

# Italian Mid/Small Caps Monthly

## 2Q25 Results Should Provide Mixed Indications

by Intermonte Research Team

### Italian Equity Market

- **Performance (+).** The Italian equity market (prices as at 15 July 2025) has posted a positive 1.3% performance in the last month and is up 16.6% YtD. The FTSE Italy Mid-Cap index (+2.4%) has performed 1.0% above the main index in the last month (-1.5% YtD on a relative basis), with the FTSE Italy Small Caps index (+4.1%) performing 2.7% better than the market but -4.1% on a relative basis YtD. Looking at mid/small cap performances across Europe, the MSCI Europe Small Caps index has grown 1.8% in the last month, performing worse than Italian mid/small caps.
- **Estimates (=).** Since the beginning of 2025, we have reduced our 2025/2026 EPS estimates by -5.2%/-4.7%; notably, estimate revisions in the last month have been slightly positive for large caps (+0.6%/+0.6% on 2025/2026 EPS). Focusing on our mid/small cap coverage, in the last month we have left our 2025 EPS almost unchanged (-0.2%), while we have raised 2026 EPS by +0.4%. This is a consequence of the limited corporate newsflow in the last month and hence of the small number of new reports published.
- **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 22.1% re-rating (+22.9% one month ago); mid-caps have re-rated by 19.2%, while small caps have re-rated by 19.6%. On a P/E basis, our panel is trading at a 21% premium to large caps, broadly in line with the historical average premium (20%) and slightly above the level one month ago (18%).
- **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 12.2% higher than in the corresponding period one year ago and is up 34.1% YtD. The picture is also improving for mid-caps, but is weaker for small caps: specifically, since 1/1/25, liquidity is up 17.0% YoY for mid-caps but down 1.1% for small caps, although the latter have shown an improving trend in the last month.
- **Investment strategy.** Despite ongoing global trade uncertainties, rising inflation, a significantly weaker US dollar, and a geopolitical backdrop that shows no signs of improvement, US equity markets continue to reach new highs. Economists agree that if tariffs—including a 30% duty on European Union goods—come into effect on 1 August, the impact on consumers and businesses could be substantial. At present, consensus forecasts still assume a trade deal, but there is a clear risk to estimates and valuations. The 2Q25 earnings season is about to begin, and so far, the impact of tariffs should have been limited, except in a few specific sectors. The summer months remain traditionally unpredictable for equity markets, with poor visibility on consensus forecasts. We believe Italian mid-cap stocks remain attractive, but recommend a selective approach, focusing on quality companies with sector leadership, realistic growth prospects, or strong cash generation. Finally, the National Strategic Fund - expected to launch by year-end with an initial allocation of €700mn to €1bn (49% from the fund and 51% from private investors) - should act as a positive catalyst for the sector. Fund managers will have full discretion over investments, provided that at least 70% of the capital is allocated to listed companies outside the FTSE MIB, 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

### Mid/small caps outperformed large caps in a positive month

The Italian equity market (prices as at 15 July 2025) has posted a positive 1.3% performance in the last month and is up 16.6% YtD. The FTSE Italy Mid-Cap index (+2.4%) has performed 1.0% above the main index in the last month (-1.5% YtD on a relative basis), with the FTSE Italy Small Caps index (+4.1%) performing 2.7% better than the market but -4.1% on a relative basis YtD.

#### Italian Market Indexes – performance analysis (prices as at 15 July 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	54,953	2.4%	14.6%	16.0%	15.1%	13.2%	28.4%	45.4%	64.0%
FTSE Italia Small Cap	31,858	4.1%	13.4%	13.7%	12.5%	9.5%	19.7%	11.3%	69.0%
FTSE Italia Star	47,254	2.1%	12.9%	4.2%	4.2%	-1.8%	1.1%	2.0%	30.9%
FTSE Italia Growth Index	8,280	2.9%	9.2%	5.3%	4.7%	1.9%	-8.9%	-9.5%	20.7%
FTSE Italia All-Share	42,439	1.3%	11.6%	12.3%	16.6%	15.9%	38.2%	84.9%	92.3%
FTSE MIB	39,921	1.2%	11.4%	12.0%	16.8%	16.1%	39.3%	90.7%	96.8%
<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		1.0%	3.0%	3.7%	-1.5%	-2.6%	-9.7%	-39.4%	-28.3%
FTSE Italia Small Cap		2.7%	1.8%	1.4%	-4.1%	-6.4%	-18.4%	-73.6%	-23.3%
FTSE Italia Star		0.8%	1.3%	-8.1%	-12.5%	-17.7%	-37.1%	-82.9%	-61.3%

