

# Italian Mid/Small Caps Monthly

## Recent Stock Rally Calls for Attention on S/T Support for Earnings

by Intermonte Research Team

### Italian Equity Market

- **Performance (=/-).** The Italian equity market (prices as at 16 May 2025) has posted a positive 12.7% performance in the last month and is up 18.6% YtD. The FTSE Italy Mid-Cap index (+12.8%) has performed in line with the main index in the last month (-5.1% YtD on a relative basis), with the FTSE Italy Small Caps index (+9.9%) performing 2.8% worse than the market and -9.2% on a relative basis YtD. Looking at mid/small cap performances across Europe, the MSCI Europe Small Caps index has grown 10.5% in the last month, performing in similar manner to Italian small caps.
- **Estimates (-).** Since the beginning of 2025, we have reduced our 2025/2026 EPS estimates by -5.7%/-5.1%; notably, estimate revisions in the last month have been positive for large caps (+1.4%/+2.0% on 2025/2026 EPS), mainly banks. Focusing on our mid/small cap coverage, in the last month we have changed our 2025/2026 EPS by -0.4%/+0.4%.
- **Valuations (+).** 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 24.8% re-rating (+12.4% one month ago); mid-caps have re-rated by 17.0%, while small caps have re-rated by 16.3%. On a P/E basis, our panel is trading at a 18% premium to large caps, slightly below the historical average premium (20%) and the level one month ago (21%).
- **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 16.9% higher than in the corresponding period one year ago and is up 38.5% YtD. The picture is also improving for mid-caps, but is weaker for small caps: specifically, since 1/1/25, liquidity is up 16.5% YoY for mid-caps while down 2.0% for small caps.
- **Investment strategy.** The Trump administration's recent shift toward de-escalation of global trade tensions has fuelled optimism in stock markets. However, heightened global uncertainty and ongoing trade disputes continue to weigh on European growth. The European Commission has just revised its growth forecast for the EU downward from 1.5% to 1.1%. As for our coverage, 1Q25 results were in most cases reassuring and slightly better than expected; however, the spike in uncertainty should be reflected in 2Q25 economic figures, mainly related to trade tensions. The V-shaped stock recovery from the early April tariffs shock now seems fully priced and future stock performance requires support from the continuation of easing newsflow. We believe Italian mid-cap equities continue to offer compelling value, supported by a relatively stable domestic political backdrop. Our preference remains for quality stocks, leaders in their respective sectors, whose valuations are justified by realistic growth prospects or backed by strong cash generation. In this context, initiatives such as the National Strategic Fund—expected to be operational soon—should provide a positive catalyst. It is anticipated that the fund will launch with an initial commitment of approximately €0.7 to €1.0 billion, 49% of which from the NSF and 51% from private investors. Fund managers will be granted full discretion over portfolio allocation, subject to the condition that at least 70% of the capital is invested in listed companies outside the FTSE MIB index, excluding financial stocks.

*This material is an extract of research reports by Intermonte that have already been published and delivered to Clients. It is available for free on the Intermonte SIM website (<https://www.intermonte.it>) and it qualifies as a "minor nonmonetary benefit" in accordance with article 12, paragraph 3, sub-paragraph b) of Commission Delegated Directive (EU) 2017/593 of 7 April 2016*

## Performance

### Small caps underperformed mid and large caps in a very positive month

The Italian equity market (prices as at 16 May 2025) has posted a positive 12.7% performance in the last month and is up 18.6% YtD. The FTSE Italy Mid-Cap index (+12.8%) has performed in line with the main index in the last month (-5.1% YtD on a relative basis), with the FTSE Italy Small Caps index (+9.9%) performing 2.8% worse than the market and -9.2% on a relative basis YtD.

#### Italian Market Indexes – performance analysis (prices as at 16 May 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	54,094	12.8%	6.3%	15.5%	13.3%	11.8%	25.3%	29.3%	76.6%
FTSE Italia Small Cap	30,926	9.9%	6.5%	13.7%	9.2%	4.8%	10.9%	3.0%	83.8%
FTSE Italia Star	46,814	12.2%	-1.3%	4.1%	3.2%	-4.2%	-1.9%	-5.3%	42.8%
FTSE Italia Growth Index	7,889	4.1%	0.9%	1.5%	-0.2%	-4.1%	-13.4%	-19.7%	18.8%
FTSE Italia All-Share	43,090	12.7%	7.0%	18.6%	18.4%	14.5%	46.9%	64.3%	133.5%
FTSE MIB	40,656	12.7%	7.1%	18.9%	18.9%	14.8%	49.5%	69.2%	141.2%
<b>Relative Performance vs FTSE Italy All Share</b>		<b>% Change 1 Month</b>	<b>% Change 3 Months</b>	<b>% Change 6 Months</b>	<b>% Change YTD</b>	<b>% Change 1 Year</b>	<b>% Change 2 Years</b>	<b>% Change 3 Years</b>	<b>% Change 5 Years</b>
FTSE Italia Mid Cap		0.1%	-0.7%	-3.1%	-5.1%	-2.7%	-21.6%	-35.0%	-56.9%
FTSE Italia Small Cap		-2.8%	-0.5%	-4.9%	-9.2%	-9.7%	-36.0%	-61.3%	-49.7%
FTSE Italia Star		-0.5%	-8.3%	-14.5%	-15.2%	-18.7%	-48.7%	-69.6%	-90.7%

