

Intermonte Partners

Recovery Signs in Early 2024, after FY23 Weighed by Tough Markets

In FY23, Intermonte Partners' results suffered from the difficult market environment, showing a 13.6% yoy decline in revenues, leading to a net profit of EUR 2.5M, well-below the EUR 6.5M level recorded in FY22, also weighed down by some one-off costs (adj. net profit EUR 3.7M vs. EUR 6.9M in FY22). We continue to highlight the high dividend yield (10.4% for the 2023 proposed dividend at the current share price), with the generous distribution to shareholders relying on a strong capital position, as a key support for the equity story.

2H23 revenue recovery, after a tough 1H23

In a tough market environment company managed to show a +8.2% yoy revenue recovery in 2H23, partially offsetting the decline recorded in 1H23A (-30.4% yoy). The yoy revenue recovery of 2H was mainly driven by the strong performance of the Investment Banking division (+59% yoy in 2H), and partial recovery in market related businesses.

Attractive dividend yield supported by solid capital base

Despite a decline in FY23 net profit (EUR 2.5M vs. EUR 6.5M in FY22), Intermonte Partners, leveraging on a strong capital position (IFR ratio at 634%), proposed an unchanged 2023 dividend of EUR 0.26/share (pay-out ratio above 100%), in line with our estimate and offering a yield of around 10.4% at the current share price.

Investment Banking and DD&A as growth drivers, market related activities stabilising

Following FY23 results and the company's outlook (in the results' press release the company stated that the first months of the year showed a generalised recovery in financial market activity), we reduce our 2024E-25E net profit estimates by an average 9.8%. Our new 2024E-25E estimates incorporate a yoy growth of approx. 87% and 24% respectively in adj. net profit, with the expectation of a net profit reaching EUR 10M in our explicit 2026E estimates. Our 2026E forecasts factor in more volatile sources of revenues (Sales & Trading and Global Markets) reducing their contribution to 48.1% in FY26E (from 58.8% in FY23A), with Investment Banking up to 36.5% (from 29.5%) and DD&A reaching 15.4% (from 11.7% in 2023A).

BUY, EUR 2.8 TP confirmed

We confirm our target price of EUR 2.8. Given an upside potential of approx. 11.5% from the current share price, we stick to our BUY rating. The generous distribution to shareholders, relying on a sound capital position, represents a key support for the equity story.

Intermonte Partners – Key data

Y/E Dec (EUR)	2022A	2023A	2024E	2025E	2026E
Adj EPS	0.22	0.12	0.22	0.27	0.31
EPS	0.21	0.08	0.22	0.27	0.31
DPS	0.26	0.26	0.26	0.27	0.30
TBV PS	1.6	1.4	1.4	1.4	1.4
PPS PS	0	0	0	0	0
Adj. ROTE (%)	13.1	7.6	15.3	19.4	22.3
Adj P/E (x)	12.0	22.0	11.7	9.4	8.1
P/TBV (x)	1.6	1.8	1.8	1.8	1.8
Div yield (%)	10.0	10.3	10.4	10.8	12.0

Source: Company data and Intesa Sanpaolo Research estimates. Priced at 08/04/2024

12 April 2024: 10:33 CET

Date and time of production

BUY

Target Price: EUR 2.8

Italy/Brokerage & Investment Banking

Company Results

EGM

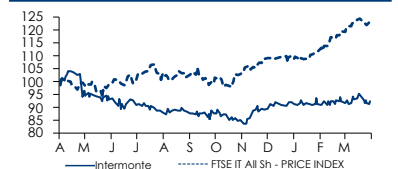
Intermonte Partners - Key Data

Price date (market close)	08/04/2024
Target price (€)	2.8
Target upside (%)	11.55
Market price (€)	2.51
Market cap (EUR M)	81.07
52Wk range (€)	2.87/2.30

EPS – DPS changes

(€)	2024E	2025E	2024	2025
	EPS ▼	EPS ▼	chg%	chg%
Curr.	0.215	0.267	-10.01	-9.63
Prev.	0.239	0.295	-	-
	DPS =	DPS ▼	chg%	chg%
Curr.	0.260	0.270	0	-3.57
Prev.	0.260	0.280	-	-

