

# Italian Mid/Small Caps Monthly

## Quality Stocks Building Momentum After 1Q26

by Intermonte Research Team

Italian Equity Market

- **Performance (+/-).** The Italian equity market (prices as at 18 May 2026) has posted a slightly negative -0.3% performance in the last month and is up 7.6% YtD. The FTSE Italy Mid-Cap index (+2.0%) has performed 2.3% better than the main index in the last month (but -4.8% YtD on a relative basis), with the FTSE Italy Small Caps index (-3.4%) performing 3.2% worse than the market and -14.4% on a relative basis YtD. Looking at mid/small cap performances across Europe, the MSCI Europe Small Caps index has declined 2.5% in the last month, performing worse than Italian mid-caps.
- **Estimates (=).** Since the beginning of 2026, we have raised our 2026/2027 EPS estimates by 1.2%/1.2%, but these figures would be in the red at -2.3%/-1.3% excluding energy stocks; notably, estimate revisions in the last month have been positive for large caps (+0.6%/+1.2% on 2026/2027 EPS). Focusing on our mid/small cap coverage, in the last month we have implemented a +0.1%/+0.4% reduction to 2026/2027 EPS.
- **Valuations (+).** If we compare performances since the beginning of 2026 to the change in FY26 estimates over the same period, we see that FTSE MIB stocks have recorded a 6.6% re-rating (+7.7% one month ago) while mid-caps have re-rated by 7.2% and small caps have de-rated by 0.5%. On a P/E basis, our panel is trading at a 21% premium to large caps, in line with the historical average premium (21%) 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 16.1% higher than in the corresponding period one year ago (it was down 3.2% YoY one month ago) and up 12.1% YtD. The picture is also improving for mid/small caps: specifically, since 1/1/26, liquidity has increased by 36.7% YoY for mid-caps and 26.2% for small caps, with mid-caps improving considerably in the last month.
- **Investment strategy.** Against a backdrop of persistently complex geopolitical and macroeconomic conditions, inflation risks and economic slowdown remain fluid variables that are, realistically, not yet fully reflected in consensus estimates. That said, 1Q26 results have on balance been above expectations (with a handful of specific exceptions), pointing to resilient demand dynamics notwithstanding the ongoing Middle East crisis. Artificial Intelligence continues to act as a catalyst on two fronts: on one hand, it is sustaining elevated capital expenditure flows directed at data centre infrastructure; on the other, it is beginning to deliver measurable labour productivity gains in the United States, with Europe expected to follow. From a market perspective, AI-related momentum remains pervasive, although investment flows are being channelled into a concentrated universe of names. We believe these highly concentrated flows are likely to become more diffuse over time, as a wider pool of companies progressively captures the benefits of AI adoption across their business models. Within this framework, a number of Italian mid-caps, particularly in the industrial sector, have already begun to positively differentiate themselves while others are well positioned to do so going forward, provided there is no material deterioration in the macro and geopolitical environment. Equity markets remain constructively positioned. In Italy, we see no clear evidence of valuation bubbles, with very isolated exceptions, and we continue to identify a number of compelling opportunities within our coverage universe.

*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-caps outperformed in the last month

The Italian equity market (prices as at 18 May 2026) has posted a slightly negative -0.3% performance in the last month and is up 7.6% YtD. The FTSE Italy Mid-Cap index (+2.0%) has performed 2.3% better than the main index in the last month (but -4.8% YtD on a relative basis), with the FTSE Italy Small Caps index (-3.4%) performing 3.2% worse than the market and -14.4% on a relative basis YtD.

#### Italian Market Indexes – performance analysis (prices as at 18 May 2026)

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	60,443	2.0%	0.7%	6.7%	2.7%	11.7%	25.0%	40.2%	31.3%
FTSE Italia Small Cap	34,334	-3.4%	-4.9%	-1.2%	-6.9%	11.0%	16.5%	22.9%	29.5%
FTSE Italia Star	48,025	-1.4%	-1.2%	1.9%	-4.0%	2.6%	-1.2%	1.0%	-6.6%
FTSE Italia Growth Index	8,826	0.7%	1.5%	5.8%	2.5%	11.9%	7.0%	-3.1%	-4.5%
FTSE Italia All-Share	51,267	-0.3%	4.4%	12.9%	7.6%	19.0%	36.3%	74.6%	88.2%
FTSE MIB	48,669	-0.4%	5.0%	13.6%	8.3%	19.7%	37.5%	78.7%	95.6%
<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		2.3%	-3.7%	-6.3%	-4.8%	-7.2%	-11.3%	-34.4%	-57.0%
FTSE Italia Small Cap		-3.2%	-9.3%	-14.2%	-14.4%	-8.0%	-19.8%	-51.7%	-58.7%
FTSE Italia Star		-1.1%	-5.6%	-11.1%	-11.5%	-16.4%	-37.4%	-73.6%	-94.8%

Source: FactSet

Looking at mid/small cap performances across Europe, the MSCI Europe Small Caps index has declined 2.5% in the last month, performing worse than 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	203	-2.6%	-3.0%	8.2%	2.9%	10.8%	16.1%	29.9%	38.6%
MSCI Europe Small Cap	506	-2.5%	-1.3%	10.5%	3.9%	9.2%	13.6%	25.5%	8.2%