Source: FactSet

Looking at mid/small cap performances across Europe, the MSCI Europe Small Caps index has grown 10.5% in the last month, performing in similar manner to Italian small 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	184	8.3%	-0.9%	9.1%	8.1%	4.7%	17.6%	26.6%	67.7%
MSCI Europe Small Cap	463	10.5%	2.0%	8.4%	7.8%	3.9%	14.8%	10.8%	52.6%

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**

<b>Best Performers</b>	<b>Price (Eu)</b>	<b>Market Cap (Eu mn)</b>	<b>Perf. 1M (%)</b>
EL.EN.	10.21	818	31%
DOVALUE	2.13	405	29%
MAIRE	10.29	3,382	25%
ANTARES VISION	3.98	282	25%
TINEXTA	10.47	494	24%
FRANCHI UMBERTO MARMI	5.00	164	23%
CAREL INDUSTRIES	20.30	2,284	22%
SESA	80.20	1,243	22%
EMAK	0.91	149	22%
IEG	8.66	267	22%
FERRAGAMO	6.01	1,014	21%
SECO	2.22	295	18%
LOTTOMATICA	22.64	5,697	18%
DATALOGIC	4.61	269	17%
TECHNOGYM	12.82	2,581	17%
ELICA	1.32	83	17%
OVS GROUP	3.52	897	17%
BFF BANK	8.80	1,658	17%
SOMEK	12.60	87	16%
WEBUILD	3.46	3,544	16%
<b>FTSE Italia Mid Cap</b>			13%
<b>FTSE Italia Small Cap</b>			10%
<b>FTSE MIB</b>			13%
<b>Worst Performers</b>	<b>Price (Eu)</b>	<b>Market Cap (Eu mn)</b>	<b>Perf. 1M (%)</b>
ESPRINET	4.25	214	-14%
WIIT	14.28	400	-11%
CYBEROO	1.37	57	-8%
SERI INDUSTRIAL	2.06	111	-7%
STAR7	5.75	52	-5%
FILA	10.40	447	-4%
TESMEC	0.06	34	-3%
IGD	2.91	321	-2%
MEDIA FOR EUROPE	4.43	2,126	-2%
SYS-DAT	6.60	206	-1%
OMER	4.40	127	0%
NOTORIOUS PICTURES	0.72	16	0%
MISITANO & STRACUZZI	2.59	69	0%
REPLY	150.30	5,623	0%
FNM	0.40	174	1%
DHH	20.30	106	1%
PHARMANUTRA	51.90	502	1%
AVIO	19.24	507	2%
INDEL B	19.15	112	2%
ANIMA	6.28	2,042	2%

Source: FactSet

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

<b>Best Performers</b>	<b>Price (Eu)</b>	<b>Market Cap (Eu mn)</b>	<b>Perf. YTD (%)</b>
LOTTOMATICA	22.64	5,697	76%
FINCANTIERI	12.05	3,894	74%
DOVALUE	2.13	405	48%
AVIO	19.24	507	38%
CEMENTIR	14.34	2,282	36%
IEG	8.66	267	33%
TINEXTA	10.47	494	32%
IREN	2.50	3,252	30%
SESA	80.20	1,243	29%
ANTARES VISION	3.98	282	28%
SYS-DAT	6.60	206	27%
BANCA SISTEMA	1.59	128	25%
MAIRE	10.29	3,382	25%
TECHNOGYM	12.82	2,581	23%
SECO	2.22	295	23%
WEBUILD	3.46	3,544	22%
REVO INSURANCE	14.74	388	20%
CREDITO EMILIANO	12.72	4,342	17%
IGD	2.91	321	16%
REWAY GROUP	7.24	220	16%
<b>FTSE Italia Mid Cap</b>			13%
<b>FTSE Italia Small Cap</b>			9%
<b>FTSE MIB</b>			19%
<b>Worst Performers</b>	<b>Price (Eu)</b>	<b>Market Cap (Eu mn)</b>	<b>Perf. YTD (%)</b>
CYBEROO	1.37	57	-36%
GEOX	0.38	99	-30%
MISITANO & STRACUZZI	2.59	69	-28%
WIIT	14.28	400	-26%
ABITARE IN	3.26	87	-23%
SERI INDUSTRIAL	2.06	111	-22%
ELICA	1.32	83	-21%
TESMEC	0.06	34	-18%
INDEL B	19.15	112	-16%
THE ITALIAN SEA GROUP	6.24	331	-16%
PIAGGIO	1.85	661	-15%
CY4GATE	4.29	101	-13%
EL.EN.	10.21	818	-13%
DHH	20.30	106	-12%
FERRAGAMO	6.01	1,014	-11%
AQUAFIL	1.28	94	-10%
DATALOGIC	4.61	269	-10%
GPI	9.88	286	-10%
STAR7	5.75	52	-9%
FNM	0.40	174	-8%

Source: FactSet

## Earnings Momentum

### Small cap estimates reduced in the last month

Since the beginning of 2025, we have reduced our 2025/2026 EPS estimates by -5.7%/-5.1%; notably, estimate revisions in the last month have been positive for large caps (+1.4%/+2.0% on 2025/2026 EPS), mainly banks. Focusing on our mid/small cap coverage, in the last month we have changed our 2025/2026 EPS by -0.4%/+0.4%.