Price Perf. (RIC: INT.MI BB: INT IM)



Source: FactSet and Intesa Sanpaolo Research estimates

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FY23 Results

In 2H23, Intermonte Partners reported a net profit of EUR 1.4M vs. EUR 3.9M estimated. The proposed dividend (payable in May) was EUR 0.26/share, unchanged vs. 2022 and in line with our estimate, implying a yield of 10.4% at the current share price. Considering Intermonte Partners' FY23 individual net profit (EUR 5.3M), we highlight that for the dividend payment (EUR 8.3M) an amount of only EUR 3M reserves will be used.

Dividend in line with our estimate and granting a yield of 10.4%

The key points of results were:

- **FY23 total net revenues of EUR 32.5M** vs. EUR 32.9M estimated, **with EUR 17.8M in 2H**, slightly below our EUR 18.1M forecast, due to a lower-than-expected contribution from Global Markets (EUR 4.4M vs. EUR 5.0M estimated, while representing an improvement vs. the EUR 3.3M recorded in 1H23) and Digital & Advisory (EUR 2.1M vs. EUR 2.3M forecast);
- **FY23 operating costs of EUR 28.3M (EUR 15.5M in 2H23)**, higher than our EUR 25.3M estimate, with higher-than-expected Personnel cost (FY23 EUR 19.8M vs. EUR 18.5M in FY22 and our estimate of EUR 16.1M) more than offsetting lower yoy SG&A expenses (FY23 EUR 8.6M vs. FY22 8.9M and our estimate of EUR 9.2M);
- **Solid capital position, with IFR ratio > 6.3x** (vs. 5.5x at the end-June 2023 and >6.5x at end-2022).

Intermonte Partners - 2H/FY23 results

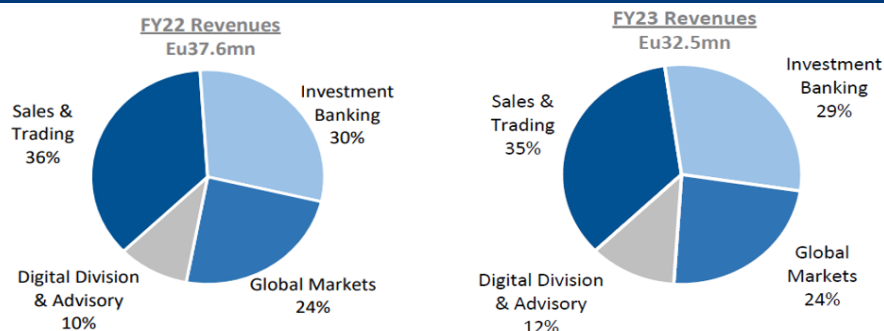
EUR M	2H22A	FY22A	1H23A	2H23A	2H23E	A/E (%)	2H yoy (%)	FY23A	FY23E	FY yoy (%)
Sales & Trading	5.7	13.6	6.0	5.4	5.0	7.0	-5.2	11.4	11.0	-16
Global Markets	5.0	9.1	3.3	4.4	5.0	-11.4	-12.5	7.7	8.3	-16
Investment Banking	3.7	11.2	3.7	5.9	5.8	0.6	59.2	9.6	9.6	-14
Digital & Advisory	2.0	3.7	1.7	2.1	2.3	-6.8	3.3	3.8	4.0	3
Total net revenues	16.4	37.6	14.8	17.8	18.1	-1.8	8.0	32.5	32.9	-14
Personnel expenses	8.6	18.5	8.6	11.2	7.5	48.6	30.1	19.8	16.1	7
G&A expenses	4.1	8.9	4.2	4.3	4.9	-12.6	4.2	8.6	9.2	-3
Total costs	12.7	27.3	12.8	15.5	12.4	24.3	21.7	28.3	25.3	4
Pre-tax profit	3.7	10.2	1.9	2.3	5.6	-59.6	-38.9	4.2	7.6	-59
Net profit	2.4	6.5	1.1	1.4	3.9	-63.9	-41.1	2.5	5.0	-62
Adj. Net Profit	NA	6.9	NA	NA				3.7	5.0	-47