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>
LU-VE	68.10	1,514	46%
TESMEC	0.19	113	24%
BREMBO	10.43	3,483	21%
CY4GATE	9.17	216	20%
CAREL INDUSTRIES	32.00	3,600	19%
ESPRINET	6.88	347	16%
BFF BANK	2.32	438	12%
MISITANO & STRACUZZI	0.34	9	11%
WIIT	33.50	882	10%
PHARMANUTRA	90.00	871	10%
THE ITALIAN SEA GROUP	1.72	91	10%
ERG	22.62	3,400	8%
INDEL B	19.90	116	5%
SOMEK	16.50	120	4%
OMER	3.56	102	4%
REPLY	98.95	3,702	3%
EL.EN.	14.15	1,137	3%
TINEXTA	15.44	729	3%
ANIMA	7.20	2,342	3%
TECHNOGYM	20.50	4,127	3%
<b>FTSE Italia Mid Cap</b>			<b>2%</b>
<b>FTSE Italia Small Cap</b>			<b>-3%</b>
<b>FTSE MIB</b>			<b>0%</b>
<b>Worst Performers</b>	<b>Price (Eu)</b>	<b>Market Cap (Eu mn)</b>	<b>Perf. 1M (%)</b>
DATALOGIC	3.92	229	-32%
BANCA IFIS	19.28	1,187	-19%
CEMENTIR	13.56	2,158	-18%
SECO	2.48	330	-16%
FERRAGAMO	6.94	1,171	-15%
FINE FOODS	8.08	178	-14%
FILA	8.25	354	-14%
DOVALUE	2.13	405	-13%
MARR	7.70	512	-10%
INTERPUMP	35.20	3,833	-9%
AQUAFIL	1.41	103	-9%
RAI WAY	5.61	1,526	-8%
GPI	15.24	441	-8%
MAIRE	14.18	4,660	-8%
WEBUILD	2.51	2,572	-7%
CREDITO EMILIANO	14.80	5,052	-7%
ELICA	1.19	75	-6%
IGD	4.16	458	-5%
INTERCOS	11.68	1,126	-5%
ABITARE IN	2.67	71	-5%

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>
LU-VE	68.10	1,514	73%
PHARMANUTRA	90.00	871	66%
WIIT	33.50	882	65%
IEG	12.95	400	47%
STAR7	11.60	104	39%
DANIELI	66.30	4,612	31%
CAREL INDUSTRIES	32.00	3,600	30%
TECHNOGYM	20.50	4,127	27%
TXT E-SOLUTIONS	36.50	475	20%
IGD	4.16	458	20%
ANIMA	7.20	2,342	19%
REVO INSURANCE	22.45	658	17%
TESMEC	0.19	113	16%
CY4GATE	9.17	216	13%
POWERSOFT	18.75	241	12%
ESPRINET	6.88	347	11%
SOMEC	16.50	120	11%
BREMO	10.43	3,483	11%
FNM	0.52	224	9%
MAIRE	14.18	4,660	9%
<b>FTSE Italia Mid Cap</b>			<b>3%</b>
<b>FTSE Italia Small Cap</b>			<b>-7%</b>
<b>FTSE MIB</b>			<b>8%</b>

<b>Worst Performers</b>	<b>Price (Eu)</b>	<b>Market Cap (Eu mn)</b>	<b>Perf. YTD (%)</b>
MISITANO & STRACUZZI	0.34	9	-84%
BFF BANK	2.32	438	-76%
THE ITALIAN SEA GROUP	1.72	91	-58%
DOVALUE	2.13	405	-29%
ELICA	1.19	75	-29%
CEMENTIR	13.56	2,158	-28%
WEBUILD	2.51	2,572	-27%
INTERPUMP	35.20	3,833	-25%
BANCA IFIS	19.28	1,187	-24%
SYS-DAT	4.89	153	-20%
FERRAGAMO	6.94	1,171	-16%
FINE FOODS	8.08	178	-16%
FILA	8.25	354	-16%
SECO	2.48	330	-15%
DATALOGIC	3.92	229	-15%
MARR	7.70	512	-15%
REPLY	98.95	3,702	-14%
OMER	3.56	102	-9%
NOTORIOUS PICTURES	0.62	14	-9%
TIP	8.48	1,564	-8%

Source: FactSet

## Earnings Momentum

### 2026 mid/small cap EPS forecasts unchanged in the last month

Since the beginning of 2026, we have raised our 2026/2027 EPS estimates by 1.2%/1.2%, but these figures would be in the red at -2.3%/-1.3% excluding energy stocks; notably, estimate revisions in the last month have been positive for large caps (+0.6%/+1.2% on 2026/2027 EPS). Focusing on our mid/small cap coverage, in the last month we have implemented a +0.1%/+0.4% reduction to 2026/2027 EPS.

