


Source: FactSet

In addition to our analysis of the main Italian market indices, we have also compared valuations for our panel of Italian mid/small caps against the main FTSE MIB index.

On a P/E basis, our panel is trading at a 19% premium to large caps, the lowest level of the last 4 years, almost in line with the historical average premium (18%), and below the level one month ago (23%).

Intermonte Mid & Small Cap Panel – next twelve months' P/E relative to FTSE MIB, last 10 years



Source: Intermonte SIM and FactSet

The table below shows the stocks in our mid/small cap coverage that have posted the largest re-ratings/de-ratings since the beginning of the year, based on 2025 estimates.

European Market – Valuations

	P/E 15	P/E 16	P/E 17	P/E 18	P/E 19	P/E 20	P/E 21	P/E 22	P/E 23	P/E 24	P/E 25	P/E25 vs Italian Equivalent	Last 10Y Median	Premium / Disc. vs Avg
FTSE MIB	18.8 x	19.7 x	16.7 x	n.m.	15.7 x	21.6 x	11.5 x	8.6 x	8.0 x	11.5 x	11.7 x		11.7 x	0.0%
FTSE Italy Mid Cap	22.0 x	20.2 x	16.6 x	18.4 x	19.2 x	60.7 x	18.3 x	15.5 x	12.0 x	13.4 x	13.4 x		17.4 x	-23.2%
FTSE Italy Small Caps	nm	nm	18.9 x	14.5 x	nm	51.5 x	20.2 x	14.9 x	14.0 x	12.3 x	12.0 x		14.7 x	-18.0%
Germany DAX (TR)	15.5 x	14.3 x	14.2 x	14.8 x	20.5 x	20.8 x	13.1 x	12.4 x	12.4 x	15.3 x	15.4 x	31.5%	14.6 x	5.7%
Germany MDAX	19.7 x	21.6 x	16.3 x	21.0 x	55.5 x	43.8 x	26.6 x	16.4 x	21.2 x	16.5 x	14.7 x	10.2%	21.1 x	-30.1%
France CAC 40	16.2 x	16.1 x	15.3 x	16.0 x	nm	28.6 x	15.6 x	13.1 x	19.9 x	15.6 x	16.2 x	37.8%	16.0 x	0.9%
France CAC Mid 60	20.4 x	36.8 x	16.2 x	15.6 x	nm	nm	20.2 x	13.3 x	12.8 x	22.9 x	13.2 x	-1.5%	15.9 x	
France CAC Small	26.5 x	32.9 x	31.0 x	32.6 x	nm	nm	45.0 x	23.8 x	22.0 x	16.0 x	63.6 x	428.8%	31.8 x	100.0%
FTSE 100	18.2 x	14.7 x	13.2 x	12.6 x	21.8 x	21.1 x	13.0 x	10.5 x	11.4 x	12.1 x	12.2 x	4.2%	12.8 x	-4.4%
FTSE 250	16.5 x	14.6 x	12.7 x	13.4 x	43.1 x	43.8 x	21.2 x	14.3 x	21.8 x	13.9 x	12.0 x	-10.3%	14.4 x	-16.8%
IBEX 35	15.8 x	13.3 x	13.7 x	13.0 x	32.1 x	34.8 x	11.9 x	10.8 x	10.6 x	11.8 x	12.1 x	3.3%	12.6 x	-3.6%
IBEX MEDIUM	18.9 x	20.9 x	17.0 x	13.8 x	20.4 x	20.4 x	15.4 x	14.5 x	14.9 x	13.8 x	13.0 x	-3.2%	15.2 x	-14.6%

Source: Intermonte SIM and FactSet

Intermonte Mid & Small Cap Coverage – de-rating/re-rating on 2025 estimates since 1st Jan 2025