#### Italian Market – Intermonte changes to 2025 and 2026 estimates

EPS REVISION	Since 01/01/2025		Since 19/4/2025	
	% chg in EPS FY25	% chg in EPS FY26	% chg in EPS FY25	% chg in EPS FY26
<b>Total Market</b>	<b>-5.7%</b>	<b>-5.1%</b>	<b>1.2%</b>	<b>1.8%</b>
<b>Total Market - Ex Energy</b>	<b>-3.4%</b>	<b>-2.3%</b>	<b>1.4%</b>	<b>2.1%</b>
Domestic	-0.6%	-0.4%	2.2%	3.1%
Non domestic	-15.8%	-14.0%	-0.7%	-0.5%
Non domestic - Ex Energy	-16.1%	-14.1%	-0.7%	-0.3%
<b>FTSE MIB</b>	<b>-5.9%</b>	<b>-5.4%</b>	<b>1.4%</b>	<b>2.0%</b>
<b>Mid Caps (our coverage)</b>	<b>-3.8%</b>	<b>-2.7%</b>	<b>-0.4%</b>	<b>0.4%</b>
<b>Small Caps (our coverage)</b>	<b>-6.0%</b>	<b>-3.7%</b>	<b>-2.6%</b>	<b>-2.1%</b>
Intermonte Mid&Small Caps coverage	-3.6%	-2.3%	-0.4%	0.4%

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
<b>Upward Revision</b>			
TESMEC	-1	6	592.0%
SYS-DAT	7	9	36.5%
SOMECH	4	5	30.1%
IEG	24	29	18.2%
FINCANTIERI	99	114	15.6%
OMER	10	11	15.1%
ANIMA	225	251	11.6%
IGD	36	40	11.4%
GPI	16	18	9.9%
DATALOGIC	17	19	7.7%
<b>Downward Revision</b>			
ELICA	2	-3	-243.2%
CY4GATE	4	-3	-185.3%
ENAV	132	66	-50.0%
FERRAGAMO	18	10	-42.8%
MISITANO & STRACUZZI	10	6	-34.2%
ESPRINET	28	19	-31.9%
PIAGGIO	96	66	-30.5%
WIIT	25	18	-26.0%
THE ITALIAN SEA GROUP	58	44	-23.4%

Source: Intermonte SIM

## Valuation

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

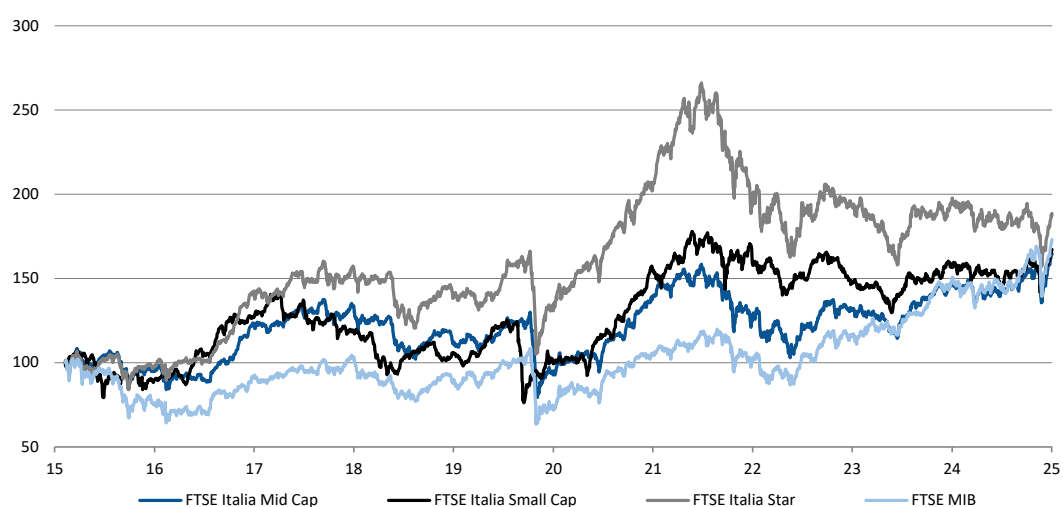
If we compare performance since the beginning of the year to the change in FY25 estimates over the same period, we see that FTSE MIB stocks have recorded a 24.8% re-rating (+12.4% one month ago); mid-caps have re-rated by 17.0%, while small caps have re-rated by 16.3%.