Source: FactSet

Looking at mid/small cap performances across Europe, the MSCI Europe Small Caps index has grown 1.8% in the last month, performing worse than Italian mid/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	182	-0.1%	7.1%	5.5%	7.1%	4.6%	17.6%	31.0%	46.3%
MSCI Europe Small Cap	473	1.8%	12.3%	10.5%	10.0%	6.5%	18.4%	22.7%	37.1%

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>
REWAY GROUP	9.70	294	27%
AVIO	24.10	655	26%
GPI	13.20	382	25%
TESMEC	0.07	40	21%
FINCANTIERI	16.72	5,405	15%
BFF BANK	10.00	1,884	15%
TINEXTA	11.90	562	14%
ESPRINET	4.17	210	12%
WEBUILD	3.89	3,982	11%
GEOX	0.33	120	11%
BANCA IFIS	24.00	1,461	11%
MAIRE	12.24	4,023	10%
CEMENTIR	15.24	2,425	9%
IGD	3.16	348	9%
EL.EN.	11.47	920	9%
CYBEROO	1.70	70	8%
CAREL INDUSTRIES	23.75	2,672	8%
LU-VE	32.00	711	8%
PIAGGIO	1.90	679	8%
MISITANO & STRACUZZI	2.83	75	8%
<b>FTSE Italia Mid Cap</b>			2%
<b>FTSE Italia Small Cap</b>			4%
<b>FTSE MIB</b>			1%
<b>Worst Performers</b>	<b>Price (Eu)</b>	<b>Market Cap (Eu mn)</b>	<b>Perf. 1M (%)</b>
INTERCOS	12.22	1,178	-12%
ACEA	19.35	4,121	-12%
FRANCHI UMBERTO MARMI	4.58	150	-10%
IREN	2.53	3,289	-9%
MEDIA FOR EUROPE	3.80	1,828	-8%
IEG	8.72	269	-5%
INTRED	9.68	154	-5%
SERI INDUSTRIAL	2.09	113	-5%
ENAV	3.88	2,103	-5%
PHARMANUTRA	45.85	444	-4%
DOVALUE	2.08	396	-3%
ERG	18.39	2,764	-3%
DHH	19.75	103	-3%
STAR7	5.85	53	-3%
INDEL B	18.90	110	-2%
REPLY	142.50	5,331	-2%
MONDADORI	2.12	553	-2%
UNIDATA	2.91	90	-1%
DATALOGIC	4.40	257	-1%
ANTARES VISION	4.33	308	-1%

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>
FINCANTIERI	16.72	5,405	141%
LOTTOMATICA	24.12	6,069	88%
AVIO	24.10	655	73%
REWAY GROUP	9.70	294	55%
TINEXTA	11.90	562	50%
MAIRE	12.24	4,023	48%
DOVALUE	2.08	396	45%
CEMENTIR	15.24	2,425	45%
BANCA SISTEMA	1.78	143	40%
ANTARES VISION	4.33	308	39%
WEBUILD	3.89	3,982	37%
SECO	2.43	322	34%
IEG	8.72	269	34%
SESA	82.05	1,271	32%
IREN	2.53	3,289	32%
CAREL INDUSTRIES	23.75	2,672	28%
REVO INSURANCE	15.54	409	26%
IGD	3.16	348	26%
SOMECH	13.95	102	23%
GPI	13.20	382	21%
<b>FTSE Italia Mid Cap</b>			15%
<b>FTSE Italia Small Cap</b>			12%
<b>FTSE MIB</b>			17%
<b>Worst Performers</b>	<b>Price (Eu)</b>	<b>Market Cap (Eu mn)</b>	<b>Perf. YTD (%)</b>
GEOX	0.33	120	-36%
FERRAGAMO	5.11	862	-25%
THE ITALIAN SEA GROUP	5.70	302	-23%
ABITARE IN	3.32	88	-21%
WIIT	15.26	428	-21%
MISITANO & STRACUZZI	2.83	75	-21%
SERI INDUSTRIAL	2.09	113	-21%
CYBEROO	1.70	70	-20%
INDEL B	18.90	110	-17%
PHARMANUTRA	45.85	444	-16%
FRANCHI UMBERTO MARMI	4.58	150	-14%
DATALOGIC	4.40	257	-14%
DHH	19.75	103	-14%
PIAGGIO	1.90	679	-13%
ELICA	1.47	93	-13%
INTERCOS	12.22	1,178	-12%
BREMBO	8.20	2,736	-10%
ANIMA	6.02	1,958	-9%
MEDIA FOR EUROPE	3.80	1,828	-8%
FNM	0.40	175	-7%

Source: FactSet

## Earnings Momentum

### No significant changes in the last month

Since the beginning of 2025, we have reduced our 2025/2026 EPS estimates by -5.2%/-4.7%; notably, estimate revisions in the last month have been slightly positive for large caps (+0.6%/+0.6% on 2025/2026 EPS). Focusing on our mid/small cap coverage, in the last month we have left our 2025 EPS almost unchanged (-0.2%), while we have raised 2026 EPS by +0.4%. This is a consequence of the limited corporate newsflow in the last month and hence of the small number of new reports published.