Stock	Restated Net Profit 25 as of 31/12/24	Restated net profit 25 last estimate	% Chg in Net Profit 25	Share Price perf. 31/12/24	De-rating(-) Re-rating(+)
CY4GATE	3.9	-2.8	-170%	-24%	146%
ELICA	2.1	0.8	-62%	-10%	52%
BANCA SISTEMA	29.0	29.0	0%	42%	42%
FERRAGAMO	18.2	15.1	-17%	11%	29%
LOTTOMATICA	351.9	351.9	0%	28%	28%
FINCANTIERI	98.9	99.0	0%	24%	24%
CEMENTIR	203.6	207.4	2%	25%	23%
DOVALUE	43.2	43.2	0%	23%	23%
MAIRE	228.9	228.9	0%	20%	20%
SESA	104.9	104.9	0%	18%	18%
AVIO	15.5	15.5	0%	17%	17%
SYS-DAT	6.9	6.9	0%	15%	15%
IEG	24.3	24.3	0%	15%	15%
CAREL INDUSTRIES	64.8	64.8	0%	14%	14%
IGD	35.7	35.7	0%	13%	13%
TALEA GROUP	2.8	2.8	0%	13%	13%
SOMEC	4.2	4.2	0%	12%	12%
WEBUILD	330.8	330.8	0%	12%	12%
MEDIA FOR EUROPE	329.8	314.9	-5%	7%	12%
ESPRINET	28.1	28.1	0%	12%	12%
CREDITO EMILIANO	519.2	519.2	0%	12%	12%
TXT E-SOLUTIONS	28.0	28.0	0%	12%	12%
DE' LONGHI	344.8	353.6	3%	14%	11%
THE ITALIAN SEA GROUP	58.0	58.0	0%	11%	11%
TECHNOGYM	109.1	109.1	0%	10%	10%
OVS GROUP	90.5	90.5	0%	9%	9%
ANTARES VISION	11.0	12.0	8%	17%	9%
IREN	300.5	300.5	0%	8%	8%
REPLY	232.2	232.2	0%	7%	7%
REWAY GROUP	26.8	26.8	0%	7%	7%
BREMBO	282.4	282.4	0%	6%	6%
EMAK	18.4	18.4	0%	5%	5%
LU-VE	39.3	39.3	0%	4%	4%
RAI WAY	86.7	86.7	0%	3%	3%
BFF BANK	229.6	199.5	-13%	-10%	3%
MARR	52.7	52.7	0%	3%	3%
NOTORIOUS PICTURES	2.5	2.5	0%	2%	2%
INTRED	7.9	7.9	0%	2%	2%
FILA	47.3	47.3	0%	1%	1%
ABITARE IN	19.1	19.1	0%	0%	0%
PIAGGIO	95.5	95.5	0%	0%	0%
INTERCOS	76.6	76.6	0%	0%	0%
BANCA IFIS	170.0	170.0	0%	0%	0%
TESMEC	-1.3	-1.3	0%	0%	0%
STAR7	8.3	8.3	0%	0%	(0%)
TINEXTA	58.3	58.3	0%	0%	(0%)
MONDADORI	72.1	75.1	4%	3%	(1%)
REVO INSURANCE	33.2	33.2	0%	-2%	(2%)
PHARMANUTRA	21.3	21.3	0%	-2%	(2%)
MISITANO & STRACUZZI	9.5	9.5	0%	-2%	(2%)
DHH	4.5	4.5	0%	-3%	(3%)
OMER	9.8	9.8	0%	-4%	(4%)
INDEL B	18.7	18.7	0%	-4%	(4%)
FRANCHI UMBERTO MARMI	15.1	15.1	0%	-5%	(5%)
WIIT	24.9	24.9	0%	-5%	(5%)
ERG	210.6	209.0	-1%	-6%	(5%)
SECO	10.4	10.4	0%	-5%	(5%)
AQUAFIL	9.5	9.4	0%	-6%	(6%)
ACEA	340.7	340.7	0%	-6%	(6%)
EL.EN.	57.2	57.2	0%	-7%	(7%)
FINE FOODS	12.7	12.7	0%	-9%	(9%)