#### Italian Market – re/de-rating by index YtD

Index	% Change YTD	on FY25 estimates	
		Chg in estimates	Re/De-rating
FTSE MIB	18.9%	-5.9%	24.8%
FTSE Italia Mid Cap	13.3%	-3.7%	17.0%
FTSE Italia Small Cap	9.2%	-7.2%	16.3%

Source: Intermonte SIM and FactSet

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

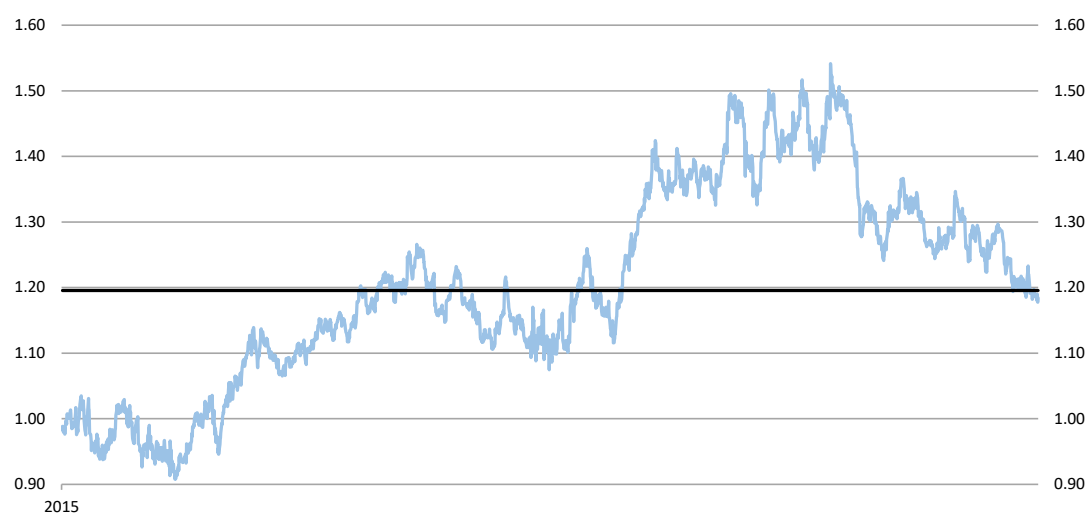


Source: FactSet

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 18% premium to large caps, slightly below the historical average premium (20%) and the level one month ago (21%).**

#### 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 Equivalen	Last 10Y Median	Premium / Disc. vs Avg
<b>FTSE MIB</b>	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	12.6 x		12.6 x	0.0%
<b>FTSE Italy Mid Cap</b>	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	14.5 x		17.4 x	-16.9%
<b>FTSE Italy Small Caps</b>	nm	nm	18.9 x	14.5 x	nm	51.5 x	20.2 x	14.9 x	14.0 x	12.3 x	12.5 x		14.7 x	-14.9%
<b>Germany DAX (TR)</b>	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	16.3 x	29.7%	14.6 x	11.7%
<b>Germany MDAX</b>	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	16.1 x	10.9%	21.1 x	-23.9%
<b>France CAC 40</b>	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	16.6 x	32.4%	16.0 x	3.9%
<b>France CAC Mid 60</b>	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	12.8 x	-11.4%	15.9 x	
<b>France CAC Small</b>	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	91.5 x	631.9%	31.8 x	187.6%
<b>FTSE 100</b>	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	13.1 x	3.9%	13.0 x	0.4%
<b>FTSE 250</b>	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	13.0 x	-10.6%	14.4 x	-10.3%
<b>IBEX 35</b>	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	12.8 x	2.2%	12.9 x	-0.7%
<b>IBEX MEDIUM</b>	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	13.6 x	-5.9%	15.2 x	-10.2%