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

EPS REVISION	Since 01/01/2025		Since 18/5/2025	
	% chg in EPS FY25	% chg in EPS FY26	% chg in EPS FY25	% chg in EPS FY26
<b>Total Market</b>	<b>-5.2%</b>	<b>-4.7%</b>	<b>0.6%</b>	<b>0.6%</b>
<b>Total Market - Ex Energy</b>	<b>-3.0%</b>	<b>-1.8%</b>	<b>0.5%</b>	<b>0.5%</b>
Domestic	0.5%	0.6%	1.1%	1.0%
Non domestic	-16.3%	-14.3%	-0.4%	-0.1%
Non domestic - Ex Energy	-16.3%	-14.1%	-1.4%	-0.6%
<b>FTSE MIB</b>	<b>-5.3%</b>	<b>-4.9%</b>	<b>0.7%</b>	<b>0.6%</b>
<b>Mid Caps (our coverage)</b>	<b>-4.1%</b>	<b>-2.3%</b>	<b>-0.3%</b>	<b>0.4%</b>
<b>Small Caps (our coverage)</b>	<b>-7.1%</b>	<b>-4.8%</b>	<b>-1.0%</b>	<b>-1.1%</b>
Intermonte Mid&Small Caps coverage	-3.8%	-1.9%	-0.2%	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%
SOMECE	4	5	30.1%
FINCANTIERI	99	119	19.8%
IEG	24	29	18.2%
OMER	10	11	15.1%
ANIMA	225	251	11.6%
IGD	36	40	11.4%
MAIRE	229	253	10.7%
GPI	16	18	9.9%
<b>Downward Revision</b>			
ELICA	2	-3	-243.2%
CY4GATE	4	-3	-185.3%
FERRAGAMO	18	-5	-128.3%
ENAV	132	66	-50.0%
MISITANO & STRACUZZI	10	6	-34.2%
ESPRINET	28	19	-31.9%
ABITARE IN	19	13	-31.2%
PIAGGIO	96	66	-30.5%
WIIT	25	18	-26.0%

Source: Intermonte SIM

## Valuation

### Mid/small cap valuation premium slightly up MoM, but still at attractive levels

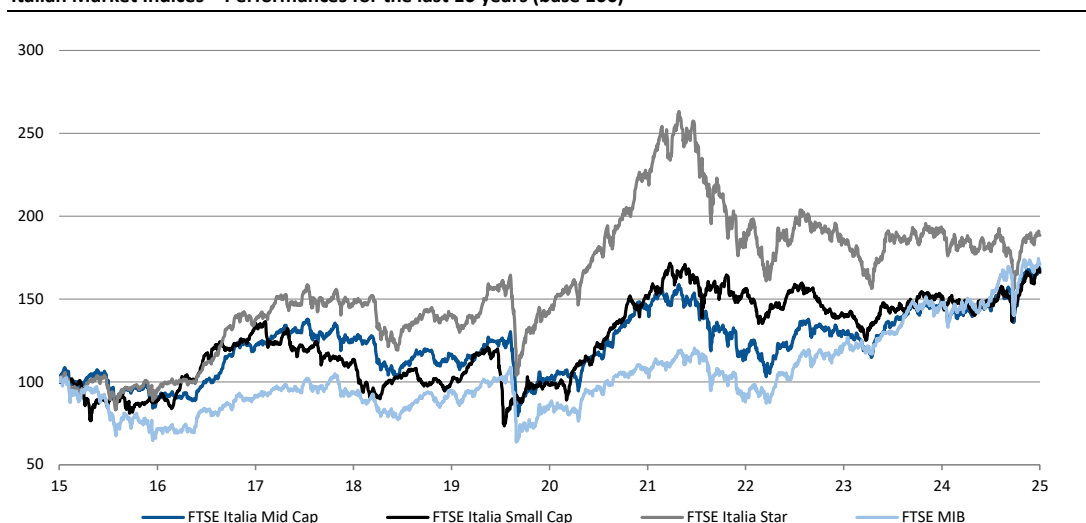
If we compare performance since the beginning of the year to the change in FY25 estimates over the same period, we see that FTSE MIB stocks have recorded a 22.1% re-rating (+22.9% one month ago); mid-caps have re-rated by 19.2%, while small caps have re-rated by 19.6%.

