

COMER INDUSTRIES

Sector: Industrial

Attractive FY23 FCF and DPS amid market downturn

4Q23 results came in broadly in line with our estimates. While sales were impacted by market headwinds in AG as expected, the group delivered a solid EBITDA margin in the quarter of 16.9%. FY23 FCF came in higher than expected thanks to a favourable NWC dynamics. The EBITDA conversion, net of the NWC effect, stood at 60%, confirming the group's strong cash flow generation capabilities. The increase in DPS (1.25/sh; +60% yoy) crowns the solid set of results. We reduce our FY24 top-line estimates by 13% to reflect the expected market downturn in the short-term, especially within the AG segment. We lowered our FY24E EBITDA margin by 70bp, following mgmt. indication on a profitability reduction in 2024. All in all, we expect Comer to post a 4.1% FY24-26E CAGR in net sales. EBITDA should register 6.3% FY24-26E CAGR, reaching Eu215mn/17.0% margin in FY26E. We expect to see Comer shield margins and prioritize FCF generation in the short-term, until the market cycle improves. BUY confirmed with TP to Eu42.0/share (from Eu45) based on relative (30%) and mark-to-market DCF (70%) methods.

- 4Q23 net sales impacted by AG headwinds, sound dividend distribution.** 4Q23 sales came in at Eu271mn, -9.5% yoy (-11% organic), primarily due to the anticipated subdued demand in the AG market. FY23 sales totalled Eu1.2bn, -1.1% yoy (-2.6% organic with -0.7% forex impact) and broadly in line with our estimate. E-comer contribution stood at Eu26.9mn, soaring by 29% vs 9M23. FY23 AG sales declined to Eu724mn (-6.7% yoy; 59% of total sales). The trend has been partially counterbalanced by a resilient performance in Industrial, which reached Eu499.8mn sales (+8% yoy/+2.5% on a like-for-like basis). On a geographical standpoint, Comer's limited exposure to LATAM countries (4% of FY23 sales) has shielded from the current difficult South American market (-27% yoy in sales). APAC followed with -14.6% yoy to Eu178mn (14.6% of FY23 sales). EMEA increased by 4.4% yoy to Eu725mn (59% of FY23 sales). Last, sales in North America totalled Eu271mn (22% of sales), +2% yoy, thanks to the country economics' strength. The BoD proposed the distribution of a DPS of Eu1.25/share, +67% yoy.
- EBITDA in line with our estimate after strong margins expansion in 2H.** 4Q23 EBITDA stood at Eu46mn, in line yoy, implying 16.9% margin on net sales, up 130bp from 4Q22. FY23 EBITDA totalled Eu205mn/16.6% margin, increased by 220bp vs FY22.
- Net debt was better than expected thanks to favourable WC dynamics.** Net debt reached Eu95mn, down from Eu150mn at YE22 (Eu119mn in 9M23) and better than our Eu109mn. The beat was primarily attributable to a more favourable NWC dynamic than forecasted. The group generated FCF for Eu163mn, a remarkable EBITDA conversion of 80% (60% excl. NWC impact). This results into a negligible net debt/EBITDA level of 0.5x, down from 0.8x highlighting once again meticulous attention to cash flow management. The group has established a stock option plan for the CEO and managers, designed to incentivize and retain employees. The plan involves a mix of monetary bonuses and stock awards using the group's treasury shares.
- We reduce our top-line estimates to reflect a challenging context.** We believe that current reference AG market settles persistent headwinds, amid normalization of dealers' stock, also confirmed by recent outlook from major Comer's clients. We decrease our FY24E top-line by 13% and trim our EBITDA margin to 16.0% (from 16.7%), following mgmt. expectation on lower profitability in the short-term. We thus gradually reduce FY25E top-line to broadly maintain our previous growth rate. On the back of higher payout, we uplift FY24-25E DPS by 20% vs. our previous estimate. All in all, we expect Comer to post a 4.1% FY24-26E CAGR in net sales. EBITDA should register a 6.3% FY24-26E CAGR, reaching Eu215mn/17.0% margin in FY26E. We expect to see Comer to shield margins and prioritize FCF generation in the short-term, until the market cycle improves. On the longer horizon, we see Comer's strong positioning to gain market shares in Industrial and continue to deliver a best-in-class ROCE (15% in FY23).
- BUY confirmed with TP to Eu42.0/share (from Eu45.0).** We confirm our BUY rating with TP to Eu42.0/share (from Eu45.0) based on the weighted average of 2024E-25E EV/EBIT of peers with 30% weight and mark-to-market DCF (70% weight).