#### Italian Market – Intermonte changes to 2026 and 2027 estimates

EPS REVISION	Since 01/01/2026		Since 20/4/2026	
	% chg in EPS FY26	% chg in EPS FY27	% chg in EPS FY26	% chg in EPS FY27
<b>Total Market</b>	<b>1.2%</b>	<b>1.2%</b>	<b>0.6%</b>	<b>1.2%</b>
<b>Total Market - Ex Energy</b>	<b>-2.3%</b>	<b>-1.3%</b>	<b>0.9%</b>	<b>1.2%</b>
Domestic	5.5%	6.0%	1.3%	1.7%
Non domestic	-8.4%	-7.3%	-1.0%	0.3%
Non domestic - Ex Energy	-9.2%	-8.8%	-0.8%	-0.5%
<b>FTSE MIB</b>	<b>1.7%</b>	<b>1.7%</b>	<b>0.7%</b>	<b>1.3%</b>
<b>Mid Caps (our coverage)</b>	<b>-4.4%</b>	<b>-4.0%</b>	<b>0.4%</b>	<b>0.7%</b>
<b>Small Caps (our coverage)</b>	<b>-6.4%</b>	<b>-5.7%</b>	<b>-3.3%</b>	<b>-2.6%</b>
Intermonte Mid&Small Caps coverage	-4.6%	-4.1%	0.1%	0.4%

Source: Intermonte SIM

For individual stocks, the following tables rank the biggest changes to our 2026 adjusted net profit estimates since the beginning of 2026.

#### Intermonte Mid & Small Cap Coverage - largest changes to 2026 estimates (up/down) since 1/1/26

Stock	Restated Net Profit 26 as of 31/12/25	Restated net profit 26 last estimate	% chg from 31/12/25
<b>Upward Revision</b>			
FERRAGAMO	-3	0	91.1%
SOMECA	9	14	62.7%
AQUAFIL	10	12	15.1%
PHARMANUTRA	22	25	13.7%
CAREL INDUSTRIES	76	86	13.1%
BANCA IFIS	164	178	9.0%
ENAV	91	98	7.9%
LU-VE	45	48	5.2%
TECHNOGYM	133	139	5.0%
UNIDATA	10	10	2.6%
<b>Downward Revision</b>			
ELICA	2	-1	-170.2%
MISITANO & STRACUZZI	2	1	-43.3%
TESMEC	11	8	-34.6%
FINE FOODS	18	13	-31.9%
DATALOGIC	17	12	-26.2%
MEDIA FOR EUROPE	361	275	-23.8%
OMER	10	8	-22.2%
FNM	68	53	-21.4%
BFF BANK	198	156	-21.2%

Source: Intermonte SIM

## Valuation

### Mid/small cap valuation premium up, close to historical average

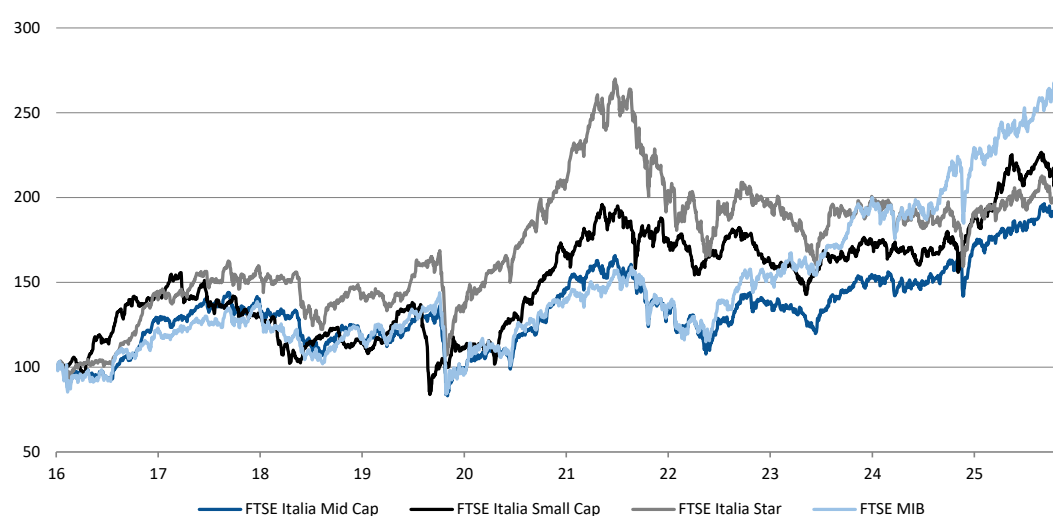
If we compare performances since the beginning of 2026 to the change in FY26 estimates over the same period, we see that FTSE MIB stocks have recorded a 6.6% re-rating (+7.7% one month ago) while mid-caps have re-rated by 7.2% and small caps have de-rated by 0.5%.