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

Index	% Change YTD	on FY25 estimates	
		Chg in estimates	Re/De-rating
FTSE MIB	16.8%	-5.3%	22.1%
FTSE Italia Mid Cap	15.1%	-4.1%	19.2%
FTSE Italia Small Cap	12.5%	-7.1%	19.6%

Source: Intermonte SIM and FactSet

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

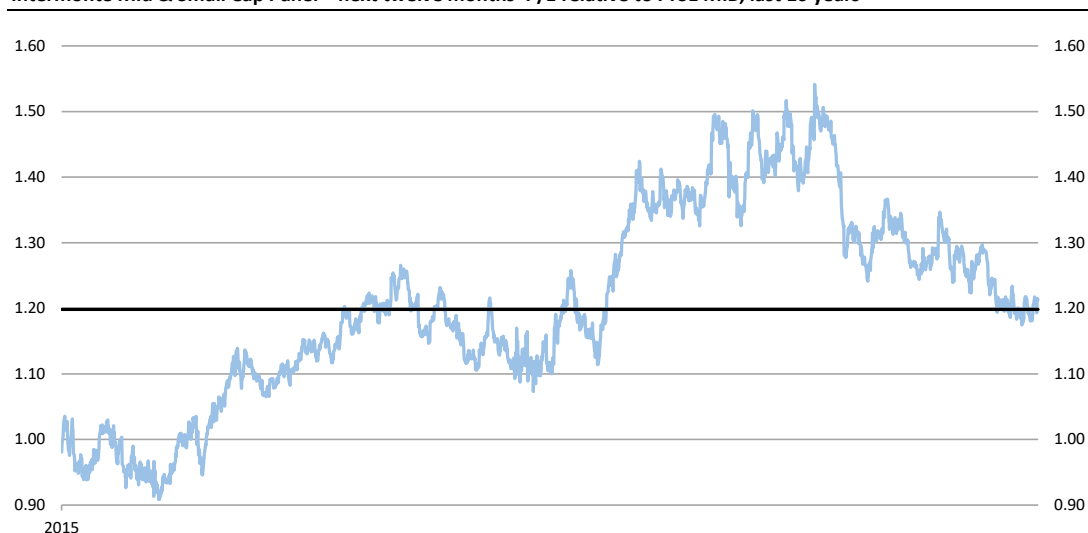


Source: FactSet

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 21% premium to large caps, broadly in line with the historical average premium (20%) and slightly above the level one month ago (18%).**

#### 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	12.4 x		12.4 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	14.6 x		17.4 x	-16.3%
<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	13.6 x		14.7 x	-7.6%
<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	16.8 x	35.4%	14.6 x	15.1%
<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	17.0 x	16.3%	21.1 x	-19.6%
<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	16.8 x	35.4%	16.0 x	4.8%
<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	14.1 x	-3.1%	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	54.6 x	302.8%	31.8 x	71.7%
<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	13.7 x	10.7%	13.1 x	4.7%
<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	13.8 x	-5.5%	14.4 x	-4.4%
<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	12.7 x	2.9%	12.9 x	-1.1%
<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	-7.1%	15.2 x	-10.7%

