ALANTRA
Italian Equity Research

8-May-25 9:00 AM

COMER INDUSTRIES

Sector: Industrials

Systemic factors weigh on solid fundamentals

HOLD
From BUY

TP 32.8
From 35.0

Target price upside 13%

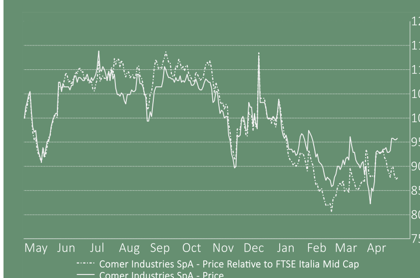
Change in EPS est.	FY25E	FY26E
	-9.7%	0.6%

Comer Industries reported 1Q25 revenues down 22.1% YoY to Eu212.1mn, aligned with market trend, driven by anticipated weakness in the AG segment (-27.5%) and broader OEM softness across geographies. Despite this, EBITDA held up well at Eu31.8mn (15.0% margin), with net debt improving slightly to Eu56.2mn. Management guides FY25 sales trend in line with the reference market, mitigated by contribution of new projects. However, tariff-related headwinds and the absence of a recovery in AG end-markets continue to limit near-term visibility, with some pressure on profitability. As such, we lower FY25E EBITDA by 6.4%, reflecting impacts from tariffs. Nonetheless, pricing power and strategic sourcing should help preserve FY25E EBITDA margin (now seen at 15.2% from prev. 16.2%) and support strong cash generation. We move to HOLD (from BUY) and revise our TP to Eu32.8/sh (from Eu35.0) as systematic factors suggest limited near-term upside. That said, we reiterate our view that Comer's strong fundamentals and strategic positioning leave it well-placed to outperform as recovery signals emerge.

- **1Q25 sales down 22% due to anticipated AG softness.** 1Q25 revenues came in at Eu212.1mn, down 22.1% YoY, impacted by continued contraction in the AG segment (-27.5%) and Industrial (-15.5%). The revenue softness was broad-based geographically, particularly in North America (-28.3%, accounting for 20.3% of sales) and EMEA (-24.9%, 55.4%), reflecting weak OEM demand and macroeconomic uncertainty. APAC (19.8% of sales) and LATAM (4.5%) posted mid- and high-single-digit declines, respectively.
- **EBITDA reached Eu31.8mn/15.0% margin.** Despite the drop in sales, the company maintained solid profitability, with EBITDA at Eu31.8mn from Eu45.8mn in 1Q24, with a margin of 15.0%, down from 16.8% in 1Q24 and in 4Q24. Net debt improved slightly to Eu56.2mn (vs. Eu58.4mn at FY24), with leverage stable at 0.4x EBITDA, confirming sound financial discipline. The group has announced Gianpiero Maioli (Vice President of Crédit Agricole and ABI board member) as BoD's Vice President, strengthening the group's strategic and financial governance.
- **Tariffs add uncertainties amid prolonged AG setbacks.** Management expects the FY25 revenue trend to broadly align with reference market, with an EBITDA margin slightly below 2024 levels, and continued improvement in the net debt, assuming no extraordinary items. New projects entering the perimeter this year are expected to partially offset ongoing challenges, shielding from severe downturn. Since our last note, tariff-related pressure has further weakened the reference market, prompting major OEMs to downgrade expectations for both revenue and profitability. This is expected to partially weigh on Comer's margins, although the impact should be mitigated by the group's strong pricing power, underpinned by its competitive positioning as a mission-critical Tier 1 OEM supplier. We note that c.20% of assembled components for Comer's U.S. plant are sourced from China. However, we expect Comer to partially shield from these headwinds through procurement remapping.
- **We reduce FY25E EBITDA margin by 100bp.** We reduce FY25E EBITDA by 6.4%, entirely driven by US tariffs impact, implying an EBITDA margin drop of 100bp to 15.2%. All in all, we forecast FY25E sales of Eu866mn (-8.1% YoY) with an EBITDA of Eu132mn/15.2% margin. We expect to see another year of significant cash generation, which should reduce net debt to Eu16mn. While current market indicators keep bottoming, we expect Comer to benefit from its market positioning, and healthy balance sheet to reverse effectively as market conditions improve. Its higher exposure to European countries, where contraction is expected to be milder versus other regions, should help contain the overall impact.
- **Systemic factors limit near-term upside: HOLD (from BUY).** The off-highway industry continues to face a protracted downturn, intensified by uncertainty around U.S. tariffs. In light of limited near-term catalysts, constrained visibility on a rebound and estimate revision, we move to HOLD (from BUY) and revise our TP to Eu32.8/sh from Eu35.0. While our revised stance reflects a more muted short-term upside, we continue to view Comer's strong fundamentals, resilient cash generation, and strategic positioning as key levers to navigate current headwinds and benefit early when demand conditions improve.