BUY

Unchanged

TP 42.0

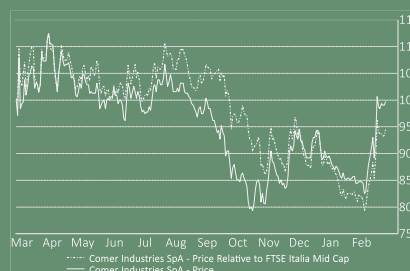
From 45.0

Target price upside 33%

Change in EPS est.	FY24E	FY25E
	-21.0%	-17.3%

Ticker (BBG, Reut)	COM IM	COM.MI
Share price Ord. (Eu)		31.5
N. of Ord. shares (mn)		28.7
Total N. of shares (mn)		28.7
Market cap (Eu mn)		903
Total Market Cap (EU mn)		903
Free Float Ord. (%)		7%
Free Float Ord. (Eu mn)		65
Daily AVG liquidity Ord. (Eu k)		150

	1M	3M	12M
Absolute Perf.	15.6%	9.5%	3.3%
Rel.to FTSEMIDCap	13.0%	0.7%	-0.5%
52 weeks range		25.0	35.4



	FY23A	FY24E	FY25E
Sales	1,224	1,122	1,198
EBITDA adj.	205	179	200
Net profit adj.	109	91	105
EPS adj.	3.8	3.2	3.6
DPS - Ord.	1.25	1.00	1.17
EV/EBITDA adj.	5.8x	6.2x	5.2x
P/E adj.	8.0x	10.0x	8.6x
Dividend yield	4.1%	3.2%	3.7%
FCF yield	18.8%	13.0%	15.4%
Net debt/(Net cash)	95	13	(97)
Net debt/EBITDA	0.5x	0.1x	nm

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ALANTRA

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Summary Financials (IFRS)

P&L account (Eu mn)	FY22A	FY23A	FY24E	FY25E	FY26E
Net Sales	1,238	1,224	1,122	1,198	1,265
EBITDA reported	180	205	179	200	215
D&A	(52)	(61)	(63)	(64)	(62)
EBIT reported	128	144	117	136	154
Net financial charges	(3)	(15)	(4)	(4)	(4)
Associates	0	0	0	0	0
Extraordinary items	0	0	0	0	0
Pre-tax profit	125	129	113	132	150
Taxes	(34)	(35)	(31)	(36)	(41)
Minorities	0	0	0	0	0
Discontinued activities	0	0	0	0	0
Net profit reported	91	94	82	96	109
EBITDA adjusted	180	205	179	200	215
EBIT adjusted	143	165	129	148	163
Net profit adjusted	102	109	91	105	116

Margins (%)	FY22A	FY23A	FY24E	FY25E	FY26E
First margin	nm	nm	nm	nm	nm
EBITDA margin	14.5%	16.7%	16.0%	16.7%	17.0%
EBITDA margin (adj)	14.5%	16.7%	16.0%	16.7%	17.0%
EBIT margin	10.3%	11.8%	10.4%	11.4%	12.1%
EBIT margin (adj)	11.5%	13.4%	11.5%	12.3%	12.9%
Net profit margin	7.3%	7.7%	7.3%	8.0%	8.6%
Net profit margin (adj)	8.2%	8.9%	8.1%	8.7%	9.2%

Growth rates (%)	FY22A	FY23A	FY24E	FY25E	FY26E
Sales	106.9%	-1.1%	-8.3%	6.8%	5.6%
EBITDA	132.0%	13.9%	-12.5%	11.4%	7.8%
EBITDA adjusted	132.0%	13.9%	-12.5%	11.4%	7.8%
EBIT	124.4%	13.2%	-19.1%	16.5%	12.9%
EBIT adjusted	151.3%	15.3%	-21.8%	15.0%	10.5%
Pre-tax	127.8%	3.4%	-12.7%	17.2%	13.2%
Net profit	130.1%	3.6%	-12.9%	17.2%	13.2%
Net profit adjusted	158.3%	6.7%	-16.7%	15.5%	10.8%