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(+)
FINCANTIERI	98.9	118.5	20%	141%	121%
FERRAGAMO	18.2	-5.1	-128%	-25%	104%
AVIO	15.5	12.1	-22%	73%	96%
LOTTOMATICA	351.9	360.1	2%	88%	86%
TINEXTA	58.3	47.5	-18%	50%	69%
REWAY GROUP	26.8	27.4	2%	55%	53%
SECO	10.4	9.0	-14%	34%	48%
CEMENTIR	203.6	200.6	-1%	45%	46%
ENAV	131.8	65.8	-50%	-5%	45%
DOVALUE	43.2	43.2	0%	45%	45%
BANCA SISTEMA	29.0	29.5	2%	40%	39%
MAIRE	228.9	253.3	11%	48%	38%
ANTARES VISION	11.0	11.3	3%	39%	36%
SESA	104.9	101.2	-3%	32%	35%
WEBUILD	330.8	338.5	2%	37%	34%
CAREL INDUSTRIES	64.8	62.9	-3%	28%	31%
ESPRINET	28.1	19.2	-32%	-4%	28%
IREN	300.5	311.8	4%	32%	28%
REVO INSURANCE	33.2	32.8	-1%	26%	28%
BFF BANK	229.6	195.8	-15%	9%	23%
BANCA IFIS	170.0	160.3	-6%	13%	19%
PIAGGIO	95.5	66.4	-30%	-13%	17%
CREDITO EMILIANO	519.2	523.1	1%	17%	16%
TECHNOGYM	109.1	110.7	1%	18%	16%
IEG	24.3	28.7	18%	34%	15%
IGD	35.7	39.7	11%	26%	15%
EMAK	18.4	15.4	-16%	-2%	14%
UNIDATA	12.4	10.4	-16%	-2%	14%
MISITANO & STRACUZZI	9.5	6.3	-34%	-21%	13%
LU-VE	39.3	40.4	3%	15%	13%
OVS GROUP	90.5	86.5	-4%	8%	12%
MARR	52.7	45.5	-14%	-3%	11%
RAI WAY	86.7	84.7	-2%	9%	11%
GPI	16.0	17.6	10%	21%	11%
BREMBO	282.4	231.4	-18%	-10%	8%
ERG	210.6	183.2	-13%	-6%	7%
EL.EN.	57.2	52.6	-8%	-2%	6%
FILA	47.3	41.9	-11%	-5%	6%
FRANCHI UMBERTO MARMI	15.1	12.1	-20%	-14%	6%
WIIT	24.9	18.5	-26%	-21%	5%
AQUAFIL	9.5	9.0	-5%	0%	5%
NOTORIOUS PICTURES	2.5	2.5	0%	2%	2%
INTERCOS	76.6	65.4	-15%	-12%	2%
MONDADORI	76.8	75.2	-2%	0%	2%
DE' LONGHI	344.8	339.4	-2%	-1%	0%
THE ITALIAN SEA GROUP	58.0	44.4	-23%	-23%	0%
ACEA	340.7	354.1	4%	4%	(0%)
TXT E-SOLUTIONS	28.0	27.9	0%	-2%	(1%)
MEDIA FOR EUROPE	329.8	309.9	-6%	-8%	(2%)
INTRED	7.9	7.7	-3%	-5%	(2%)
FINE FOODS	12.7	13.7	8%	4%	(3%)
SOMEC	4.2	5.5	30%	23%	(7%)
OMER	9.8	11.2	15%	7%	(9%)
PHARMANUTRA	21.3	20.0	-6%	-16%	(10%)
STAR7	8.3	8.6	3%	-7%	(10%)
REPLY	232.2	244.3	5%	-7%	(12%)
DHH	4.5	4.5	1%	-14%	(15%)
INDEL B	18.7	18.7	0%	-17%	(17%)
CYBEROO	5.6	5.6	0%	-20%	(20%)
SERI INDUSTRIAL	-32.2	-32.2	0%	-21%	(21%)
ANIMA	225.3	251.5	12%	-9%	(21%)

Source: Intermonte SIM



## Liquidity

### 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 19.7% higher than in the corresponding period one year ago (it was up 12.2% YoY one month ago) and is up 33.8% YTD. The picture is also improving for mid-caps, but is weaker for small caps: specifically, since 1/1/25, liquidity is up 18.4% YoY for mid-caps but just 3.9% for small caps. Mid and small caps have shown an improving trend in the last month.

#### Italian Market – liquidity analysis

	Avg Daily Volume * Avg Price (Eu mn) 2025			Avg Daily Volume * Avg Price (Eu mn) 2024			% Changes (YoY)		
	1M to 16/07	3M to 16/07	YTD to 16/07	1M to 16/07	3M to 16/07	YTD to 16/07	1M to 16/07	3M to 16/07	YTD to 16/07
<b>FTSE MIB</b>									
All stocks	66.09	71.83	81.20	55.20	60.09	60.68	19.7%	19.5%	33.8%
Top 20% by market cap	176.12	190.25	224.29	156.60	169.40	168.06	12.5%	12.3%	33.5%
<b>FTSE Italia Mid Cap</b>									
All stocks	2.57	2.75	2.73	2.12	2.34	2.30	21.2%	17.3%	18.4%
Top 20% by market cap	7.49	7.96	6.82	3.59	3.78	4.12	108.7%	110.7%	65.3%
<b>FTSE Italia Small Cap</b>									
All stocks	0.37	0.37	0.36	0.24	0.31	0.34	54.8%	17.4%	3.9%
Top 20% by market cap	1.25	1.20	1.16	0.54	0.79	0.94	132.8%	52.3%	23.9%

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	5,405	18,212,323
LOTTOMATICA	6,069	13,121,586
MAIRE	4,023	8,123,316
ERG	2,764	7,474,400
ANIMA	1,958	6,790,749
REPLY	5,331	6,454,218
WEBUILD	3,982	5,809,662
BREMBO	2,736	5,493,422
IREN	3,289	4,081,571
DE' LONGHI	4,506	3,630,024
BANCA IFIS	1,461	3,589,908
FERRAGAMO	862	3,559,393
AVIO	655	3,494,630
ENAV	2,103	3,457,979
BFF BANK	1,884	3,415,460
DOVALUE	396	3,107,663
TECHNOGYM	2,476	2,793,463
ACEA	4,121	2,506,808
PIAGGIO	679	2,395,367
CREDITO EMILIANO	4,348	2,375,878
TINEXTA	562	2,180,291
SESA	1,271	2,127,956
RAI WAY	1,624	1,592,447
EL.EN.	920	1,548,234
TIP	1,447	1,523,332
CAREL INDUSTRIES	2,672	1,394,238
MEDIA FOR EUROPE	1,828	1,306,052
CEMENTIR	2,425	1,251,546
MARR	652	1,185,224