Ticker (BBG, Reut)	COM IM	COM.MI
Share price Ord. (Eu)		28.900
N. of Ord. shares (mn)		28.6
Total N. of shares (mn)		28.7
Market cap (Eu mn)		828
Total Market Cap (EU mn)		828
Free Float Ord. (%)		11%
Free Float Ord. (Eu mn)		91
Daily AVG liquidity Ord. (Eu k)		155

	1M	3M	12M
Absolute Perf.	6.1%	1.4%	-7.5%
Rel.to FTSEMidCap	-7.5%	-3.7%	-17.7%
52 weeks range		25.5	35.3



	FY24A	FY25E	FY26E
Sales	942	866	931
EBITDA adj.	158	132	156
Net profit adj.	83	61	77
EPS adj.	2.9	2.1	2.7
DPS - Ord.	0.80	0.63	0.83
EV/EBITDA adj.	7.4x	7.9x	6.3x
P/E adj.	11.0x	13.6x	10.7x
Dividend yield	2.5%	2.2%	2.9%
FCF yield	6.7%	7.9%	10.1%
Net debt/(Net cash)	58	16	(49)
Net debt/EBITDA	0.4x	0.1x	nm

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Summary Financials (IFRS)

P&L account (Eu mn)	FY23A	FY24A	FY25E	FY26E	FY27E
Net Sales	1,224	942	866	931	1,001
EBITDA reported	205	158	132	156	170
D&A	(61)	(58)	(59)	(61)	(63)
EBIT reported	144	99	73	95	107
Net financial charges	(15)	(7)	(4)	(3)	(2)
Associates	0	0	0	0	0
Extraordinary items	0	0	0	0	0
Pre-tax profit	129	93	69	91	105
Taxes	(35)	(26)	(19)	(25)	(29)
Minorities	0	0	0	0	0
Discontinued activities	0	0	0	0	0
Net profit reported	94	67	50	66	76
EBITDA adjusted	**205**	**158**	**132**	**156**	**170**
EBIT adjusted	**165**	**115**	**88**	**110**	**123**
Net profit adjusted	**109**	**83**	**61**	**77**	**87**

Margins (%)	FY23A	FY24A	FY25E	FY26E	FY27E
First margin	nm	nm	nm	nm	nm
EBITDA margin	16.7%	16.7%	15.2%	16.7%	17.0%
EBITDA margin (adj)	16.7%	16.7%	15.2%	16.7%	17.0%
EBIT margin	11.8%	10.5%	8.4%	10.2%	10.7%
EBIT margin (adj)	13.4%	12.2%	10.2%	11.8%	12.2%
Net profit margin	7.7%	7.1%	5.8%	7.1%	7.6%
Net profit margin (adj)	8.9%	8.8%	7.0%	8.3%	8.7%

Growth rates (%)	FY23A	FY24A	FY25E	FY26E	FY27E
Sales	-1.1%	-23.0%	-8.1%	7.5%	7.5%
EBITDA	13.9%	-23.1%	-16.2%	17.8%	9.2%
EBITDA adjusted	13.9%	-23.1%	-16.2%	17.8%	9.2%
EBIT	13.2%	-31.2%	-26.6%	29.7%	13.4%
EBIT adjusted	15.3%	-30.3%	-23.1%	24.6%	11.6%
Pre-tax	3.4%	-28.1%	-26.1%	33.2%	15.1%
Net profit	3.6%	-28.5%	-25.9%	33.2%	15.1%
Net profit adjusted	6.7%	-24.0%	-26.2%	27.1%	12.9%

Per share data	FY23A	FY24A	FY25E	FY26E	FY27E
Shares	28.68	28.68	28.66	28.66	28.66
N. of shares AVG	28.68	28.68	28.67	28.66	28.66
N. of shares diluted AVG	28.68	28.67	28.64	28.63	28.63
EPS	**3.28**	**2.34**	**1.74**	**2.32**	**2.66**
EPS adjusted	**3.79**	**2.88**	**2.13**	**2.70**	**3.05**
DPS - Ord.	**1.25**	**0.80**	**0.63**	**0.83**	**0.96**
DPS - Sav.	0.00	0.00	0.00	0.00	0.00
BVPS	17.70	18.98	19.92	21.62	23.45

Enterprise value (Eu mn)	FY23A	FY24A	FY25E	FY26E	FY27E
Share price Ord. (Eu)	30.2	31.6	28.9	28.9	28.9
Market cap	866	905	828	828	828
Net debt/(Net cash)	95	58	16	(49)	(114)
Adjustments	222	201	194	203	209
Enterprise value	1,183	1,164	1,039	982	923

Cash flow (Eu mn)	FY23A	FY24A	FY25E	FY26E	FY27E
EBITDA reported	205	158	132	156	170
Net financial charges	(14)	(7)	(4)	(3)	(2)
Cash taxes	(21)	(26)	(19)	(25)	(29)
Ch. in Working Capital	41	42	(0)	(13)	(15)
Other Op. items	(7)	(57)	(6)	9	6
Operating cash flow	**204**	**110**	**102**	**123**	**130**
Capex	(41)	(50)	(37)	(40)	(41)
FCF	**163**	**60**	**65**	**83**	**89**
Disposals/Acquisitions	(50)	0	0	0	0
Changes in Equity	(5)	(2)	0	0	0
Others	(32)	14	0	0	0
Dividends	(22)	(36)	(23)	(18)	(24)
Ch. in NFP	**54**	**36**	**42**	**65**	**65**