NA: Not Available A: actual; E: estimates; Source: Company data and Intesa Sanpaolo Research

FY23 revenues recorded a -13.6% yoy decline to EUR 32.5M, mostly related to the tough market conditions, with limited changes in mix, represented by: 1) an increase in the contribution of Digital Division & Advisory (12% from 10%); 2) a slight decline for Sales & Trading (35% from 36% in FY22) and Investment Banking (29% from 30% in FY22); and: 3) a stable 24% contribution from Global Markets.

13.6% yoy decline in revenues

Intermonte Partners – Trend in revenues (EUR M) and revenue mix



Source: Company data

In particular:

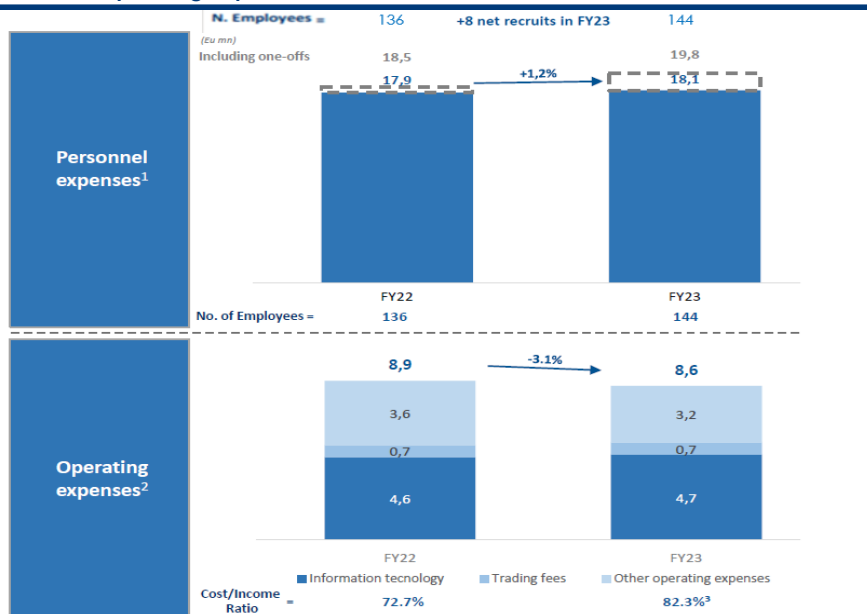
- **Sales & Trading**, despite being penalised in absolute terms (EUR 11.4M revenues, -16% yoy) by a weak environment, managed to outperform the reference markets (e.g. volumes on the EGM fell by -21.6% yoy) with a strong recovery in 2H23 (-6.2% yoy vs. -23.8% yoy in 1H23). The group's market share remained well-above 9% (source: Assosim);
- **Investment Banking** revenues declined by 14% yoy to EUR 9.6M (vs. EUR 11.2M in FY22), with a strong recovery in 2H23 thanks to M&A, despite still weak ECM in a challenging environment;
- **Global Markets** revenue declined by 15.7% yoy to EUR 7.7M (vs. EUR 9.1M revenues in FY22), characterised by lower client-driven activity, partially compensated by a stronger contribution from Directional Trading, while keeping a limited risk profile;
- **DD&A** recorded a good +3% yoy growth to EUR 3.8M revenues, confirming the attractiveness of the business, benefiting from the rebranding and reorganisation of the Division in 1H23 and an acceleration in Investment Solutions in the 2H23. A new service dedicated to listed small cap companies on the EGM segment was launched during 2023, with numbers of subscribers to the platform more than doubling.