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	0.3	120	0.138	0.069	21.1%	50%	2.6
DOVALUE	2.1	396	0.540	0.250	12.0%	46%	2.2
BFF BANK	10.0	1884	1.048	1.048	10.5%	100%	
BANCA IFIS	24.0	1461	2.978	2.098	8.7%	70%	
PIAGGIO	1.9	679	0.187	0.150	7.9%	80%	1.7
ANIMA	6.0	1958	0.773	0.450	7.5%	58%	
MONDADORI	2.1	553	0.288	0.154	7.3%	53%	0.9
ENAV	3.9	2103	0.122	0.280	7.2%	230%	0.7
MEDIA FOR EUROPE	3.8	1828	0.545	0.270	7.1%	50%	0.6
ESPRINET	4.2	210	0.383	0.274	6.6%	72%	0.4
MARR	9.8	652	0.684	0.639	6.5%	93%	1.6
CREDITO EMILIANO	12.7	4348	1.533	0.800	6.3%	52%	
NOTORIOUS PICTURES	0.8	17	0.112	0.045	5.9%	40%	2.3
FNM	0.4	175	0.112	0.023	5.7%	20%	3.4
THE ITALIAN SEA GROUP	5.7	302	0.838	0.320	5.6%	38%	(0.0)
IREN	2.5	3289	0.240	0.139	5.5%	58%	3.1
ERG	18.4	2764	1.219	1.000	5.4%	82%	3.7
GPI	13.2	382	0.586	0.700	5.3%	119%	2.9
INDEL B	18.9	110	3.208	1.000	5.3%	31%	(0.3)
RAI WAY	6.0	1624	0.311	0.311	5.2%	100%	0.9
ACEA	19.4	4121	1.663	0.988	5.1%	59%	3.3
IGD	3.2	348	0.360	0.150	4.8%	42%	7.9
EMAK	0.9	142	0.094	0.038	4.3%	40%	2.8
MISITANO & STRACUZZI	2.8	75	0.208	0.113	4.0%	54%	2.4
MAIRE	12.2	4023	0.771	0.447	3.7%	58%	(0.6)
BANCA SISTEMA	1.8	143	0.367	0.064	3.6%	17%	
OVS GROUP	3.7	936	0.353	0.122	3.3%	35%	0.7
BREMBO	8.2	2736	0.723	0.264	3.2%	37%	1.2
FRANCHI UMBERTO MARMI	4.6	150	0.368	0.147	3.2%	40%	1.0
DE' LONGHI	29.8	4506	2.246	0.918	3.1%	41%	(1.4)