Source: Intermonte SIM and FactSet

**Intermonte Mid & Small Cap Coverage – de-rating/re-rating on 2025 estimates since 1<sup>st</sup> 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(+)
LOTTOMATICA	351.9	360.1	2%	76%	74%
AVIO	15.5	12.1	-22%	38%	61%
FINCANTIERI	98.9	114.3	16%	74%	58%
TINEXTA	58.3	47.5	-18%	32%	51%
ENAV	131.8	65.8	-50%	-1%	49%
DOVALUE	43.2	43.2	0%	48%	48%
CEMENTIR	203.6	200.6	-1%	36%	38%
SECO	10.4	9.0	-14%	23%	36%
SESA	104.9	101.2	-3%	29%	32%
FERRAGAMO	18.2	10.4	-43%	-11%	32%
ESPRINET	28.1	19.2	-32%	-2%	30%
IREN	300.5	311.8	4%	30%	27%
BANCA SISTEMA	29.0	29.0	0%	25%	25%
ANTARES VISION	11.0	11.3	3%	28%	25%
TECHNOGYM	109.1	110.7	1%	23%	21%
REVO INSURANCE	33.2	32.8	-1%	20%	21%
WEBUILD	330.8	338.5	2%	22%	19%
EMAK	18.4	15.4	-16%	3%	19%
MAIRE	228.9	244.0	7%	25%	18%
MARR	52.7	45.5	-14%	3%	17%
CREDITO EMILIANO	519.2	523.1	1%	17%	16%
UNIDATA	12.4	10.4	-16%	0%	16%
BANCA IFIS	170.0	160.3	-6%	10%	16%
PIAGGIO	95.5	66.4	-30%	-15%	15%
IEG	24.3	28.7	18%	33%	15%
MEDIA FOR EUROPE	329.8	309.9	-6%	8%	14%
FRANCHI UMBERTO MARMI	15.1	12.1	-20%	-7%	13%
REWAY GROUP	26.8	27.4	2%	16%	13%
RAI WAY	86.7	84.7	-2%	11%	13%
CAREL INDUSTRIES	64.8	62.9	-3%	9%	12%
WIIT	24.9	18.5	-26%	-14%	12%
BREMBO	282.4	231.4	-18%	-6%	12%
INTERCOS	76.6	65.4	-15%	-3%	12%
FILA	47.3	41.9	-11%	0%	12%
LU-VE	39.3	40.4	3%	13%	10%
OVS GROUP	90.5	85.3	-6%	3%	9%
BFF BANK	229.6	199.5	-13%	-4%	9%
ACEA	340.7	354.1	4%	12%	8%
THE ITALIAN SEA GROUP	58.0	44.4	-23%	-16%	8%
MONDADORI	76.8	75.2	-2%	5%	7%
MISITANO & STRACUZZI	9.5	6.3	-34%	-28%	7%
ERG	210.6	183.2	-13%	-8%	5%
IGD	35.7	39.7	11%	16%	5%
INTRED	7.9	7.7	-3%	0%	3%
TXT E-SOLUTIONS	28.0	27.9	0%	1%	1%
PHARMANUTRA	21.3	20.0	-6%	-5%	1%
DE' LONGHI	344.8	339.4	-2%	-1%	0%
NOTORIOUS PICTURES	2.5	2.5	0%	-2%	(2%)
EL.EN.	57.2	52.6	-8%	-13%	(4%)
FINE FOODS	12.7	13.7	8%	2%	(5%)
AQUAFIL	9.5	9.0	-5%	-10%	(6%)
REPLY	232.2	244.3	5%	-2%	(7%)
SYS-DAT	6.9	9.4	36%	27%	(9%)
STAR7	8.3	8.6	3%	-9%	(12%)
DHH	4.5	4.5	1%	-12%	(12%)
OMER	9.8	11.2	15%	2%	(13%)
INDEL B	18.7	18.7	0%	-16%	(16%)
ANIMA	225.3	251.5	12%	-5%	(17%)
DATALOGIC	17.5	18.8	8%	-10%	(18%)
SOMECH	4.2	5.5	30%	12%	(19%)
GPI	16.0	17.6	10%	-10%	(20%)

Source: Intermonte SIM



## Liquidity

### Liquidity up in the last month but not for small caps

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 16.9% higher than in the corresponding period one year ago and is up 38.5% YTD. The picture is also improving for mid-caps, but is weaker for small caps: specifically, since 1/1/25, liquidity is up 16.5% YoY for mid-caps while down 2.0% 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 18/05	3M to 18/05	YTD to 18/05	1M to 18/05	3M to 18/05	YTD to 18/05	1M to 18/05	3M to 18/05	YTD to 18/05
<b>FTSE MIB</b>									
All stocks	77.85	94.72	85.85	66.57	65.69	61.98	16.9%	44.2%	38.5%
Top 20% by market cap	205.24	271.52	239.89	189.46	181.03	170.85	8.3%	50.0%	40.4%
<b>FTSE Italia Mid Cap</b>									
All stocks	2.86	3.06	2.74	2.69	2.68	2.35	6.4%	14.2%	16.5%
Top 20% by market cap	7.59	7.38	6.30	4.23	5.32	4.53	79.3%	38.6%	39.1%
<b>FTSE Italia Small Cap</b>									
All stocks	0.33	0.35	0.33	0.34	0.36	0.34	(4.1%)	(3.6%)	(2.0%)
Top 20% by market cap	0.97	1.12	1.01	0.88	1.03	0.94	9.8%	8.6%	7.8%

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)
FINCANTIERI	3,894	11,910,330
ANIMA	2,042	9,647,398
ERG	2,724	8,695,853
LOTTOMATICA	5,697	7,888,292
MAIRE	3,382	6,899,037
REPLY	5,623	6,193,746
BREMBO	2,848	5,621,689
WEBUILD	3,544	5,283,769
FERRAGAMO	1,014	4,044,892
DE' LONGHI	4,506	3,694,733
BFF BANK	1,658	3,617,901
IREN	3,252	3,601,235
BANCA IFIS	1,257	3,544,246
ENAV	2,184	3,139,442
DOVALUE	405	2,951,628
OVS GROUP	897	2,828,567
TECHNOGYM	2,581	2,660,098
AVIO	507	2,404,749
PIAGGIO	661	2,363,049
SESA	1,243	2,265,491
ACEA	4,438	2,247,355
TINEXTA	494	1,823,708
EL. EN.	818	1,819,425
RAI WAY	1,656	1,612,769
TIP	1,517	1,522,032
CAREL INDUSTRIES	2,284	1,319,953
INTERCOS	1,301	1,247,877
MEDIA FOR EUROPE	2,126	1,196,933
MARR	691	1,180,043