In FY23, Intermonte cost/income ratio grew to 82.3% (87.2% including one-offs), up from 72.7% in 2022. The compensation to revenues ratio went above 50%, with: i) 8 net new hires in FY23; ii) a +12.6% yoy increase in fixed component driven by the rise in the number of employees, and the introduction of a company welfare plan for all group employees. Personnel costs have been also impacted by one-offs (EUR 1.6M), due to the application of European regulations (EU 2019/2034) and associated accounting principles IAS 19 and IFRS 2 for variable cash compensation awarded in previous years.

Adj. C/I ratio up to 82.3%

Operating expenses recorded a -3% yoy decline, thanks to cost efficiencies in other expenses, with stable trading fees and IT costs slightly rising to EUR 4.7M (from EUR 4.6M in FY22) due to ongoing investments to sustain market-related businesses as well as the Digital Division ramp-up.

Intermonte Partners - Operating expenses breakdown



Notes: 1) Personnel expenses include the compensation of Executive Directors but exclude the compensation of Non-Executive Directors and the Board of Statutory Auditors; 2) Other operating expenses include compensation of Non-Executive Directors and the Board of Statutory Auditors, depreciation, amortisation, and net impairments of tangible and intangible assets, and other operating income and expenses Source: Company data

Earnings Outlook

As regards the outlook, in the press release the company stated that the first two months of the year showed a generalised recovery in financial market activity, with the Markets Area (Sales & Trading and Global Markets divisional units) showing double-digit growth, also compared to the high levels of 2022 (even stronger vs. 2023 more depressed level), largely in client-driven revenues. Strong Investment Banking pipeline and an acceleration in growth in Digital & Advisory (thanks to relevant investments made in personnel and technology last year) led management to expect an improvement in results vs. 2023. ECM should benefit from a gradual normalisation of the market environment.

A proposal for the renewal of authorisation for the buyback of treasury shares for a further 18 months will be presented at the next EGM. As of 31 March 2024 the company held 323,079 treasury shares, corresponding to 1.0% of the share capital.

Generalised recovery in the first months of 2024

Proposal for renewing buyback authorisation

Estimates' revision

Following the release of FY23 results and the company's outlook for the current year, we revised our FY24E and FY25E, with the expectation of a net profit reaching EUR 10M in our 2026E explicit estimates. Our forecasts (shown in detail in the table on the following page and including 2026E projections, the latter pointing to a yoy growth of +17% in net profit) incorporate a double-digit 2023A-26E CAGR for IB and DD&A revenues (+21.3% and +23.9%, respectively). As a result, the more volatile sources of revenues (Sales & Trading and Global Markets) should reduce their weighting to 48.1% in FY26E (from 58.8% in FY23A), with Investment Banking up to 36.5% (from 29.5% in FY23A) and DD&A reaching 15.4% (from 11.7% in 2023A).

Intermonte Partners – New vs. old estimates

%	2024E ch.	2025E ch.
Total net revenues	-3.2	-5.5
Total operating costs	-1.3	-5.1
Pre-tax profit	-7.9	-6.3
Net profit after minorities	-10.1	-9.4

E: estimates; Source: Intesa Sanpaolo Research

Intermonte Partners – New vs. old detailed estimates

EUR M	FY23A	2024E new	2025E new	2026E new	2024E old	2025E old
Sales & Trading	11.4	11.6	11.9	12.2	11.6	11.9
Global Markets	7.7	8.8	9.9	10.3	10.0	11.0
Investment Banking	9.6	13.4	14.9	17.1	14.0	16.2
Digital divisions & Advisory	3.8	5.4	6.3	7.2	5.0	6.5
Total net revenues	32.5	39.3	43.0	46.9	40.5	45.6
Personnel costs	19.8	19.6	20.9	22.5	19.2	21.7
Administrative expenses	8.5	8.9	9.0	9.1	9.6	9.8
Total operating costs	28.3	28.5	29.8	31.6	28.9	31.5
Profit before taxes	4.2	10.7	13.2	15.3	11.7	14.1
Net profit after minorities	2.5	6.9	8.6	10.0	7.7	9.5
Adj. Net Profit	3.7	6.9	8.6	10.0	7.7	9.5

E: estimates; Source: Intesa Sanpaolo Research

We expect a dividend at EUR 0.26/share in 2024E (in line with 2021-23 and implying a 10.4% yield at the current share price), up to EUR 0.27/sh in 2025E and EUR 0.30/sh in 2026E.