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
ANTARES VISION	4.3	308	97.8	27.0	262%
ABITARE IN	3.3	88	14.7	6.7	120%
FINCANTIERI	16.7	5405	94.8	45.6	108%
EMAK	0.9	142	16.0	9.2	73%
TXT E-SOLUTIONS	34.6	449	23.3	15.7	48%
NOTORIOUS PICTURES	0.8	17	9.8	6.8	45%
LOTTOMATICA	24.1	6069	24.4	17.1	43%
CYBEROO	1.7	70	17.8	12.6	41%
BFF BANK	10.0	1884	13.4	9.5	40%
SYS-DAT	5.8	183	27.1	19.5	39%
FINE FOODS	7.8	173	19.6	14.6	34%
WEBUILD	3.9	3982	15.7	11.7	34%
THE ITALIAN SEA GROUP	5.7	302	8.9	6.8	31%
MAIRE	12.2	4023	20.2	15.9	27%
REWAY GROUP	9.7	294	17.2	13.7	26%
WIIT	15.3	428	28.9	23.2	25%
TECHNOGYM	12.3	2476	27.6	22.4	23%
DOVALUE	2.1	396	4.7	3.9	22%
PHARMANUTRA	45.9	444	26.7	22.2	21%
DHH	19.8	103	26.4	22.0	20%
AVIO	24.1	655	64.7	54.1	20%
REVO INSURANCE	15.5	409	18.1	15.1	19%
UNIDATA	2.9	90	10.2	8.7	18%
BANCA SISTEMA	1.8	143	5.7	4.9	17%
IREN	2.5	3289	12.2	10.5	16%
REPLY	142.5	5331	25.2	21.8	16%
INTERCOS	12.2	1178	20.7	18.0	15%
GPI	13.2	382	25.9	22.5	15%
SOMEC	14.0	102	20.1	17.6	14%
MEDIA FOR EUROPE	3.8	1828	7.9	7.0	13%
SERI INDUSTRIAL	2.1	113	nm	nm	12%
CAREL INDUSTRIES	23.8	2672	47.4	42.5	12%
IGD	3.2	348	9.8	8.8	11%
INTRED	9.7	154	22.3	20.1	11%
OVS GROUP	3.7	936	11.5	10.4	11%
INDEL B	18.9	110	6.5	5.9	10%
EL.EN.	11.5	920	19.1	17.5	9%
MONDADORI	2.1	553	8.0	7.3	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	12.5	11.6	6.3	6.8	4.9%	5.1%	4.4%	-2.6%	3.2x	3.3x
ANIMA	7.0	7.8			7.5%	7.5%				
BANCA IFIS	8.3	8.1			8.8%	8.7%				
BFF BANK	13.4	9.5			0.0%	10.5%				
BREMBO	10.0	11.3	5.6	5.3	3.7%	3.2%	-0.5%	1.0%	0.5x	1.2x
CAREL INDUSTRIES	47.4	42.5	21.8	23.3	0.7%	0.6%	1.9%	1.7%	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	19.1	17.5	8.0	8.2	1.9%	2.0%	7.7%	5.4%	-1.2x	-1.8x
EL.EN.	16.7	31.9	7.4	10.0	7.0%	7.2%	9.0%	11.7%	0.8x	0.7x
ENAV	15.8	15.1	10.7	8.8	5.4%	5.4%	-10.7%	1.7%	3.8x	3.7x
ERG	11.8	12.1	3.2	4.9	1.8%	1.9%	9.0%	8.2%	-0.7x	-1.0x
FERRAGAMO	55.5	nm	6.1	3.5	0.0%	-0.5%	-13.5%	-3.2%	2.3x	2.6x
FINCANTIERI	94.8	45.6	6.4	10.7	0.0%	0.0%	5.3%	-6.9%	2.5x	3.1x
INTERCOS	20.7	18.0	10.6	8.2	1.6%	1.3%	1.5%	2.1%	0.7x	0.6x
IREN	12.2	10.5	5.3	5.8	5.1%	5.5%	1.7%	0.7%	3.2x	3.1x
LOTTOMATICA	24.4	17.1	6.8	9.3	1.3%	1.8%	2.1%	3.8%	3.0x	2.1x
LU-VE	17.8	17.6	7.8	9.1	1.3%	1.4%	7.0%	3.6%	1.2x	0.9x
MAIRE	20.2	15.9	5.3	7.8	2.9%	3.7%	4.6%	4.6%	-0.6x	-0.6x
MARR	15.3	14.3	7.7	6.7	6.1%	6.5%	5.3%	0.1%	1.4x	1.6x
MEDIA FOR EUROPE	7.9	7.0	3.2	2.9	7.1%	7.1%	18.2%	17.1%	0.9x	0.6x
MONDADORI	8.0	7.3	4.9	4.3	6.6%	7.3%	12.9%	12.4%	1.1x	0.9x
OVS GROUP	11.5	10.4	4.3	5.1	3.0%	3.3%	6.1%	6.8%	0.8x	0.7x
PHARMANUTRA	26.7	22.2	16.7	13.0	2.2%	2.3%	3.8%	4.5%	-0.2x	-0.5x
PIAGGIO	10.0	10.1	5.2	4.0	8.2%	7.9%	-4.9%	13.4%	1.9x	1.7x
RAI WAY	17.7	19.2	8.2	9.7	5.6%	5.2%	7.2%	7.0%	0.7x	0.9x