Source: Intermonte SIM

Liquidity

Mid-cap liquidity up in the last month

Looking at official Italian index trends, we note that liquidity for large caps in the last month (measured by multiplying average volumes by average prices in a specific period) is 30.7% higher than in the corresponding period one year ago and is up 26.0% YtD. The picture is similar for mid-caps while it is weaker for small caps: specifically, since 1/1/25 liquidity is up 23.1% YoY for mid-caps while it is merely up 4.3% for small caps.

Italian Market – liquidity analysis

	Avg Daily Volume * Avg Price (Eu mn) 2025			Avg Daily Volume * Avg Price (Eu mn) 2024			% Changes (YoY)		
	1M to 20/02	3M to 20/02	YTD to 20/02	1M to 20/02	3M to 20/02	YTD to 20/02	1M to 20/02	3M to 20/02	YTD to 20/02
FTSE MIB									
All stocks	73.95	66.51	68.49	56.57	52.00	54.34	30.7%	27.9%	26.0%
Top 20% by market cap	184.60	171.73	174.51	157.77	143.83	149.29	17.0%	19.4%	16.9%
FTSE Italia Mid Cap									
All stocks	2.21	2.16	2.15	1.83	1.71	1.75	20.9%	26.7%	23.1%
Top 20% by market cap	4.48	4.24	4.44	3.24	3.00	3.19	38.2%	41.4%	39.2%
FTSE Italia Small Cap									
All stocks	0.29	0.31	0.28	0.27	0.28	0.27	7.5%	10.1%	4.3%
Top 20% by market cap	0.85	0.85	0.81	0.73	0.74	0.74	16.9%	14.4%	9.2%

Source: FactSet

For individual stocks, the following table ranks liquidity in our mid/small cap coverage.

Intermonte Mid & Small Cap Coverage – most liquid stocks

Stock	Market Cap (Eu mn)	6M Avg Volume * Avg Price (Eu)
ERG	2,776	9,625,926
ANIMA	2,197	6,503,603
FINCANTIERI	2,785	5,283,687
REPLY	6,150	5,033,506
BREMBO	3,220	4,981,886
MAIRE	3,268	4,249,875
WEBUILD	3,280	3,992,354
FERRAGAMO	1,273	3,789,837
BFF BANK	1,563	3,693,948
LOTTOMATICA	4,132	3,340,243
DE' LONGHI	5,192	3,094,034
IREN	2,690	2,981,751
BANCA IFIS	1,143	2,752,923
OVS GROUP	1,082	2,672,279
SESA	1,138	2,380,309
TECHNOGYM	2,323	2,202,290
PIAGGIO	784	2,187,263
ENAV	1,883	2,158,332
DOVALUE	337	2,099,017
ACEA	3,738	1,897,689
CREDITO EMILIANO	4,144	1,645,147
TIP	1,576	1,343,410
CAREL INDUSTRIES	2,374	1,334,160
INTERCOS	1,344	1,323,297
RAI WAY	1,548	1,299,691
EL.EN.	870	1,221,209
MEDIA FOR EUROPE	2,116	1,070,855
MARR	689	932,412
FILA	451	898,903

Source: FactSet

Criteria for investing in mid/small caps

Italian Mid & Small Cap Coverage - geographical breakdown of sales (FY23)

Stock	Italy	Europe (incl. Russia, UK, Turkey)	North America (incl. Mexico)	South America	Asia (incl. China, India, South East Asia)	RoW (Africa, Middle East, Australia, Japan)
Intermonte Coverage	53%	24%	10%	1%	7%	4%

Source: Company data and Intermonte SIM (financial companies excluded from the sample)

A ranking of stocks with the highest expected earnings growth for 2025 vs. 2024, and the highest 2025 dividend yields, can be found in the following tables.