Dividend estimates

Valuation

We continue to believe that a Dividend Discount Model (DDM) and a peers' comparison, based on the multiples of Equita (which we consider the closest comparable) are appropriate methods to value Intermonte Partners. We attribute an equal 50% weighting to both the direct method and the multiples valuation. We confirm our **target price of EUR 2.8/share**, implying an upside potential of approx. 11.5%. Hence, **we confirm our BUY rating**.

DDM

Our three-stage DDM factors in:

- Our explicit 2024E-26E estimates of adjusted net profit, dividend payout and book value;
- A seven-year transitional period in 2027-33E, with an average RoTE at around 21.7% and a payout based on the average of the short-term one and the terminal one;
- A terminal value based on a 100% terminal payout;
- A 10.5% cost of equity (4% risk-free rate, 6.5% equity risk premium and 1x beta).

We also added the 2023 proposed dividend. Our DDM fair value is basically unchanged vs. our last report, as the inclusion of our 2026E detailed estimates basically offsets the negative impact coming from our 2024E-25E estimates' downwards revision.

Fair value of EUR 2.87/sh.

Intermonte Partners - DDM

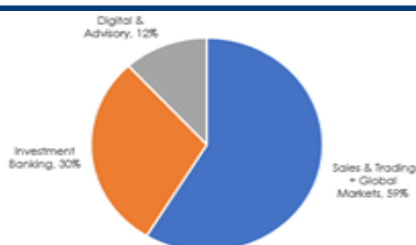
%		Weighting	
	Adj. RoTE 2023	7.7	
	Dividend payout on adj. net profit 2023	225.5	
	Short-term (2023A-26E) EPS CAGR	39.2	
	RoTE at end of short-term period (2026E)	22.1	
	Medium-term (2027E-33E) pay-out	98.0	
	Medium-term (2026E-33E) EPS CAGR	0.4	
	RoTE at end of medium-term period (2032E)	21.7	
	Short-term fair value (EUR M)	16.5	19.5
	Medium-term fair value (EUR M)	33.5	39.8
	Terminal value (EUR M)	34.3	40.7
	DDM fair value (EUR M)	84.3	100.0
	Total DDM fair value (EUR)	2.61	
	2023 proposed dividend	0.26	
	DDM total fair value	2.87	

Source: Intesa Sanpaolo Research estimates

Multiples analysis

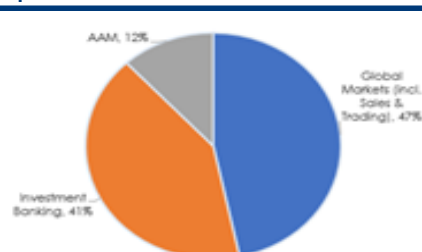
The closest comparable to Intermonte is Equita Group, in our view, as it: 1) is based in Italy and listed on the Italian market; 2) has a very similar business mix (despite differences in business segments' contribution, as shown in the below-attached chart); and 3) is mainly active with Italian clients.

Intermonte Partners – FY23 revenue mix



Source: Company data

Equita Group – FY23 revenue mix



Source: Company data

Based on the average of the results obtained through Equita's 2024E P/E (10.6x), P/TBV (2.4x) and dividend yield (9.3%), we obtain a multiple analysis' fair value of EUR 2.8/sh.

**Peers comparison fair value
EUR 2.8**

Valuation and Key Risks

Valuation basis

We value Intermonte Partners through the average of a three-stage Dividend Discount Model (DDM) and a peer comparison, based on the multiples of Equita (which we consider the closest comparable). Our DDM has our 2024E-26E explicit estimates as a starting point, followed by a 7-year transitional period with adj. net profit and tangible net equity gradually developing consistently with our terminal payout assumption of 100%. Our DDM valuation model incorporates a 10.5% cost of equity (4% RFR, 6.5% ERP) and also takes into account the proposed 2023 dividend (EUR 0.26/sh.).