Per share data	FY22A	FY23A	FY24E	FY25E	FY26E
Shares	28.68	28.68	28.68	28.68	28.68
N. of shares AVG	28.68	28.68	28.68	28.68	28.68
N. of shares diluted AVG	28.68	28.68	28.68	28.68	28.68
EPS	3.16	3.28	2.85	3.34	3.79
EPS adjusted	3.55	3.79	3.16	3.65	4.04
DPS - Ord.	0.75	1.25	1.00	1.17	1.33
DPS - Sav.	0.00	0.00	0.00	0.00	0.00
BVPS	15.48	17.70	19.30	21.65	24.27

Enterprise value (Eu mn)	FY22A	FY23A	FY24E	FY25E	FY26E
Share price Ord. (Eu)	26.7	30.2	31.5	31.5	31.5
Market cap	766	866	903	903	903
Net debt/(Net cash)	149	95	13	(97)	(199)
Adjustments	219	222	204	223	232
Enterprise value	1,134	1,183	1,120	1,029	936

Source: Company data, Alantra estimates

Share price performance

Strong performance from IPO price...



Source: Factset

Cash flow (Eu mn)	FY22A	FY23A	FY24E	FY25E	FY26E
EBITDA reported	180	205	179	200	215
Net financial charges	(3)	(14)	(4)	(4)	(4)
Cash taxes	(34)	(21)	(31)	(36)	(41)
Ch. in Working Capital	(57)	41	26	(1)	(3)
Other Op. items	8	(7)	(19)	19	9
Operating cash flow	94	204	152	178	176
Capex	(34)	(41)	(34)	(39)	(40)
FCF	60	163	117	139	136
Disposals/Acquisitions	0	(50)	0	0	0
Changes in Equity	(5)	(5)	0	0	0
Others	(13)	(32)	0	0	0
Dividends	(14)	(22)	(36)	(29)	(34)
Ch. in NFP	28	54	82	110	102

Ratios (%)	FY22A	FY23A	FY24E	FY25E	FY26E
Capex/Sales	2.7%	3.3%	3.1%	3.2%	3.2%
Capex/D&A	0.6x	0.7x	0.6x	0.6x	0.7x
FCF/EBITDA	33.5%	79.6%	65.5%	69.6%	63.0%
FCF/Net profit	66.4%	173.5%	143.4%	144.9%	124.9%
Dividend pay-out	36.4%	23.7%	38.1%	35.0%	35.0%

Balance sheet (Eu mn)	FY22A	FY23A	FY24E	FY25E	FY26E
Working capital	206	161	135	136	140
Fixed assets	607	665	637	612	591
Provisions & others	(221)	(224)	(205)	(225)	(234)
Net capital employed	593	602	567	524	497
Net debt/(Net cash)	149	95	13	(97)	(199)
Equity	444	508	554	621	696
Minority interests	0	0	0	0	0

Ratios (%)	FY22A	FY23A	FY24E	FY25E	FY26E
Working capital/Sales	16.7%	13.2%	12.0%	11.4%	11.0%
Net debt/Equity	33.6%	18.7%	2.4%	nm	nm
Net debt/EBITDA	0.8x	0.5x	0.1x	nm	nm