#### Italian Market – re/de-rating by index since 1/1/2026

Index	% Change since 1/1/2026	on FY26 estimates	
		Chg in estimates	Re/De-rating
FTSE MIB	8.3%	1.7%	6.6%
FTSE Italia Mid Cap	2.7%	-4.4%	7.2%
FTSE Italia Small Cap	-6.9%	-6.4%	-0.5%

Source: Intermonte SIM and FactSet

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

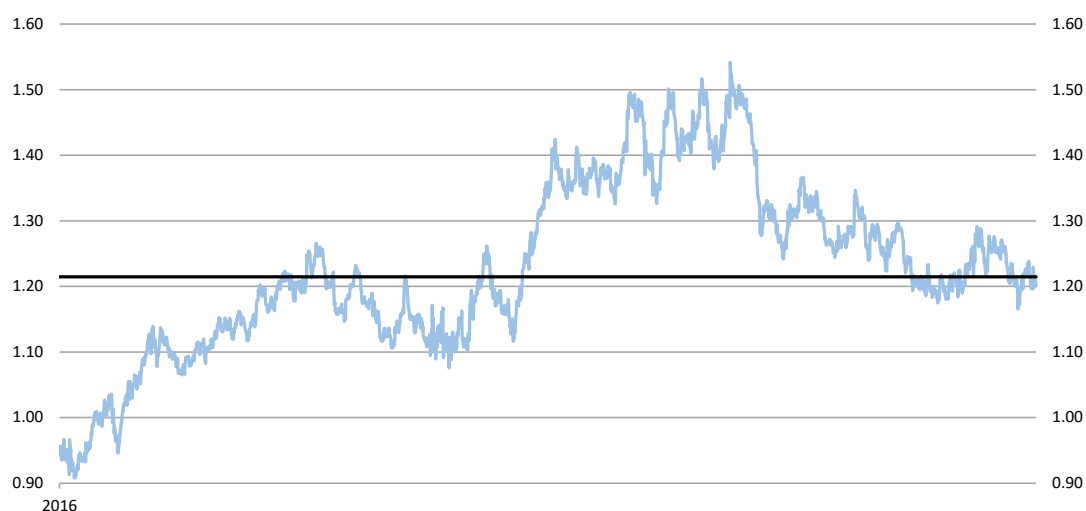


Source: FactSet

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, in line with the historical average premium (21%) 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 2026 estimates.

#### European Market – Valuations

	P/E16	P/E17	P/E18	P/E19	P/E20	P/E21	P/E22	P/E23	P/E24	P/E25	P/E26	P/E26 vs Italian Equivalen	Last 10Y Median	Premium / Disc. vs Avg
<b>FTSE MIB</b>	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	13.8 x	12.7 x		12.7 x	0.0%
<b>FTSE Italy Mid Cap</b>	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	11.9 x	14.5 x		16.0 x	-9.8%
<b>FTSE Italy Small Caps</b>	nm	18.9 x	14.5 x	nm	51.5 x	20.2 x	14.9 x	14.0 x	12.3 x	17.0 x	16.3 x		16.3 x	0.0%
<b>Germany DAX (TR)</b>	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	17.9 x	15.1 x	19.1%	15.0 x	1.0%
<b>Germany MDAX</b>	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	20.8 x	17.8 x	23.1%	20.9 x	-14.7%
<b>France CAC 40</b>	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	21.3 x	15.1 x	19.0%	15.6 x	-3.1%
<b>France CAC Mid 60</b>	36.8 x	16.2 x	15.6 x	nm	nm	20.2 x	13.3 x	12.8 x	22.9 x	21.2 x	17.0 x	17.4%	16.6 x	
<b>France CAC Small</b>	32.9 x	31.0 x	32.6 x	nm	nm	45.0 x	23.8 x	22.0 x	16.0 x	207.4 x	23.8 x	45.9%	27.4 x	-13.1%
<b>FTSE 100</b>	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	15.9 x	12.7 x	0.1%	12.8 x	-0.9%
<b>FTSE 250</b>	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	14.3 x	12.4 x	-14.6%	14.3 x	-13.6%
<b>IBEX 35</b>	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	16.1 x	14.1 x	10.7%	13.4 x	5.2%
<b>IBEX MEDIUM</b>	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	16.2 x	14.2 x	-1.9%	15.2 x	-6.4%