Key Risks

Company specific risks:

- Mainly focused on the Italian market
- Its end-markets are volatile in nature
- Limited stock liquidity

Sector generic risks:

- Geopolitical and financial risks
- Technology risks
- Regulatory risks

Company Snapshot

Company Description

Intermonte is an independent investment bank, with a leading position (reflecting its 29 years of history) in financial services and brokerage dedicated to institutional investors and SMEs. Intermonte, which can count on 144 employees, is active in four business areas: Sales & Trading, Global Markets, Investment Banking, Digital & Advisory. The company also has a strong and highly-qualified Research team.

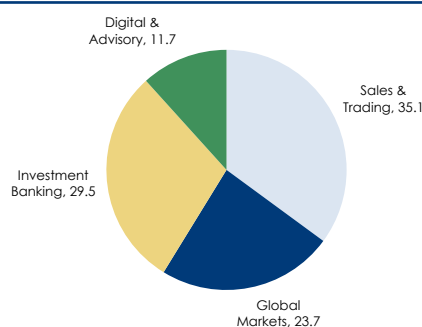
Key data

Mkt price (€)	2.51	Free float (%)	38.9
No. of shares	32.30	Major shr	Sh.s' Pact
52Wk range (€)	2.87/2.30	(%)	21.3
Reuters	INT.MI	Bloomberg	INT IM
Performance (%)	Absolute		Rel. FTSE IT All Sh
-1M	-1.2	-1M	-3.9
-3M	-0.8	-3M	-11.3
-12M	-8.7	-12M	-26.5

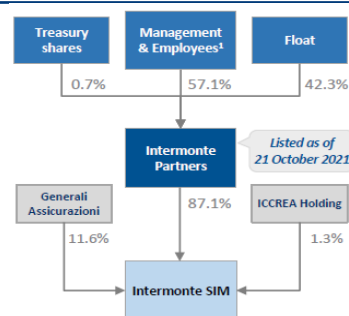
Estimates vs. consensus

EUR M (Y/E Dec)	2023A	2024E	2024C	2025E	2025C	2026E	2026C
Total income	32.50	39.26	NM	43.03	NM	46.87	NM
Operating costs	28.33	28.52	NM	29.84	NM	31.55	NM
Gross op. inc.	4.17	10.74	NM	13.19	NM	15.32	NM
LLP	0.00	0.00	NM	0.00	NM	0.00	NM
Net income	2.49	6.91	NM	8.56	NM	9.97	NM
Adj. EPS (€)	0.12	0.22	NM	0.27	NM	0.31	NM

Revenues breakdown by division (FY23, %)



Intermonte group structure and shareholding basis (2023)



Source: Company data, Intesa Sanpaolo Research estimates and FactSet consensus data (priced at market close of 08/04/2024)