Intermonte Mid & Small Cap Coverage – dividend yield 2025

Stock	Price (Eu)	Mkt Cap (Eu mn)	EPS 25	DPS 25	Yield 25 %	PayOut 25 %	Net Debt/EBITDA 25
BFF BANK	8.3	1563	1.068	0.908	10.9%	85%	
BANCA IFIS	21.2	1143	3.159	2.229	10.5%	71%	
PIAGGIO	2.2	784	0.269	0.216	9.9%	80%	1.4
GPI	9.3	268	0.585	0.700	7.5%	120%	3.1
ENAV	3.5	1883	0.243	0.261	7.5%	107%	0.4
ESPRINET	4.8	244	0.569	0.341	7.1%	60%	(0.6)
IREN	2.1	2690	0.231	0.139	6.7%	60%	3.3
MONDADORI	2.2	570	0.288	0.145	6.7%	50%	0.8
MARR	10.4	689	0.793	0.634	6.1%	80%	1.8
NOTORIOUS PICTURES	0.8	17	0.112	0.045	5.9%	40%	2.3
ANIMA	6.9	2197	0.780	0.400	5.8%	51%	
MEDIA FOR EUROPE	4.4	2116	0.554	0.250	5.7%	45%	0.5
RAI WAY	5.7	1548	0.319	0.319	5.6%	100%	1.4
THE ITALIAN SEA GROUP	8.2	436	1.093	0.449	5.5%	41%	(0.9)
IGD	2.8	312	0.323	0.154	5.5%	48%	7.9
ACEA	17.6	3738	1.600	0.952	5.4%	60%	3.2
ERG	18.5	2776	1.390	1.000	5.4%	72%	3.5
ABITARE IN	4.2	113	0.720	0.212	5.0%	29%	2.1
BANCA SISTEMA	1.8	145	0.361	0.090	5.0%	25%	
EMAK	0.9	152	0.112	0.045	4.9%	40%	2.7
INDEL B	21.8	127	3.208	1.000	4.6%	31%	(0.3)
CREDITO EMILIANO	12.1	4144	1.521	0.554	4.6%	36%	
FRANCHI UMBERTO MARMI	5.1	167	0.460	0.230	4.5%	50%	0.5
DATALOGIC	4.7	272	0.299	0.200	4.3%	67%	(0.1)
MISITANO & STRACUZZI	3.5	93	0.316	0.145	4.1%	46%	0.4
MAIRE	9.9	3268	0.696	0.400	4.0%	57%	(0.5)
WEBUILD	3.2	3280	0.325	0.120	3.8%	37%	(0.7)
TINEXTA	7.9	373	1.234	0.289	3.7%	23%	2.4