Source: FactSet

## Criteria for investing in mid/small caps

### Italian Mid & Small Cap Coverage - geographical breakdown of sales (FY24)

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	46%	28%	12%	2%	7%	6%

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 – 2025 dividend yield

Stock	Price (Eu)	Mkt Cap (Eu mn)	EPS 25	DPS 25	Yield 25 %	PayOut 25 %	Net Debt/EBITDA 25
GEOX	0.4	99	0.138	0.069	18.1%	50%	2.6
DOVALUE	2.1	405	0.540	0.250	11.7%	46%	2.2
BFF BANK	8.8	1658	1.068	0.991	11.3%	93%	
BANCA IFIS	23.4	1257	2.978	2.098	9.0%	70%	
PIAGGIO	1.8	661	0.187	0.150	8.1%	80%	1.7
ANIMA	6.3	2042	0.773	0.450	7.2%	58%	
GPI	9.9	286	0.586	0.700	7.1%	119%	2.9
ENAV	4.0	2184	0.122	0.280	6.9%	230%	0.7
MONDADORI	2.2	580	0.288	0.154	6.9%	53%	0.9
ABITARE IN	3.3	87	0.720	0.212	6.5%	29%	2.1
ESPRINET	4.3	214	0.383	0.274	6.5%	72%	0.4
CREDITO EMILIANO	12.7	4342	1.533	0.800	6.3%	52%	
NOTORIOUS PICTURES	0.7	16	0.112	0.045	6.2%	40%	2.3
MARR	10.4	691	0.684	0.639	6.2%	93%	1.6
MEDIA FOR EUROPE	4.4	2126	0.545	0.270	6.1%	50%	0.6
FNM	0.4	174	0.112	0.023	5.8%	20%	3.4
BANCA SISTEMA	1.6	128	0.361	0.090	5.7%	25%	
IREN	2.5	3252	0.240	0.139	5.5%	58%	3.1
ERG	18.1	2724	1.219	1.000	5.5%	82%	3.7
INDEL B	19.2	112	3.208	1.000	5.2%	31%	(0.3)
IGD	2.9	321	0.360	0.150	5.2%	42%	7.9
THE ITALIAN SEA GROUP	6.2	331	0.838	0.320	5.1%	38%	(0.0)
RAI WAY	6.1	1656	0.311	0.311	5.1%	100%	0.9
ACEA	20.8	4438	1.663	0.988	4.7%	59%	3.3
MISITANO & STRACUZZI	2.6	69	0.208	0.113	4.4%	54%	2.4
MAIRE	10.3	3382	0.743	0.432	4.2%	58%	(0.6)
EMAK	0.9	149	0.094	0.038	4.1%	40%	2.8
BREMBO	8.5	2848	0.723	0.264	3.1%	37%	1.2
DE' LONGHI	29.8	4506	2.246	0.918	3.1%	41%	(1.4)
FRANCHI UMBERTO MARMI	5.0	164	0.368	0.147	2.9%	40%	1.0

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
ANTARES VISION	4.0	282	89.9	24.8	262%
ABITARE IN	3.3	87	14.5	4.5	219%
FINCANTIERI	12.1	3894	68.3	34.1	101%
EMAK	0.9	149	16.7	9.7	73%
TXT E-SOLUTIONS	35.5	462	24.0	16.1	49%
NOTORIOUS PICTURES	0.7	16	9.4	6.5	45%
REVO INSURANCE	14.7	388	17.1	11.8	45%
BFF BANK	8.8	1658	11.8	8.2	43%
LOTTOMATICA	22.6	5697	22.9	16.1	43%
CYBEROO	1.4	57	14.3	10.1	41%
SYS-DAT	6.6	206	30.6	22.1	39%
FINE FOODS	7.7	169	19.2	14.3	34%
WEBUILD	3.5	3544	14.0	10.4	34%
THE ITALIAN SEA GROUP	6.2	331	9.8	7.4	31%
REWAY GROUP	7.2	220	12.9	10.2	26%
WIIT	16.6	400	31.6	25.3	25%
TECHNOGYM	12.8	2581	28.7	23.3	23%
MAIRE	10.3	3382	17.0	13.9	23%
DOVALUE	2.1	405	4.8	3.9	22%
DHH	20.3	106	27.1	22.4	21%
PHARMANUTRA	51.9	502	30.3	25.1	21%
AVIO	19.2	507	51.6	43.2	20%
UNIDATA	3.0	92	10.4	8.8	18%
IREN	2.5	3252	12.1	10.4	16%
REPLY	150.3	5623	26.6	23.0	16%
INTERCOS	13.5	1301	22.9	19.9	15%
GPI	9.9	286	19.4	16.9	15%
BANCA SISTEMA	1.6	128	5.1	4.4	15%
SOMECE	12.6	87	18.1	15.9	14%
MEDIA FOR EUROPE	4.4	2126	9.2	8.1	13%
SERI INDUSTRIAL	2.1	111	nm	nm	12%
CAREL INDUSTRIES	20.3	2284	40.5	36.3	12%
IGD	2.9	321	9.0	8.1	11%
INTRED	10.2	162	23.5	21.2	11%
INDEL B	19.2	112	6.6	6.0	10%
OVS GROUP	3.5	897	11.1	10.1	10%
EL.EN.	10.2	818	17.0	15.6	9%
MONDADORI	2.2	580	8.4	7.7	9%
DE' LONGHI	29.8	4506	14.5	13.3	9%