Intermonte Partners – Key Data

Rating BUY	Target price (€/sh) Ord 2.8		Mkt price (€/sh) Ord 2.51		Sector Brokerage & Investment	
	2021A	2022A	2023A	2024E	2025E	2026E
Values per share (EUR)						
No. of outstanding shares (M)	36.20	36.20	32.30	32.30	32.30	32.30
Adj. EPS	0.281	0.217	0.115	0.215	0.267	0.311
TBV PS	1.7	1.6	1.4	1.4	1.4	1.4
PPP PS	0	0	0	0	0	0
Dividend ord	0.26	0.26	0.26	0.26	0.27	0.30
Income statement (EUR M)						
Net interest income	0.00	0.00	0.00	0.00	0.00	0.00
Net commission/fee income	43.82	37.55	32.50	39.26	43.03	46.87
Net trading income	0.00	0.00	0.00	0.00	0.00	0.00
Total income	43.82	37.55	32.50	39.26	43.03	46.87
Total operating expenses	31.99	27.35	28.33	28.52	29.84	31.55
Gross operating income	11.83	10.20	4.17	10.74	13.19	15.32
Provisions for loan losses	0.00	0.00	0.00	0.00	0.00	0.00
Pre-tax income	11.83	10.20	4.17	10.74	13.19	15.32
Net income	7.24	6.53	2.49	6.91	8.56	9.97
Shareholders' earnings	0.00	0.00	0.00	0.00	0.00	0.00
Adj. shareholders' earnings	9.03	6.90	3.70	6.91	8.56	9.97
Composition of total income (%)						
Net interest income	0	0	0	0	0	0
Trading income	0	0	0	0	0	0
Commission income	100.0	100.0	100.0	100.0	100.0	100.0
Balance sheet (EUR M)						
Total assets	332.3	202.9	211.7	317.7	318.9	318.2
Customer loans	167.9	93.1	69.6	130.0	135.0	135.0
Total customer deposits	148.2	56.0	121.4	102.7	107.1	96.8
Shareholders' equity	53.8	51.7	46.1	44.4	44.3	45.4
Tangible equity	53.7	51.6	45.9	44.2	44.2	45.2
Risk weighted assets	119.3	121.7	105.3	107.9	110.6	113.4
Stock market ratios (X)						
Adj. P/E	10.5	12.0	22.0	11.7	9.4	8.1
P/TBV	1.76	1.61	1.77	1.82	1.82	1.78
P/PPP	NA	NA	NA	NA	NA	NA
Dividend yield (% ord)	8.8	10.0	10.3	10.4	10.8	12.0
Profitability & financial ratios (%)						
ROE	11.70	12.38	5.10	15.28	19.29	22.24
Adj. ROTE	14.61	13.10	7.59	15.33	19.36	22.32
RoRWA	3.79	5.42	2.20	6.48	7.83	8.91
Leverage	0	0	0	0	0	0
Cost income ratio	73.0	72.8	87.2	72.6	69.3	67.3
Tax rate	26.13	25.48	28.85	26.50	26.50	26.45
Dividend payout	115.4	126.7	334.8	120.7	101.3	96.5
Other (%)						
CET1 ratio	39.90	38.72	43.24	41.55	40.44	39.76
CET1 ratio fully loaded	39.90	38.72	43.24	41.55	40.44	39.76
Net impaired loans ratio	0.00	0.00	0.00	0.00	0.00	0.00
Net impaired loans on TBV	0.00	0.00	0.00	0.00	0.00	0.00
Growth (%)						
Total income	7.6	-14.3	-13.4	20.8	9.6	8.9
Gross operating income	-3.2	-13.8	-59.1	NM	22.8	16.2
Net income	-6.6	-9.8	-61.9	NM	23.8	16.6
Adj. net income	-0.1	-23.6	-46.4	86.8	23.8	16.6
BS growth (%)						
Customers' loans	58.7	-44.6	-25.3	86.9	3.8	0
Customers' deposits	73.6	-62.2	NM	-15.4	4.2	-9.6
Shareholders' funds	-23.1	-3.9	-10.9	-3.7	-0.1	2.3
Structure (no. of)						
Employees	135	136	144	146	148	150

NM: not meaningful; NA: not available; Neg.: negative; A: actual; E: estimates; Source: Company data and Intesa Sanpaolo Research

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Our Mid Corporate Definition

Italy is characterised by a large number of non-listed and listed micro, small and medium-sized companies. Looking at the revenues of these Italian companies, around 5,000 companies eligible for listing have revenues below EUR 1,500M based on Intesa Sanpaolo elaborations. We define these companies as 'Mid Corporate'. Looking more specifically at Italian listed companies, we include in our Mid Corporate segment all STAR companies and those with a market capitalisation of around EUR 1Bn.