Source: Intermonte SIM and FactSet

Intermonte Mid & Small Cap Coverage – EPS growth, 2025 vs. 2024

Stock	Price (Eu)	Mkt Cap (Eu mn)	P/E 24	P/E 25	EPS Growth
FERRAGAMO	7.5	1273	nm	84.5	1087%
FINCANTIERI	8.6	2785	nm	28.1	399%
SOMECH	12.7	88	95.0	20.9	355%
ABITARE IN	4.2	113	18.8	5.9	219%
DATALOGIC	4.7	272	31.1	15.6	100%
ANTARES VISION	3.7	258	37.4	21.6	73%
REVO INSURANCE	12.1	319	14.4	9.0	60%
EMAK	0.9	152	12.6	8.2	54%
WIIT	18.4	516	30.7	20.7	49%
NOTORIOUS PICTURES	0.8	17	9.8	6.8	45%
LOTTOMATICA	16.4	4132	17.1	12.0	43%
CYBEROO	1.7	70	17.6	12.5	41%
TXT E-SOLUTIONS	39.2	509	21.9	16.5	33%
PIAGGIO	2.2	784	10.6	8.1	31%
AVIO	16.2	428	36.9	28.3	30%
FINE FOODS	6.8	151	17.9	13.7	30%
UNIDATA	2.7	83	8.4	6.7	26%
SYS-DAT	6.0	186	34.2	27.1	26%
BFF BANK	8.3	1563	9.6	7.8	23%
DOVALUE	1.8	337	4.0	3.3	22%
THE ITALIAN SEA GROUP	8.2	436	9.2	7.5	22%
REWAY GROUP	6.7	203	11.7	9.6	22%
WEBUILD	3.2	3280	12.0	9.9	22%
ESPRINET	4.8	244	10.2	8.5	20%
TINEXTA	7.9	373	7.7	6.4	20%
TECHNOGYM	11.5	2323	25.5	21.3	20%
GPI	9.3	268	19.0	15.9	20%
INTERCOS	14.0	1344	21.0	17.5	20%
PHARMANUTRA	53.5	518	28.3	24.4	16%
BANCA SISTEMA	1.8	145	5.7	5.0	15%
DHH	22.4	117	28.5	24.8	15%
REPLY	164.4	6150	30.2	26.5	14%
STAR7	6.3	57	7.6	6.8	13%
SERI INDUSTRIAL	2.3	126	nm	nm	12%
DE' LONGHI	34.3	5192	16.4	14.7	12%
BREMBO	9.6	3220	12.2	10.9	12%
OVS GROUP	3.7	1082	11.2	10.1	11%
CAREL INDUSTRIES	21.1	2374	40.7	36.6	11%
INTRED	10.4	165	23.1	20.9	11%

Source: Intermonte SIM and FactSet

Intermonte PIR Mid Caps Coverage - Trading Multiples (Ranked by Stock Name)