Source: Intermonte SIM and FactSet

**Intermonte Mid & Small Cap Coverage – de-rating/re-rating on 2026 estimates since 1<sup>st</sup> Jan 2026**

Stock	Restated Net Profit 26 as of 31/12/25	Restated net profit 26 last estimate	% Chg in Net Profit 26	Share Price perf. 31/12/25	De-rating(-) Re-rating(+)
WIIT	22.1	21.5	-3%	65%	68%
LU-VE	45.3	47.7	5%	73%	68%
PHARMANUTRA	21.8	24.8	14%	66%	52%
TESMEC	11.5	7.5	-35%	16%	51%
IEG	34.2	34.0	0%	47%	48%
STAR7	10.6	10.6	0%	39%	39%
FNM	67.5	53.1	-21%	9%	31%
TECHNOGYM	132.7	139.4	5%	27%	22%
ANIMA	267.3	259.4	-3%	19%	22%
TXT E-SOLUTIONS	33.1	32.7	-1%	20%	21%
IGD	48.5	48.3	0%	20%	20%
REVO INSURANCE	37.8	36.8	-2%	17%	20%
MEDIA FOR EUROPE	360.7	274.8	-24%	-4%	19%
CAREL INDUSTRIES	76.2	86.2	13%	30%	17%
FINE FOODS	18.4	12.5	-32%	-16%	16%
ERG	188.8	165.9	-12%	3%	15%
INTERCOS	76.7	69.7	-9%	6%	15%
BREMBO	233.0	227.2	-3%	11%	13%
OMER	9.9	7.7	-22%	-9%	13%
DATALOGIC	16.9	12.5	-26%	-15%	11%
ESPRINET	24.9	25.3	2%	11%	10%
MAIRE	301.4	300.9	0%	9%	9%
PIRELLI & C	610.0	577.2	-5%	3%	8%
EMAK	20.7	18.1	-12%	-5%	7%
OVS GROUP	101.4	101.3	0%	7%	7%
IREN	321.1	313.3	-2%	4%	6%
MARR	42.0	33.7	-20%	-15%	5%
EL.EN.	58.3	57.3	-2%	2%	3%
TINEXTA	55.3	55.3	0%	3%	3%
PIAGGIO	54.6	49.6	-9%	-6%	3%
DE' LONGHI	394.8	369.2	-6%	-4%	3%
ACEA	355.5	359.3	1%	3%	1%
REWAY GROUP	32.6	30.6	-6%	-5%	1%
BANCA SISTEMA	28.4	28.4	0%	1%	1%
SESA	104.0	103.5	-1%	1%	1%
RAI WAY	87.9	88.0	0%	0%	0%
INTRED	9.1	8.6	-5%	-6%	(0%)
GPI	28.8	27.7	-4%	-5%	(1%)
SECO	15.7	13.4	-14%	-15%	(1%)
DHH	5.0	5.1	2%	1%	(2%)
MONDADORI	76.7	74.0	-4%	-5%	(2%)
CREDITO EMILIANO	528.0	522.1	-1%	-3%	(2%)
ENAV	91.0	98.2	8%	5%	(3%)
FILA	46.1	41.1	-11%	-16%	(5%)
ABITARE IN	7.9	7.9	0%	-6%	(6%)
UNIDATA	9.9	10.2	3%	-5%	(8%)
NOTORIOUS PICTURES	3.6	3.6	0%	-9%	(9%)
REPLY	257.3	252.8	-2%	-14%	(12%)
AQUAFIL	10.4	12.0	15%	2%	(14%)
INTERPUMP	253.7	225.6	-11%	-25%	(14%)
CEMENTIR	211.8	189.8	-10%	-28%	(17%)
SYS-DAT	9.7	10.0	2%	-20%	(22%)
WEBUILD	402.1	402.1	0%	-27%	(27%)
DOVALUE	47.1	46.3	-2%	-29%	(27%)
BANCA IFIS	163.7	178.5	9%	-24%	(33%)
MISITANO & STRACUZZI	2.0	1.1	-43%	-84%	(41%)
SOMEK	8.6	14.1	63%	11%	(52%)
BFF BANK	198.4	156.3	-21%	-76%	(54%)
THE ITALIAN SEA GROUP	27.0	27.0	0%	-58%	(58%)

Source: Intermonte SIM

## Liquidity

### Mid/small 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 16.1% higher than in the corresponding period one year ago (it was down 3.2% YoY one month ago) and up 12.1% YtD. The picture is also improving for mid/small caps: specifically, since 1/1/26, liquidity has increased by 36.7% YoY for mid-caps and 26.2% for small caps, with mid-caps improving markedly in the last month.

#### Italian Market – liquidity analysis

	Avg Daily Volume * Avg Price (Eu mn) 2026			Avg Daily Volume * Avg Price (Eu mn) 2025			% Changes (YoY)		
	1M to 20/05	3M to 20/05	YTD to 20/05	1M to 20/05	3M to 20/05	YTD to 20/05	1M to 20/05	3M to 20/05	YTD to 20/05
<b>FTSE MIB</b>									
All stocks	89.46	100.41	95.29	77.05	94.11	84.97	16.1%	6.7%	12.1%
Top 20% by market cap	225.80	246.11	227.48	177.83	234.98	211.43	27.0%	4.7%	7.6%
<b>FTSE Italia Mid Cap</b>									
All stocks	3.75	3.90	3.91	2.85	3.10	2.86	31.3%	25.9%	36.7%
Top 20% by market cap	6.97	7.67	7.31	5.98	6.02	5.41	16.5%	27.5%	35.1%
<b>FTSE Italia Small Cap</b>									
All stocks	0.34	0.39	0.38	0.31	0.33	0.30	9.4%	18.3%	26.2%
Top 20% by market cap	0.99	1.02	0.98	0.82	0.90	0.81	21.5%	12.6%	21.1%