Valuation	FY22A	FY23A	FY24E	FY25E	FY26E
EV/CE	1.4x	1.4x	1.5x	1.4x	1.3x
P/BV	1.7x	1.7x	1.6x	1.5x	1.3x
EV/Sales	0.9x	1.0x	1.0x	0.9x	0.7x
EV/EBITDA	6.3x	5.8x	6.2x	5.2x	4.3x
EV/EBITDA adjusted	6.3x	5.8x	6.2x	5.2x	4.3x
EV/EBIT	8.9x	8.2x	9.6x	7.6x	6.1x
EV/EBIT adjusted	7.9x	7.2x	8.7x	7.0x	5.7x
P/E	8.4x	9.2x	11.0x	9.4x	8.3x
P/E adjusted	7.5x	8.0x	10.0x	8.6x	7.8x
ROCE pre-tax	18.5%	20.1%	16.1%	19.5%	22.1%
ROE	22.9%	21.4%	16.4%	16.8%	16.6%
EV/FCF	18.8x	7.3x	9.5x	7.4x	6.9x
FCF yield	7.9%	18.8%	13.0%	15.4%	15.0%
Dividend yield	2.8%	4.1%	3.2%	3.7%	4.2%

Valuation

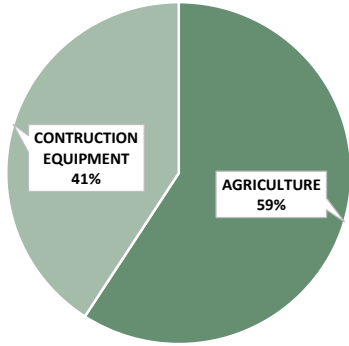
...with valuation multiples far from historical highs



Key Charts

Sales breakdown by business (FY23A, %)

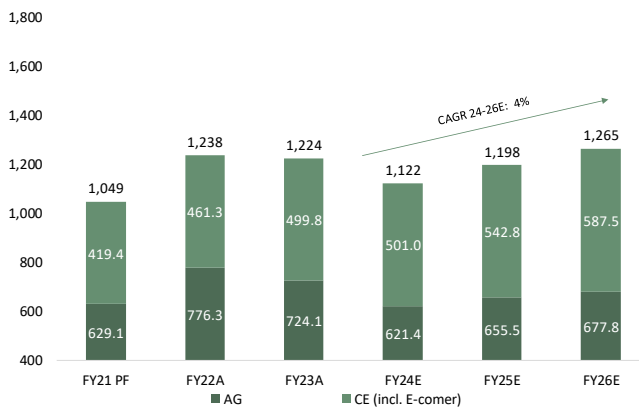
AG sales weighed 59% in FY22 sales; CE (Industrial) 41%



Source: Company data, Alantra

Net sales evolution (FY21A-FY25E, Eumn)

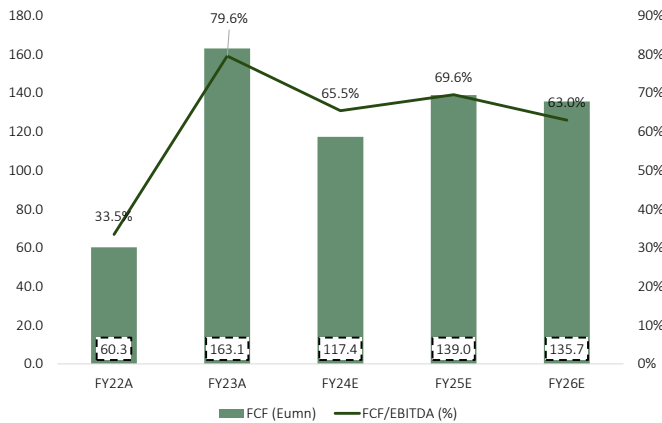
We expect Comer to experience a net sales CAGR 22-25E of 3.4%



Source: Company data, Alantra

FCF and EBITDA conversion (FY20A-FY25E, Eumn, %)

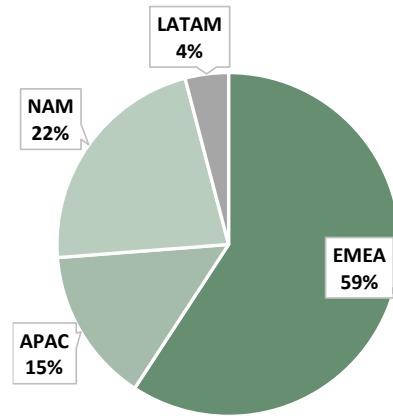
We expect FCF/EBITDA consistently at attractive levels (>60%)



Source: Company data, Alantra

Sales breakdown by region (FY23A, %)