Company	P/E 2024	P/E 2025	EV/ EBITDA 2024	EV/ EBITDA 225	Div. Yield 2024	Div. Yield 2025	FCF Yield 2024	FCF Yield 2025	NETDEBT/ EBITDA 2024	NETDEBT/ EBITDA 2025
ACEA	10.9	11.0	6.6	6.6	5.2%	5.4%	-0.7%	1.0%	3.3x	3.2x
ANIMA	7.9	8.8			6.5%	5.8%				
BANCA IFIS	7.1	6.7			9.8%	10.5%				
BFF BANK	9.6	7.8			5.5%	10.9%				
BREMBO	12.2	10.9	5.6	4.8	2.6%	2.9%	1.7%	6.0%	0.4x	0.3x
CAREL INDUSTRIES	40.7	36.6	22.3	21.1	0.6%	0.7%	2.2%	2.2%	0.5x	0.1x
CEMENTIR	6.8	8.0			5.4%	4.6%				
CREDITO EMILIANO	16.4	14.7	7.3	7.5	2.5%	2.8%	4.3%	5.8%	-0.8x	-1.0x
DE' LONGHI	16.1	15.2	8.0	7.7	2.0%	2.1%	6.2%	6.0%	-0.9x	-1.2x
EL.EN.	15.2	14.3	7.3	6.3	7.3%	7.5%	9.4%	14.0%	0.9x	0.4x
ENAV	14.1	13.3	10.4	8.2	5.4%	5.4%	-10.2%	4.1%	3.8x	3.5x
ERG	10.4	10.1	3.2	4.1	2.1%	2.2%	8.7%	9.6%	-0.7x	-1.0x
FERRAGAMO	nm	84.5	6.0	4.6	0.1%	0.6%	-1.8%	-0.4%	3.0x	3.3x
FINCANTIERI	nm	28.1	8.5	7.3	0.0%	0.0%	-9.8%	6.0%	4.6x	3.8x
INTERCOS	21.0	17.5	10.5	8.4	1.2%	1.4%	3.0%	3.7%	0.5x	0.3x
IREN	9.9	9.0	5.5	5.5	6.2%	6.7%	0.9%	3.5%	3.3x	3.3x
LOTTOMATICA	17.1	12.0	6.8	7.0	1.8%	2.6%	4.2%	6.5%	2.8x	2.1x
LU-VE	17.4	16.4	8.1	8.5	1.5%	1.5%	4.5%	4.8%	1.4x	1.0x
MAIRE	15.8	14.3	5.2	6.8	3.3%	4.0%	2.9%	3.0%	-0.6x	-0.5x
MARR	14.4	13.1	7.4	6.8	5.5%	6.1%	2.5%	-5.6%	1.3x	1.8x
MEDIA FOR EUROPE	8.5	8.0	3.0	2.9	5.7%	5.7%	15.3%	15.7%	0.8x	0.5x
MONDADORI	8.3	7.6	4.9	4.3	6.1%	6.7%	11.8%	11.6%	1.0x	0.8x
OVS GROUP	11.2	10.1	4.1	4.7	2.4%	2.7%	7.1%	7.8%	0.7x	0.4x
PHARMANUTRA	28.3	24.4	15.8	14.1	1.8%	2.1%	2.8%	4.2%	-0.1x	-0.4x
PIAGGIO	10.6	8.1	4.6	3.8	8.9%	9.9%	8.9%	9.2%	1.5x	1.4x
RAI WAY	17.3	17.8	8.3	9.6	5.8%	5.6%	7.4%	7.5%	0.8x	1.4x
REPLY	30.2	26.5	12.4	13.5	0.7%	0.7%	3.6%	4.0%	-0.7x	-1.1x
SESA	10.7	10.9	7.2	5.1	1.4%	1.3%	10.2%	5.4%	0.0x	0.2x
TECHNOGYM	25.5	21.3	10.0	10.7	1.9%	2.3%	4.6%	4.8%	-1.0x	-1.3x
THE ITALIAN SEA GROUP	9.2	7.5	6.0	4.3	4.5%	5.5%	12.8%	15.2%	-0.4x	-0.9x
TINEXTA	7.7	6.4	10.4	6.3	1.9%	3.7%	6.9%	8.5%	3.1x	2.4x
TIP	11.9	11.4			1.9%	2.1%				
WEBUILD	12.0	9.9	1.8	2.4	3.1%	3.8%	-21.3%	5.3%	-0.7x	-0.7x
WIIT	30.7	20.7	13.5	10.7	1.6%	2.4%	2.2%	5.8%	3.7x	2.9x

Source: Intermonte SIM

Intermonte PIR Small Caps Coverage - Trading Multiples (Ranked by Stock Name)