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	13.5	12.5	6.3	7.1	4.6%	4.7%	4.2%	-2.4%	3.2x	3.3x
ANIMA	7.3	8.1			7.2%	7.2%				
BANCA IFIS	8.1	7.8			9.1%	9.0%				
BFF BANK	11.8	8.2			0.0%	11.3%				
BREMBO	10.4	11.8	5.6	5.5	3.5%	3.1%	-0.5%	1.0%	0.5x	1.2x
CAREL INDUSTRIES	40.5	36.3	21.8	20.0	0.8%	0.7%	2.2%	2.0%	0.5x	0.2x
CEMENTIR	6.7	8.3			5.9%	6.3%				
CREDITO EMILIANO	14.5	13.3	6.9	6.2	2.8%	3.1%	9.2%	6.4%	-1.2x	-1.4x
DE' LONGHI	17.0	15.6	8.0	7.1	2.2%	2.3%	8.6%	6.1%	-1.2x	-1.9x
EL.EN.	17.4	33.2	7.4	10.3	6.7%	6.9%	8.6%	11.3%	0.8x	0.7x
ENAV	15.5	14.9	10.7	8.7	5.5%	5.5%	-10.9%	1.7%	3.8x	3.7x
ERG	11.1	11.4	3.2	4.5	2.0%	2.0%	9.5%	8.7%	-0.7x	-1.0x
FERRAGAMO	65.3	97.5	6.1	3.7	0.0%	0.5%	-7.4%	1.9%	2.3x	2.3x
FINCANTIERI	68.3	34.1	6.4	8.5	0.0%	0.0%	7.2%	-10.0%	2.5x	3.1x
INTERCOS	22.9	19.9	10.6	9.0	1.4%	1.2%	1.4%	1.9%	0.7x	0.6x
IREN	12.1	10.4	5.3	5.7	5.1%	5.5%	1.7%	0.7%	3.2x	3.1x
LOTTOMATICA	22.9	16.1	6.8	8.8	1.3%	1.9%	2.2%	4.1%	3.0x	2.1x
LU-VE	17.5	17.3	7.8	8.9	1.3%	1.4%	7.1%	3.6%	1.2x	0.9x
MAIRE	17.0	13.9	5.3	6.8	3.5%	4.2%	5.4%	4.6%	-0.6x	-0.6x
MARR	16.2	15.2	7.7	7.0	5.8%	6.2%	5.0%	0.1%	1.4x	1.6x
MEDIA FOR EUROPE	9.2	8.1	3.2	3.3	6.1%	6.1%	15.7%	13.8%	0.9x	0.6x
MONDADORI	8.4	7.7	4.9	4.5	6.3%	6.9%	12.3%	11.8%	1.1x	0.9x
OVS GROUP	11.1	10.1	4.3	4.6	2.4%	2.7%	6.4%	7.6%	0.8x	0.4x
PHARMANUTRA	30.3	25.1	16.7	14.8	1.9%	2.0%	3.4%	4.0%	-0.2x	-0.5x
PIAGGIO	9.7	9.9	5.2	3.9	8.4%	8.1%	-5.1%	13.8%	1.9x	1.7x
RAI WAY	18.1	19.6	8.2	9.8	5.5%	5.1%	7.1%	6.9%	0.7x	0.9x
REPLY	26.6	23.0	11.4	11.5	0.8%	0.8%	4.7%	4.6%	-0.9x	-1.3x
SESA	11.7	12.3	7.2	5.8	1.2%	1.1%	9.3%	7.5%	0.0x	0.1x
TECHNOGYM	28.7	23.3	9.7	11.4	1.7%	2.1%	4.3%	3.9%	-0.9x	-1.1x
THE ITALIAN SEA GROUP	9.8	7.4	6.9	4.4	5.9%	5.1%	-7.6%	9.9%	0.2x	0.0x
TIP	11.4	10.9			1.9%	2.2%				
TXT E-SOLUTIONS	24.0	16.1	10.9	9.8	0.7%	1.0%	1.6%	3.7%	2.8x	1.9x
WEBUILD	14.0	10.4	0.9	2.2	2.3%	2.3%	2.6%	-7.8%	-1.5x	-1.0x
WIIT	31.6	25.3	13.2	10.2	1.8%	2.0%	3.0%	5.6%	3.8x	3.1x