REPLY	25.2	21.8	11.4	10.9	0.8%	0.8%	5.0%	4.8%	-0.9x	-1.3x
SESA	11.9	12.6	7.2	5.8	1.2%	1.1%	9.1%	7.3%	0.0x	0.1x
TECHNOGYM	27.6	22.4	9.7	10.9	1.8%	2.2%	4.4%	4.1%	-0.9x	-1.1x
THE ITALIAN SEA GROUP	8.9	6.8	6.9	4.0	6.5%	5.6%	-8.3%	10.9%	0.2x	0.0x
TIP	10.9	10.4			2.0%	2.3%				
TXT E-SOLUTIONS	23.3	15.7	10.9	9.6	0.7%	1.1%	1.7%	3.8%	2.8x	1.9x
WEBUILD	15.7	11.7	0.9	2.6	2.1%	2.1%	2.3%	-6.9%	-1.5x	-1.0x
WIIT	28.9	23.2	13.2	9.6	2.0%	2.2%	3.3%	6.1%	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	14.7	6.7	12.0	8.8	0.0%	0.0%	-52.4%	-70.9%	5.2x	5.6x
ANTARES VISION	97.8	27.0	9.0	10.2	0.0%	0.0%	6.2%	1.8%	4.2x	2.4x
AQUAFIL	nm	13.9	5.5	3.9	0.0%	0.0%	1.7%	19.0%	3.7x	2.5x
AVIO	64.7	54.1	6.7	16.7	0.6%	0.9%	3.6%	-2.0%	-3.5x	-2.3x
BANCA SISTEMA	5.7	4.9			0.0%	3.6%				
CY4GATE	nm	nm	13.6	7.5	0.0%	0.0%	-0.1%	2.3%	2.7x	1.5x
CYBEROO	17.8	12.6	13.0	5.5	0.0%	0.0%	-4.9%	2.4%	0.0x	-0.2x
DATALOGIC	12.5	13.6	8.0	4.7	2.7%	3.1%	1.7%	8.2%	0.2x	-0.1x
DHH	26.4	22.0	9.1	7.7	0.0%	0.0%	2.7%	4.1%	0.3x	0.3x
DOVALUE	4.7	3.9	4.0	3.1	7.2%	12.0%	37.1%	47.2%	2.5x	2.2x
ELICA	77.0	nm	6.0	5.7	2.7%	0.0%	13.7%	9.8%	2.1x	2.0x
EMAK	16.0	9.2	6.1	5.0	2.9%	4.3%	2.7%	16.0%	3.4x	2.8x
ESPRINET	9.7	10.9	4.2	3.5	9.6%	6.6%	-1.3%	16.6%	0.5x	0.4x
FILA	12.2	12.0	3.0	3.5	8.2%	2.1%	29.4%	21.2%	1.7x	1.6x
FINE FOODS	19.6	14.6	7.6	6.7	1.8%	2.1%	5.6%	-5.9%	1.2x	1.5x
FNM	3.0	3.6	3.4	3.7	4.6%	5.7%	371.1%	-194.1%	3.2x	3.4x
FRANCHI UMBERTO MARMI	13.3	12.4	9.0	6.7	2.4%	3.2%	-1.7%	7.7%	1.3x	1.0x
GEOX	2.5	2.4	4.1	3.3	20.4%	21.1%	26.1%	68.3%	2.9x	2.6x
GPI	25.9	22.5	6.4	6.2	3.8%	5.3%	-4.1%	3.3%	3.1x	2.9x
IEG	8.3	9.4	3.2	4.9	2.3%	2.3%	7.7%	-1.1%	1.0x	1.2x
IGD	9.8	8.8	10.2	11.4	3.2%	4.8%	2.0%	11.8%	7.9x	7.9x
INDEL B	6.5	5.9	4.2	3.0	4.2%	5.3%	15.5%	13.9%	0.1x	-0.3x
INTRED	22.3	20.1	8.4	7.1	1.0%	1.2%	-6.6%	-0.2%	1.4x	1.3x
MISITANO & STRACUZZI	9.5	13.6	7.5	8.8	6.0%	4.0%	-18.9%	-11.4%	1.3x	2.4x
NOTORIOUS PICTURES	9.8	6.8	3.4	3.3	4.1%	5.9%	-15.7%	45.9%	2.2x	2.3x
OMER	11.8	11.7	5.2	5.8	1.5%	0.0%	1.7%	9.2%	-1.1x	-1.6x
REVO INSURANCE	18.1	15.1			1.4%	1.7%				
REWAY GROUP	17.2	13.7	6.9	8.9	0.0%	0.0%	0.1%	1.5%	1.6x	1.2x
SECO	nm	35.9	15.7	10.7	0.0%	0.0%	3.0%	0.3%	3.6x	1.4x
SERI INDUSTRIAL	nm	nm	nm	nm	0.0%	0.0%	-47.4%	-52.9%	55.7x	34.7x
SOMECE	20.1	17.6	6.2	4.4	0.0%	0.0%	28.3%	13.2%	2.0x	1.3x
STAR7	6.5	6.1	4.8	4.1	0.0%	0.0%	18.5%	14.1%	1.5x	1.4x
SYS-DAT	27.1	19.5	10.2	9.0	0.7%	0.6%	3.6%	5.1%	-2.8x	-1.2x
TESMEC	nm	6.5	4.9	4.2	0.0%	0.0%	-7.6%	6.5%	3.6x	3.3x
TINEXTA	12.9	11.8	11.0	8.3	2.5%	1.7%	2.7%	6.9%	3.2x	2.5x
UNIDATA	10.2	8.7	5.6	4.2	0.3%	0.4%	12.7%	9.4%	1.6x	1.3x

Source: Intermonte SIM

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**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

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