Source: FactSet

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

#### Intermonte Mid & Small Cap Coverage – most liquid stocks

Stock	Market Cap (Eu mn)	6M Avg Volume * Avg Price (Eu)
BFF BANK	438	28,590,092
REPLY	3,702	13,252,613
INTERPUMP	3,833	12,758,430
PIRELLI & C	6,547	11,474,575
MAIRE	4,660	10,377,301
ERG	3,400	7,708,775
MEDIA FOR EUROPE	2,249	6,411,136
DE' LONGHI	5,329	6,360,848
BANCA IFIS	1,187	6,007,891
BREMBO	3,483	4,876,937
ACEA	4,826	4,423,853
IREN	3,445	3,724,750
DANIELI	4,612	3,516,663
FERRAGAMO	1,171	3,473,937
TECHNOGYM	4,127	3,434,907
SESA	1,398	3,129,662
ENAV	2,691	3,074,504
CEMENTIR	2,158	2,904,172
DOVALUE	405	2,679,872
CREDITO EMILIANO	5,052	2,473,386
OVS GROUP	1,324	2,346,324
TIP	1,564	2,159,915
RAI WAY	1,526	1,922,613
CAREL INDUSTRIES	3,600	1,752,395
REVO INSURANCE	658	1,725,718
ESPRINET	347	1,652,931
FILA	354	1,622,800
THE ITALIAN SEA GROUP	91	1,609,235
LU-VE	1,514	1,601,636

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)
<b>Intermonte Coverage</b>	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 2026 vs. 2025, and the highest 2026 dividend yields, can be found in the following tables.

### Intermonte Mid & Small Cap Coverage – 2026 dividend yield

Stock	Price (Eu)	Mkt Cap (Eu mn)	EPS 26	DPS 26	Yield 26 %	PayOut 26 %	Net Debt/EBITDA 26
BFF BANK	2.3	438	0.827	0.827	35.7%	100%	
THE ITALIAN SEA GROUP	1.7	91	0.509	0.217	12.6%	43%	0.9
BANCA IFIS	19.3	1,187	2.887	2.148	11.1%	74%	
MONDADORI	2.0	524	0.283	0.169	8.4%	60%	1.3
MEDIA FOR EUROPE	3.0	2,249	0.393	0.230	7.8%	59%	1.7
ANIMA	7.2	2,342	0.798	0.500	6.9%	63%	
NOTORIOUS PICTURES	0.6	14	0.161	0.040	6.5%	25%	1.4
DOVALUE	2.1	405	0.244	0.134	6.3%	55%	2.3
MARR	7.7	512	0.507	0.474	6.2%	93%	1.9
ENAV	5.0	2,691	0.181	0.300	6.0%	165%	0.2
RAI WAY	5.6	1,526	0.324	0.322	5.7%	100%	1.0
IREN	2.6	3,445	0.241	0.150	5.7%	62%	3.1
ESPRINET	6.9	347	0.513	0.370	5.4%	72%	0.4
ACEA	22.7	4,826	1.687	1.200	5.3%	71%	3.5
CREDITO EMILIANO	14.8	5,052	1.530	0.770	5.2%	50%	
BANCA SISTEMA	1.7	137	0.353	0.088	5.2%	25%	
EMAK	0.9	144	0.111	0.045	5.1%	40%	2.6
MAIRE	14.2	4,660	0.916	0.675	4.8%	74%	(0.5)
PIAGGIO	1.7	602	0.140	0.080	4.7%	57%	1.8
FNM	0.5	224	0.122	0.024	4.6%	20%	3.8
MISITANO & STRACUZZI	0.3	9	0.038	0.015	4.4%	40%	6.2
ERG	22.6	3,400	1.103	1.000	4.4%	91%	3.9
IGD	4.2	458	0.438	0.180	4.3%	41%	7.8
DE' LONGHI	35.2	5,329	2.444	1.485	4.2%	61%	(1.3)
POWERSOFT	18.8	241	1.168	0.785	4.2%	67%	1.1
PIRELLI & C	6.0	6,547	0.532	0.231	3.8%	43%	0.9
FILA	8.2	354	0.805	0.282	3.4%	35%	1.9
INDEL B	19.9	116	2.208	0.662	3.3%	30%	0.4
GPI	15.2	441	0.904	0.500	3.3%	55%	3.1

Source: Intermonte SIM and FactSet

**Intermonte Mid & Small Cap Coverage – EPS growth, 2026 vs. 2025**

Stock	Price (Eu)	Mkt Cap (Eu mn)	P/E 25	P/E 26	EPS Growth
AQUAFIL	1.4	103	23.0	10.3	123%
DOVALUE	2.1	405	16.0	8.7	83%
GPI	15.2	441	28.9	16.9	71%
TECNO	3.5	51	19.1	12.8	50%
PIAGGIO	1.7	602	17.8	12.2	46%
SECO	2.5	330	33.3	24.6	35%
CAREL INDUSTRIES	32.0	3,600	55.3	41.8	32%
SOMEK	16.5	120	11.3	8.5	32%
DANIELI	66.3	4,612	21.8	16.7	30%
EL.EN.	14.2	1,137	25.7	19.8	30%
REVO INSURANCE	22.5	658	23.0	17.9	29%
ESPRINET	6.9	347	16.8	13.4	25%
BANCA IFIS	19.3	1,187	8.3	6.7	25%
FILA	8.2	354	12.7	10.2	24%
STAR7	11.6	104	12.3	9.9	24%
PHARMANUTRA	90.0	871	43.6	35.1	24%
INTERCOS	11.7	1,126	19.6	16.1	21%
REWAY GROUP	10.2	310	15.7	13.0	21%
TINEXTA	15.4	729	15.8	13.2	20%
UNIDATA	2.7	#Calc	9.8	8.3	18%
THE ITALIAN SEA GROUP	1.7	91	4.0	3.4	18%
IGD	4.2	458	11.1	9.5	17%
POWERSOFT	18.8	241	18.7	16.1	17%
DE' LONGHI	35.2	5,329	16.8	14.4	17%
TECHNOGYM	20.5	4,127	34.5	29.6	16%
MAIRE	14.2	4,660	17.9	15.5	16%
BANCA SISTEMA	1.7	137	5.6	4.8	15%
SYS-DAT	4.9	153	17.6	15.3	15%
INDEL B	19.9	116	10.2	9.0	13%
OVS GROUP	5.2	1,324	14.8	13.1	13%
CEMENTIR	13.6	2,158	12.8	11.4	13%
DHH	23.0	129	28.2	25.2	12%
IEG	13.0	400	13.2	11.8	12%
SESA	90.3	1,398	14.6	13.2	10%
MEDIA FOR EUROPE	3.0	2,249	8.2	7.5	9%
EMAK	0.9	144	8.7	7.9	9%
MARR	7.7	512	16.6	15.2	9%
BREMBO	10.4	3,483	15.8	14.6	9%
INTERPUMP	35.2	3,833	18.4	17.0	8%