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	14.5	4.5	12.0	4.7	0.0%	6.5%	-53.4%	18.7%	5.2x	2.1x
ANTARES VISION	89.9	24.8	8.9	9.4	0.0%	0.0%	6.7%	1.9%	4.2x	2.4x
AQUAFIL	nm	12.5	5.5	3.7	0.0%	0.0%	1.9%	20.9%	3.7x	2.5x
AVIO	51.6	43.2	6.7	12.8	0.8%	1.1%	4.5%	-2.5%	-3.5x	-2.3x
BANCA SISTEMA	5.1	4.4			0.0%	5.7%				
CY4GATE	nm	nm	13.6	6.7	0.0%	0.0%	-0.1%	2.7%	2.7x	1.5x
CYBEROO	14.3	10.1	13.0	4.4	0.0%	0.0%	-6.1%	3.0%	0.0x	-0.2x
DATALOGIC	13.2	14.3	8.0	4.9	2.6%	2.9%	1.7%	7.8%	0.2x	-0.1x
DHH	27.1	22.4	9.1	7.8	0.0%	0.0%	2.8%	4.3%	0.3x	0.3x
DOVALUE	4.8	3.9	4.0	3.1	7.0%	11.7%	36.3%	46.1%	2.5x	2.2x
ELICA	69.2	nm	6.0	5.3	3.0%	0.0%	15.0%	10.8%	2.1x	2.0x
EMAK	16.7	9.7	6.1	5.1	2.7%	4.1%	2.5%	15.3%	3.4x	2.8x
ESPRINET	9.9	11.1	4.2	3.5	9.4%	6.5%	-1.3%	16.3%	0.5x	0.4x
FILA	13.0	12.7	3.0	3.8	7.7%	2.0%	25.7%	18.5%	1.7x	1.6x
FINE FOODS	19.2	14.3	7.6	6.6	1.8%	2.1%	5.7%	-6.0%	1.2x	1.5x
FNM	2.9	3.6	3.4	3.7	4.6%	5.8%	380.3%	-198.9%	3.2x	3.4x
FRANCHI UMBERTO MARMI	14.5	13.6	9.0	7.3	2.2%	2.9%	-1.5%	7.0%	1.3x	1.0x
GEOX	2.9	2.8	4.2	3.4	17.5%	18.1%	22.5%	58.7%	2.9x	2.6x
GPI	19.4	16.9	6.4	5.4	5.1%	7.1%	-5.5%	4.4%	3.1x	2.9x
IEG	8.2	9.3	3.2	4.9	2.3%	2.3%	7.8%	-1.1%	1.0x	1.2x
IGD	9.0	8.1	10.2	11.1	3.4%	5.2%	2.2%	12.8%	7.9x	7.9x
INDEL B	6.6	6.0	4.2	3.0	4.2%	5.2%	15.3%	13.7%	0.1x	-0.3x
INTRED	23.5	21.2	8.4	7.5	1.0%	1.2%	-6.2%	-0.2%	1.4x	1.3x
MISITANO & STRACUZZI	8.7	12.4	7.5	8.2	6.5%	4.4%	-20.6%	-12.5%	1.3x	2.4x
NOTORIOUS PICTURES	9.4	6.5	3.4	3.2	4.3%	6.2%	-16.5%	48.2%	2.2x	2.3x
OMER	11.3	11.2	5.2	5.5	1.6%	0.0%	1.7%	9.5%	-1.1x	-1.6x
REVO INSURANCE	17.1	11.8			1.5%	2.0%				
REWAY GROUP	12.9	10.2	6.9	7.0	0.0%	0.0%	0.2%	2.0%	1.6x	1.2x
SECO	nm	32.8	15.7	10.0	0.0%	0.0%	3.2%	0.3%	3.6x	1.4x
SERI INDUSTRIAL	nm	nm	nm	nm	0.0%	0.0%	-48.3%	-53.8%	55.7x	34.7x
SOMECE	18.1	15.9	6.2	4.1	0.0%	0.0%	31.3%	14.5%	2.0x	1.3x
STAR7	6.3	6.0	4.8	4.0	0.0%	0.0%	18.8%	14.4%	1.5x	1.4x
SYS-DAT	30.6	22.1	10.2	10.3	0.6%	0.6%	3.2%	4.6%	-2.8x	-1.2x
TESMECE	nm	5.4	4.9	4.0	0.0%	0.0%	-9.0%	7.7%	3.6x	3.3x
TINEXTA	11.3	10.4	11.0	7.8	2.9%	1.9%	3.0%	7.6%	3.2x	2.5x
UNIDATA	10.4	8.8	5.6	4.3	0.3%	0.4%	12.5%	9.2%	1.6x	1.3x

Source: Intermonte SIM

**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](http://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 certify 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 Avenue, 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 FTSEMIB40 Index, most of those on the MIDEX 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

**© 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 <https://www.intermonte.it/it/avvertenze-legali/mifid-ii.html>

Further information is available.