Company	P/E 2024	P/E 2025	EV/ EBITDA 2024	EV/ EBITDA 225	Div. Yield 2024	Div. Yield 2025	FCF Yield 2024	FCF Yield 2025	NETDEBT/ EBITDA 2024	NETDEBT/ EBITDA 2025
ABITARE IN	18.8	5.9	12.0	5.4	0.0%	5.0%	-41.1%	14.4%	5.2x	2.1x
ANTARES VISION	37.4	21.6	9.2	8.9	0.0%	0.0%	7.8%	1.8%	4.2x	2.1x
AQUAFIL	nm	12.5	5.1	3.8	0.0%	0.0%	7.1%	14.4%	3.5x	2.5x
AVIO	36.9	28.3	8.2	10.5	0.9%	1.8%	-9.7%	3.4%	-1.1x	-1.1x
BANCA SISTEMA	5.7	5.0			0.0%	5.0%				
CY4GATE	nm	nm	12.8	6.1	0.0%	0.0%	-12.2%	-4.2%	2.5x	1.8x
CYBEROO	17.6	12.5	13.0	5.5	0.0%	0.0%	-4.9%	2.5%	0.0x	-0.2x
DATALOGIC	31.1	15.6	7.9	5.0	3.2%	4.3%	7.7%	6.8%	0.1x	-0.1x
DHH	28.5	24.8	8.7	8.3	0.0%	0.0%	3.8%	4.9%	0.1x	-0.3x
DOVALUE	4.0	3.3	4.0	3.0	8.5%	14.1%	43.7%	55.6%	2.5x	2.2x
ELICA	79.2	nm	6.0	5.1	2.7%	1.3%	13.3%	10.6%	2.1x	1.8x
EMAK	12.6	8.2	5.8	4.9	3.0%	4.9%	3.3%	10.2%	3.2x	2.7x
ESPRINET	10.2	8.5	3.4	2.6	4.9%	7.1%	7.4%	14.4%	-0.4x	-0.6x
FILA	12.6	11.3	3.3	3.5	1.4%	2.2%	28.3%	28.4%	2.7x	2.2x
FINE FOODS	17.9	13.7	8.4	6.8	1.7%	1.7%	-3.5%	-11.8%	1.7x	2.1x
FRANCHI UMBERTO MARMI	12.1	11.1	8.3	6.5	4.1%	4.5%	4.2%	12.0%	1.0x	0.5x
GEOX	3.2	3.1	4.2	3.5	15.5%	16.0%	19.9%	51.9%	2.9x	2.6x
GPI	19.0	15.9	6.6	5.5	7.5%	7.5%	-11.7%	5.5%	3.3x	3.1x
IEG	7.5	9.5	3.5	4.9	1.7%	1.8%	8.0%	-4.2%	1.2x	1.4x
IGD	9.0	8.7	10.2	11.1	1.9%	5.5%	1.6%	11.2%	7.9x	7.9x
INDEL B	7.5	6.8	4.2	3.5	3.7%	4.6%	13.4%	12.0%	0.1x	-0.3x
INTRED	23.1	20.9	8.1	7.4	1.1%	1.2%	-1.0%	-2.6%	1.2x	1.3x
MISITANO & STRACUZZI	12.1	11.1	6.7	6.5	4.8%	4.1%	-4.1%	5.2%	0.5x	0.4x
NOTORIOUS PICTURES	9.8	6.8	3.4	3.3	4.1%	5.9%	-15.8%	46.1%	2.2x	2.3x
OMER	13.0	12.1	5.9	5.6	0.0%	0.0%	3.2%	9.1%	-1.4x	-2.0x
REVO INSURANCE	14.4	9.0			1.0%	1.7%				
REWAY GROUP	11.7	9.6	7.0	6.5	0.0%	0.0%	2.3%	2.7%	1.4x	1.0x
SECO	nm	21.9	17.9	8.2	0.0%	0.0%	-0.5%	2.1%	3.3x	1.5x
SERI INDUSTRIAL	nm	nm	nm	nm	0.0%	0.0%	-42.7%	-47.5%	55.7x	34.7x
SOMEK	95.0	20.9	7.8	5.1	0.0%	0.0%	6.5%	22.0%	3.1x	2.0x
STAR7	7.6	6.8	4.7	4.4	0.0%	0.0%	11.1%	9.4%	1.7x	1.5x
SYS-DAT	34.2	27.1	10.0	10.6	0.0%	0.0%	2.9%	3.2%	-2.8x	-2.8x
TALEA GROUP	nm	12.7	22.2	7.6	0.0%	0.0%	24.2%	2.0%	9.9x	3.7x
TESMEC	nm	nm	5.9	4.8	0.0%	0.0%	-30.2%	13.7%	4.4x	3.8x
TXT E-SOLUTIONS	21.9	16.5	10.4	10.5	0.7%	1.0%	0.9%	3.5%	3.0x	2.0x
UNIDATA	8.4	6.7	5.7	4.0	0.5%	0.7%	11.3%	11.4%	1.7x	1.3x

Source: Intermonte SIM

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- 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.

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UNDERPERFORM: stock expected to underperform the market by between -10% and -25% over a 12 month period;

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

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