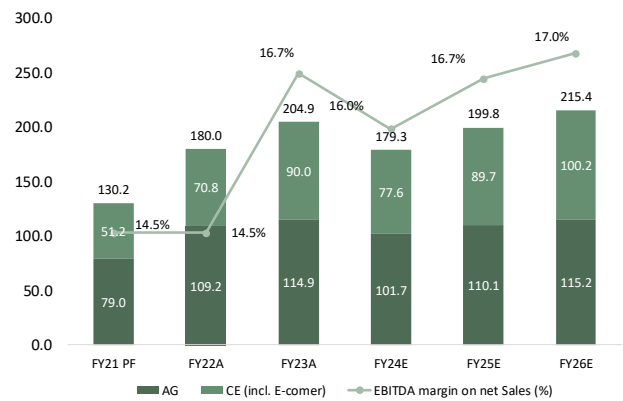
EMEA and NAM sales weighed 59% and 22% on sales, respectively in FY23



Source: Company data, Alantra

Adj. EBITDA and EBITDA margin (FY21A-FY25E, Eumn, %)

EBITDA is expected to expand to Eu231mn/16.9% margin by FY25E



Source: Company data, Alantra

A complete offer in mechatronics and powertrain solutions

The portfolio of products fully covers the customer needs in AG and Industrial



Source: Company data, Alantra

Profile

Background

Comer Industries is a global leader in the design and production of advanced power transmission systems and mechatronic solutions to major OEMs of agriculture and construction equipment. With Eu1.2bn sales in FY23A, the group is a leading tier 1 supplier of cutting-edge powertrain solutions for the Agriculture (59% of FY23 sales) and Construction Equipment (41%) sectors. The group markets a comprehensive range of products (gearboxes, planetary drive, driveshafts, axles, etc.) across EMEA (59% of FY23 sales), NAM (22%), APAC (15%) and LATAM (4%), also thanks to its global footprint. The co-design and development of products in a partnership-like approach with OEMs give high business visibility and make Comer the partner of choice for mission critical engineered mechanics in the off-highway space. The attractive growth experienced in the last decade has been driven both organically, thanks to an established track-record, and through the acquisition of Walterscheid Powertrain Group (WPG) in 2021, which has been transformational in size and value, adding complementary products and accelerating further the global presence. Comer is also successfully diversifying its product catalogue and solutions by adding the e-vertical thanks to the acquisition of Benevelli-Sitem (e.g. e-motors).

Positioning

Comer competes with large and diversified international companies (e.g. Dana) and with Italian specialists of powertrain systems (Carraro, Bondioli & Pavesi, etc.). The group is larger in size/revenues compared to the latter cluster and boasts a global leading position thanks to an extended best-of-breed products' catalogue (we estimate ca. 25% mkt share in AG, 9% in Industrial). The established track-record coupled with the proximity to major OEMs due to its global footprint, makes Comer to stand out from the crowd. These are strong competitive edges in view of the gradual shift of customers to a buy vs make approach. We believe that the competitive positioning of Comer is well summarized by its ROCE of 15% in FY23, higher than the average of peers of around 8%.

Growth

We expect Comer to post a 4% FY24-26E CAGR in net sales mainly driven by market share gains in Industrial, new products and increase in share of wallet in AG. EBITDA should register 6% FY24E-26E CAGR to Eu215mn/17% margin in FY26E, thanks to a confirmation of the proven group's pricing power and by additional costs synergies expected from WPG integration. The solid BS is set to strengthen further with expected average FCF/EBITDA conversion of >60% in FY23A-26E, thus reaching net cash position by 25E and triggering additional M&A firepower (>Eu400mn).

Strategy

We believe that Comer Industries is well positioned to consolidate its leadership in the AG segment and increase its market share in the Industrial market. We expect the group to gain further market shares by pivoting on its global footprint, shifting Comer's role from sole supplier to partner of choice. On the M&A side, the group can add new technologies (e.g. hydraulic), to replicate the Benevelli-Sitem deal's rationale, which allowed the group to expand and diversify further the portfolio of products and applications. Indeed, the entrance in the electrified equipment field opened to new opportunities and allows Comer to reap the benefits stemming from the electrification wave.