Equity Research Publications in Last 12M

The list of all recommendations on any financial instrument or issuer produced by Intesa Sanpaolo Research Department and distributed during the preceding 12-month period is available on the Intesa Sanpaolo website at the following address:

<https://group.intesasanpaolo.com/en/research/RegulatoryDisclosures/archive-of-intesa-sanpaolo-group-s-conflicts-of-interest0>

Valuation methodology (long-term horizon: 12M)

The Intesa Sanpaolo SpA Equity Research Department values the companies for which it assigns recommendations as follows:

We obtain a fair value using a number of valuation methodologies including: discounted cash flow method (DCF), dividend discount model (DDM), embedded value methodology, return on allocated capital, break-up value, asset-based valuation method, sum-of-the-parts, and multiples-based models (for example PE, P/BV, PCF, EV/Sales, EV/EBITDA, EV/EBIT, etc.). The financial analysts use the above valuation methods alternatively and/or jointly at their discretion. The assigned target price may differ from the fair value, as it also takes into account overall market/sector conditions, corporate/market events, and corporate specifics (ie, holding discounts) reasonably considered to be possible drivers of the company's share price performance. These factors may also be assessed using the methodologies indicated above.

Equity rating key: (long-term horizon: 12M)

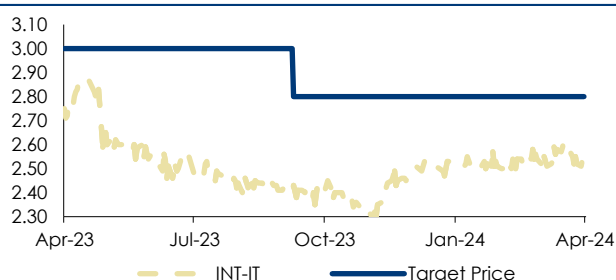
In its recommendations, Intesa Sanpaolo SpA uses an "absolute" rating system, whose key is reported below:

Equity Rating Key (long-term horizon: 12M)

Long-term rating	Definition
BUY	If the target price is 10% higher than the market price.
HOLD	If the target price is in a range 10% below or 10% above the market price.
SELL	If the target price is 10% lower than the market price.
RATING SUSPENDED	The investment rating and target price for this stock have been suspended as there is not a sufficient fundamental basis to determine an investment rating or target price. The previous investment rating and target price, if any, are no longer in effect for this stock.
NO RATING	The company is or may be covered by the Research Department but no rating or target price is assigned either voluntarily or to comply with applicable regulations and/or firm policies in certain circumstances.
TENDER SHARES	We advise investors to tender the shares to the offer.
TARGET PRICE	The market price that the analyst believes the share may reach within a 12M time horizon.
MARKET PRICE	Closing price on the day before the issue date of the report, as indicated on the first page, except where otherwise indicated.
Note	Intesa Sanpaolo assigns ratings to stocks on a 12M horizon based on a number of fundamental drivers including, among others, updates to earnings and/or valuation models; short-term price movements alone do not imply a reassessment of the rating by the analyst.

Historical recommendations and target price trends (long-term horizon: 12M)

The 12M rating and target price history chart(s) for the companies currently under our coverage can also be found at Intesa Sanpaolo's website/Research/Regulatory disclosures: <https://group.intesasanpaolo.com/en/research/RegulatoryDisclosures/tp-and-rating-history-12-months->. Intesa Sanpaolo changed its long-term 12M horizon rating key on 3 April 2023; please refer to the ISP Equity Rating Reconciliation Table for further details at the following link: <https://group.intesasanpaolo.com/it/research/equity-credit-research>.

Intermonte Partners:**Target price and market price trend (-1Y)****Historical recommendations and target price trend (-1Y)**

Date	Rating	TP (EUR)	Mkt Price (EUR)
19-Sep-23	BUY	2.8	2.4

Equity rating allocations (long-term horizon: 12M)**Intesa Sanpaolo Research Rating Distribution (at April 2024)**

Number of companies considered: 150	BUY	HOLD	SELL
Total Equity Research Coverage relating to last rating (%)*	71	29	1
of which Intesa Sanpaolo's Clients (%)**	68	42	0

* Last rating refers to rating as at end of the previous quarter; ** Companies on behalf of whom Intesa Sanpaolo and the other companies of the Intesa Sanpaolo Group have provided corporate and investment banking services in the last 12 months; percentage of clients in each rating category

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