Source: Intermonte SIM and FactSet

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

Company	P/E 2026	P/E 2027	EV/ EBITDA 2026	EV/ EBITDA 2027	Div. Yield 2026	Div. Yield 2027	FCF Yield 2026	FCF Yield 2027	NETDEBT/ EBITDA 2026	NETDEBT/ EBITDA 2027
ACEA	13.4	13.6	7.8	7.5	5.3%	4.9%	-0.7%	3.2%	3.5x	3.4x
ANIMA	9.0	8.9			6.9%	6.9%				
BANCA IFIS	6.7	5.6			11.1%	13.8%				
BFF BANK	2.8	2.6			35.7%	38.0%				
BREMBO	14.6	12.5	6.3	5.6	2.9%	3.4%	5.2%	5.6%	1.0x	0.8x
CAREL INDUSTRIES	41.8	36.1	23.9	21.4	0.6%	0.8%	1.5%	2.1%	-0.2x	-0.2x
CEMENTIR	11.4	10.9	3.9	3.5	2.2%	2.3%	8.4%	8.7%	-1.5x	-1.7x
CREDITO EMILIANO	9.7	9.3			5.2%	5.4%				
DANIELI	16.7	14.7	8.2	6.7	0.5%	0.6%			-4.8x	-4.7x
DE' LONGHI	14.4	12.9	6.8	6.0	4.2%	4.7%	6.9%	7.5%	-1.3x	-1.4x
EL.EN.	19.8	18.2	9.2	8.3	2.0%	2.2%	4.6%	4.7%	-2.0x	-2.1x
ENAV	27.4	23.8	10.5	9.6	6.0%	6.0%	8.9%	8.7%	0.2x	-0.1x
ERG	20.5	22.8	9.8	10.0	4.4%	4.4%	0.7%	6.0%	3.9x	3.9x
FERRAGAMO	nm	79.4	5.7	5.1	0.0%	0.6%	-2.2%	-1.2%	2.5x	2.2x
INTERCOS	16.1	14.3	7.4	6.7	1.4%	1.8%	3.6%	5.2%	0.7x	0.4x
INTERPUMP	17.0	15.2	8.4	7.4	1.0%	1.1%	6.6%	6.8%	0.5x	0.0x
IREN	11.0	10.7	6.4	6.2	5.7%	6.1%	2.4%	2.1%	3.1x	3.0x
LU-VE	31.7	24.7	16.1	13.1	0.7%	0.7%	2.1%	2.7%	0.5x	0.2x
MAIRE	15.5	13.9	7.7	6.7	4.8%	5.3%	4.1%	6.3%	-0.5x	-0.6x
MARR	15.2	11.8	6.3	5.4	6.2%	7.9%	3.1%	8.7%	1.9x	1.6x
MEDIA FOR EUROPE	7.5	6.2	3.3	3.0	7.8%	8.1%	12.1%	14.1%	1.7x	1.5x
MONDADORI	7.1	6.9	4.5	4.3	8.4%	9.3%	11.6%	12.9%	1.3x	1.2x
OVS GROUP	13.1	11.9	6.6	5.7	3.1%	3.4%	5.8%	6.4%	0.5x	0.3x
PHARMANUTRA	35.1	28.8	21.0	17.6	1.6%	1.7%	2.5%	3.2%	-0.5x	-0.7x
PIAGGIO	12.2	8.3	4.1	3.6	4.7%	6.0%	16.4%	14.5%	1.8x	1.5x
PIRELLI & c	11.3	10.6	5.0	4.7	3.8%	4.3%	7.6%	8.4%	0.9x	0.6x
RAI WAY	17.3	16.2	9.0	8.8	5.7%	6.2%	7.9%	8.2%	1.0x	1.2x
REPLY	14.6	13.6	6.6	5.7	1.5%	1.6%	7.4%	7.5%	-1.4x	-1.8x
SESA	13.2	11.9	5.2	5.1	1.2%	1.3%	7.0%	7.9%	0.2x	-0.1x
TECHNOGYM	29.6	26.1	15.7	14.2	2.2%	2.5%	2.9%	3.4%	-0.8x	-0.9x
TINEXTA	13.2	11.4	8.4	7.5	1.7%	2.1%	6.1%	7.1%	1.9x	1.4x
TIP										
WEBUILD	6.4	6.0	1.7	1.4	3.2%	3.2%	4.7%	12.7%	-0.4x	-0.6x
WIIT	41.1	28.2	15.1	13.1	1.2%	1.8%	3.1%	4.1%	3.0x	2.3x