Strengths

- Leading positioning in agriculture equipment market
- A global footprint and capillary presence that maximises proximity to customers
- Established track record with a portfolio of top tier global OEMs (AG and CE)

Weaknesses

- Exposure to some market cyclicality
- Limited exposure to AM channel
- Followers in CE market

Opportunities

- Growth in food consumption commands efficiencies in agriculture equipment
- Strong market share growth potential in Construction Equipment sector
- New products and technologies through M&A

Threats

- Cyclical downturn should impact demand for reference markets (AG and CE)
- Exposure to OEMs, implying some pressure on margins

Key shareholders

- Eagles Oak (2° gen Storchi Family): 51%
- WPG Parent BV: 23.9%
- FINREGG (1° gen Storchi Family): 6.2%
- Giglio Sergio: 3.4%
- Matteo Storchi: 1.5%
- Flee-float: 7.2%

Management

- Matteo Storchi - President & CEO
- Stefano Palmieri - CFO
- Alessandro Brizzi - IR

Next events

- Shareholding meeting: 23/04/24
- 1Q24 results: 08/05/24
- 1H24 results: 02/08/24
- 3Q24 results: 30/10/24

4Q/FY23 Results

4Q/FY23 results

4Q23 net sales impacted by AG headwinds. EBITDA in line with our estimate

Eu mn				Alantra					Alantra	
	4Q22A	4Q23A	YoY %	4Q23E	AvE	FY22A	FY23A	YoY %	FY23E	AvE
Net Sales	300	272	-9.3%	287	-5.4%	1,238	1,224	-1.1%	1,239	-1.2%
EBITDA	47	46	-1.6%	47	-2.2%	180	205	13.9%	206	-0.5%
<i>Ebitda Margin %</i>	15.6%	16.9%		16.4%		14.5%	16.7%		16.6%	
EBIT						128	144	13.2%	150	-3.8%
<i>Ebitda Margin %</i>						10.3%	11.8%		12.1%	
Net Profit						91	94	3.6%	102	-7.5%
						7.3%	7.7%		8.2%	
NFP at YE (debt)/cash	(149)	(95)		(109)		(149)	(95)		(109)	

Source: Company data and Alantra estimates

Change in estimates

Change in Estimates

We decrease our FY24E top-line by 13% and trim our EBITDA margin to 16.0% (from previous 16.7%)

(Eu mn)	NEW Estimates			% Change			OLD Estimates		
	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E
Net Sales	1,122	1,198	1,265	-13.1%	-12.3%	nm	1,292	1,366	nm
EBITDA Adjusted	179	200	215	-16.9%	-13.6%	nm	216	231	nm
EBIT Adjusted	129	148	163	-23.3%	-19.5%	nm	168	184	nm
Pretax Profit	113	132	150	-22.7%	-18.5%	nm	146	162	nm
Net profit	82	96	109	-22.7%	-18.5%	nm	106	118	nm
Net profit restated	91	105	116	-21.0%	-17.3%	nm	115	126	nm
EPS	3.2	3.6	4.0	(0.2)	(0.2)	nm	4.0	4.4	nm
Net financial position	(13)	97	199	2	17	nm	(15)	80	nm

Source: Company data and Alantra estimates

CNHI (lhs) and Deere (rhs) 2024 outlook in AG are confirming a downturn trend across geographies

Major OEMs in AG are seeing a market downturn in 2024 in both USA and Europe

	North America	EMEA	South America	APAC
LHP Tractors	(10%) – (5%)	(10%) – (5%)	~(10%)	(5%) – flat
HHP Tractors	(15%) – (10%)			
Combines	(15%) – (10%)	(10%) – (5%)	(15%) – (10%)	~flat

Total Industry Volume % change FY 2024 vs. FY 2023 reflecting the aggregate for key markets where the Company competes.