Source: Intermonte SIM

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

Company	P/E 2026	P/E 2027	EV/ EBITDA 2026	EV/ EBITDA 2027	Div. Yield 2026	Div. Yield 2027	FCF Yield 2026	FCF Yield 2027	NETDEBT/ EBITDA 2026	NETDEBT/ EBITDA 2027
ABITARE IN	8.9	3.8	9.8	5.5	0.0%	0.0%	27.0%	27.5%	6.4x	3.4x
AQUAFIL	10.3	7.0	3.9	3.4	0.0%	0.0%	17.3%	17.2%	2.5x	2.1x
BANCA SISTEMA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
CY4GATE	nm	nm	9.8	8.5	0.0%	0.0%	6.1%	3.7%	0.1x	-0.2x
DATALOGIC	18.4	14.4	5.0	4.2	3.1%	3.8%	3.2%	8.2%	0.3x	0.0x
DHH	25.2	21.9	8.1	7.2	0.0%	0.0%	4.6%	5.3%	-0.5x	-0.9x
DOVALUE	8.7	4.9	3.5	2.9	6.3%	10.3%	24.9%	42.0%	2.3x	1.8x
ELICA	nm	47.1	4.9	4.3	0.8%	2.1%	8.2%	9.0%	2.4x	1.9x
EMAK	7.9	6.6	4.7	4.2	5.1%	6.1%	17.1%	15.6%	2.6x	2.2x
ESPRINET	13.4	12.1	4.9	4.5	5.4%	5.8%	12.1%	11.0%	0.4x	0.2x
FILA	10.2	9.7	4.3	3.9	3.4%	3.6%	15.4%	16.6%	1.9x	1.5x
FINE FOODS	16.5	13.0	7.4	6.2	1.5%	1.7%	-2.5%	3.8%	2.3x	1.8x
FNM	4.2	4.5	4.2	4.5	4.6%	4.8%	-166.2%	-176.9%	3.8x	4.1x
GPI	16.9	14.7	6.6	6.2	3.3%	3.4%	7.1%	9.5%	3.1x	2.8x
IEG	11.8	12.1	5.5	5.3	1.6%	1.7%	5.9%	7.0%	0.9x	0.7x
IGD	9.5	8.8	12.4	12.6	4.3%	4.7%	8.7%	9.3%	7.8x	7.9x
INDEL B	9.0	7.8	4.4	3.8	3.3%	3.8%	10.5%	11.4%	0.4x	0.0x
INTRED	17.3	15.2	6.6	6.5	1.3%	1.3%	6.4%	-5.0%	1.3x	1.5x
MISITANO & STRACUZZI	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
NOTORIOUS PICTURES	3.8	2.8	1.8	1.9	6.5%	8.1%	35.5%	57.2%	1.4x	1.4x
OMER	13.2	12.7	5.4	4.4	0.0%	0.0%	10.7%	9.8%	-2.3x	-3.0x
POWERSOFT	16.1	14.1	9.6	8.5	4.2%	4.4%	6.2%	6.4%	1.1x	0.9x
REVO INSURANCE	17.9	15.6			1.5%	1.7%				
REDELFI	17.1	11.8	9.8	7.9	0.0%	0.0%	-8.3%	12.0%	1.2x	-0.1x
REWAY GROUP	13.0	11.3	8.0	6.8	0.0%	0.0%	3.7%	4.7%	0.9x	0.5x
SECO	24.6	18.5	8.8	7.6	0.0%	0.0%	3.0%	2.6%	0.9x	0.6x
SOMEK	8.5	7.4	3.9	3.1	0.0%	0.0%	11.6%	19.3%	0.6x	0.1x
STAR7	9.9	8.8	5.8	5.1	0.0%	0.0%	6.2%	5.4%	0.9x	0.6x
SYS-DAT	15.3	13.3	6.6	5.3	0.8%	1.0%	7.0%	8.0%	-1.0x	-1.3x
TECNO	12.8	9.7	7.1	5.4	0.8%	1.3%	1.5%	3.3%	0.2x	0.1x
TESMEC	14.9	7.9	5.1	4.1	0.0%	0.0%	3.3%	9.9%	2.7x	2.1x
THE ITALIAN SEA GROUP	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
TXT E-SOLUTIONS	14.1	12.4	8.5	7.3	1.0%	1.2%	6.7%	7.7%	1.6x	1.0x
UNIDATA	8.3	7.5	4.2	4.0	0.4%	0.5%	8.1%	10.8%	1.3x	1.2x

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.