U.S. and CANADA
LARGE AG

U.S. and CANADA
SMALL AG and TURF

EUROPE AG

SOUTH AMERICA AG
(tractors and combines)

ASIA AG

Source: CNHI and Deere 4Q23 result presentations

Peers

Financials – Comer Industries versus selected peers

The reference AG market settles persistent headwinds, amid normalization of dealers' stock, also confirmed by recent outlook from major OEMs

Company	Country	Mkt Cap (Eu mn)	FY24E - FY26E average margins					CAGR FY23A - FY26E			
			EBITDA Margin	EBIT Margin	Net Income Margin	Capex / Sales	Dividend Payout	Sales	EBITDA	EBIT	Net profit
COMER INDUSTRIES S.p.A.	ITALY	866	16.1%	10.9%	7.6%	3.2%	36.0%	1.1%	0.7%	0.6%	3.4%
PEERS	Average		20.1%	14.6%	10.8%	3.4%	24.2%	1.7%	3.0%	3.4%	5.0%
	Median		23.1%	14.5%	11.2%	3.7%	12.7%	2.5%	2.7%	1.8%	6.6%
Interpump Group S.p.A.	ITALY	4,812	24.0%	18.8%	13.0%	4.7%	12.7%	2.5%	2.7%	1.8%	6.6%
Bucher Industries AG	SWITZERLAND	4,226	13.4%	10.5%	8.2%	3.7%	47.8%	-1.6%	-3.0%	-5.3%	-6.9%
Regal Rexnord Corporation	UNITED STATES	10,490	23.1%	14.5%	11.2%	1.8%	12.1%	4.2%	9.3%	13.8%	15.2%
Off-Highway Components Manufacturers	Average		20.1%	14.6%	10.8%	3.4%	na	1.7%	3.0%	3.4%	5.0%
	Median		23.1%	14.5%	11.2%	3.7%	na	2.5%	2.7%	1.8%	6.6%
CNH Industrial NV	UNITED STATES	13,583	13.1%	10.8%	9.2%	2.9%	28.1%	-1.9%	0.0%	-3.4%	-0.5%
Deere & Company	UNITED STATES	95,013	24.4%	21.0%	15.7%	3.5%	24.0%	-4.6%	-5.6%	-6.3%	-5.8%
AGCO Corporation	UNITED STATES	7,674	12.9%	11.1%	7.3%	3.3%	44.5%	-2.0%	-5.7%	-8.3%	-4.5%
Caterpillar Inc.	UNITED STATES	154,547	22.8%	20.5%	15.3%	3.2%	25.8%	2.7%	3.0%	3.9%	3.4%
Off-highway OEMs	Average		18.3%	15.9%	11.9%	3.2%	30.6%	-1.4%	-2.1%	-3.5%	-1.8%
	Median		17.9%	15.8%	12.3%	3.2%	27.0%	-1.9%	-2.8%	-4.8%	-2.5%

Source: Factset, Alantra

Trading multiples

Comer Industries is trading at ca. 30% discount to Off-highway Components Manufacturers peer on EV/EBITDA 2024

Company	Country	Mkt Cap (Eu mn)	EV/EBITDA			EV/EBIT			PE			EV/Sales			
			FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	
COMER INDUSTRIES S.p.A.	ITALY	866	6.5 x	5.3 x	4.5 x	10.1 x	7.8 x	6.4 x	11.6 x	9.7 x	8.7 x	1.0 x	0.9 x	0.7 x	
Premium (discount) to C. Manufacturers' Median			-32%	-39%	-42%	-16%	-29%	-36%	-31%	-35%	-38%	-56%	-58%	-60%	
PEERS			Average	8.5 x	8.1 x	8.5 x	10.9 x	10.3 x	10.5 x	13.5 x	12.7 x	11.9 x	1.7 x	1.6 x	1.7 x
			Median	9.5 x	8.6 x	8.1 x	10.9 x	10.9 x	10.5 x	15.0 x	13.9 x	12.9 x	2.3 x	2.1 x	1.9 x
Interpump Group S.p.A.	ITALY	4,812	9.5 x	8.6 x	7.8 x	12.1 x	10.9 x	10.0 x	17.0 x	15.4 x	14.1 x	2.3 x	2.1 x	1.9 x	
Bucher Industries AG	SWITZERLAND	4,226	7.9 x	7.6 x	6.7 x	10.0 x	9.7 x	8.7 x	15.0 x	14.9 x	14.1 x	1.1 x	1.0 x	0.9 x	
Regal Rexnord Corporation	UNITED STATES	10,490	11.3 x	9.9 x	8.7 x	18.9 x	15.8 x	13.2 x	16.8 x	13.9 x	12.2 x	2.5 x	2.3 x	2.1 x	
Off-Highway Components Manufacturers	Average		9.6 x	8.7 x	7.7 x	13.7 x	12.1 x	10.6 x	16.3 x	14.7 x	13.5 x	1.9 x	1.8 x	1.6 x	
	Median		9.5 x	8.6 x	7.8 x	12.1 x	10.9 x	10.0 x	16.8 x	14.9 x	14.1 x	2.3 x	2.1 x	1.9 x	
CNH Industrial NV	UNITED STATES	13,583	5.0 x	5.8 x	8.1 x	5.8 x	6.7 x	10.5 x	7.7 x	7.5 x	7.2 x	0.6 x	0.8 x	1.1 x	
Deere & Company	UNITED STATES	95,013	9.6 x	9.2 x	12.2 x	10.9 x	11.2 x	14.0 x	13.7 x	13.5 x	12.9 x	2.3 x	2.2 x	3.1 x	
AGCO Corporation	UNITED STATES	7,674	5.0 x	4.8 x	4.7 x	5.9 x	5.8 x	5.0 x	8.7 x	9.2 x	8.4 x	0.6 x	0.6 x	0.6 x	
Caterpillar Inc.	UNITED STATES	154,547	11.1 x	10.6 x	11.2 x	12.5 x	11.9 x	12.3 x	15.7 x	14.8 x	14.2 x	2.5 x	2.4 x	2.6 x	
Off-highway OEMs	Average		7.7 x	7.6 x	9.1 x	8.8 x	8.9 x	10.5 x	11.5 x	11.2 x	10.7 x	1.5 x	1.5 x	1.8 x	
	Median		7.3 x	7.5 x	9.7 x	8.4 x	8.9 x	11.4 x	11.2 x	11.3 x	10.7 x	1.5 x	1.5 x	1.8 x	

Source: Factset, Alantra

Performance

The stock has performed in line with peers in the last month

Company	Country	Mkt Cap (Eu mn)	Performance						
			1M	3M	6M	1YR	3YR	5YR	
COMER INDUSTRIES S.p.A.	ITALY	895	15.6%	9.5%	0.3%	3.3%	116.7%	199.5%	
PEERS			Average	3.2%	13.0%	1.4%	-4.9%	6.5%	85.8%
			Median	4.7%	6.7%	-2.9%	-11.8%	5.8%	70.9%
Interpump Group S.p.A.	ITALY	4,812	4.7%	-0.8%	-2.9%	-15.2%	8.0%	61.3%	
Bucher Industries AG	SWITZERLAND	4,226	5.5%	14.4%	10.2%	-5.0%	-15.2%	26.9%	
Regal Rexnord Corporation	UNITED STATES	10,490	16.9%	39.9%	9.9%	8.7%	22.7%	116.2%	
Off-Highway Components Manufac	Average		9.0%	17.8%	5.7%	-3.9%	5.2%	68.1%	
	Median		5.5%	14.4%	9.9%	-5.0%	8.0%	61.3%	
CNH Industrial NV	UNITED STATES	13,583	-2.7%	6.7%	-12.4%	-28.2%	-13.2%	32.1%	
Deere & Company	UNITED STATES	95,013	-3.0%	2.9%	-6.4%	-11.8%	5.8%	135.3%	
AGCO Corporation	UNITED STATES	7,674	-4.0%	-2.9%	-8.9%	-19.4%	-15.4%	70.9%	
Caterpillar Inc.	UNITED STATES	154,547	5.3%	30.7%	20.2%	36.4%	53.1%	158.2%	
Off-highway OEMs	Average		-1.1%	9.3%	-1.9%	-5.8%	7.6%	99.1%	
	Median		-2.9%	4.8%	-7.7%	-15.6%	-3.7%	103.1%	

Source: Alantra estimates and Factset

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