Ratios (%)	FY23A	FY24A	FY25E	FY26E	FY27E
Capex/Sales	**3.3%**	**5.3%**	**4.3%**	**4.3%**	**4.1%**
Capex/D&A	0.7x	0.9x	0.6x	0.7x	0.7x
FCF/EBITDA	79.6%	38.4%	49.2%	53.6%	52.2%
FCF/Net profit	173.5%	89.9%	130.5%	125.7%	116.2%
Dividend pay-out	**23.7%**	**38.1%**	**34.1%**	**36.0%**	**36.0%**

Balance sheet (Eu mn)	FY23A	FY24A	FY25E	FY26E	FY27E
Working capital	161	148	148	161	176
Fixed assets	665	657	635	614	593
Provisions & others	(224)	(203)	(196)	(205)	(211)
Net capital employed	**602**	**603**	**587**	**570**	**558**
Net debt/(Net cash)	**95**	**58**	**16**	**(49)**	**(114)**
Equity	508	544	571	619	672
Minority interests	0	0	0	0	0

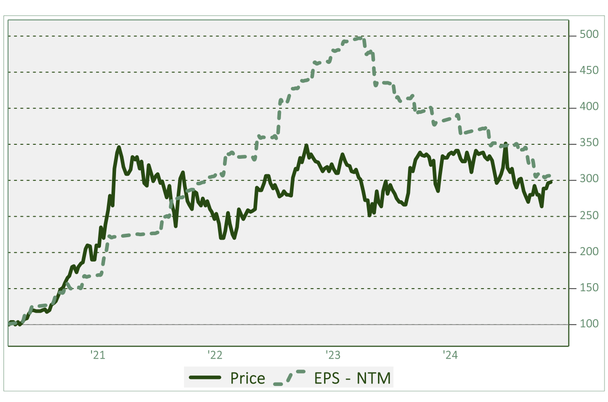
Ratios (%)	FY23A	FY24A	FY25E	FY26E	FY27E
Working capital/Sales	**13.2%**	**15.7%**	**17.1%**	**17.3%**	**17.6%**
Net debt/Equity	**18.7%**	**10.7%**	**2.9%**	**nm**	**nm**
Net debt/EBITDA	**0.5x**	**0.4x**	**0.1x**	**nm**	**nm**

Valuation	FY23A	FY24A	FY25E	FY26E	FY27E
EV/CE	**1.4x**	**1.4x**	**1.3x**	**1.3x**	**1.2x**
P/BV	1.7x	1.7x	1.5x	1.3x	1.2x
EV/Sales	1.0x	1.2x	1.2x	1.1x	0.9x
EV/EBITDA	5.8x	7.4x	7.9x	6.3x	5.4x
EV/EBITDA adjusted	**5.8x**	**7.4x**	**7.9x**	**6.3x**	**5.4x**
EV/EBIT	8.2x	11.7x	14.2x	10.4x	8.6x
EV/EBIT adjusted	**7.2x**	**10.2x**	**11.8x**	**8.9x**	**7.5x**
P/E	9.2x	13.5x	16.6x	12.5x	10.8x
P/E adjusted	**8.0x**	**11.0x**	**13.6x**	**10.7x**	**9.5x**
ROCE pre-tax	20.1%	14.1%	11.1%	14.1%	15.9%
ROE	**21.4%**	**15.2%**	**10.7%**	**12.5%**	**13.0%**
EV/FCF	7.3x	19.3x	16.0x	11.8x	10.4x
FCF yield	**18.8%**	**6.7%**	**7.9%**	**10.1%**	**10.7%**
Dividend yield	**4.1%**	**2.5%**	**2.2%**	**2.9%**	**3.3%**

Source: Company data, Alantra estimates

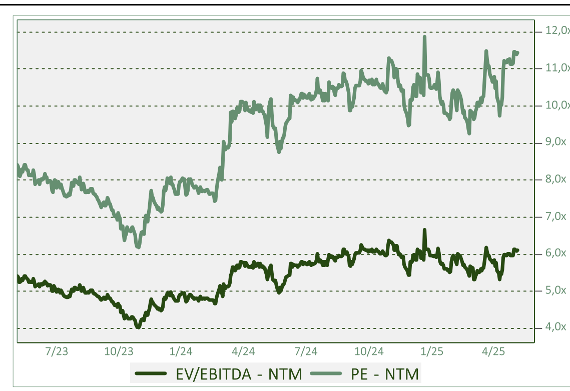
Share price performance

Strong performance since IPO...



Valuation

The stock has recently re-rated



Source: Factset

Key Charts

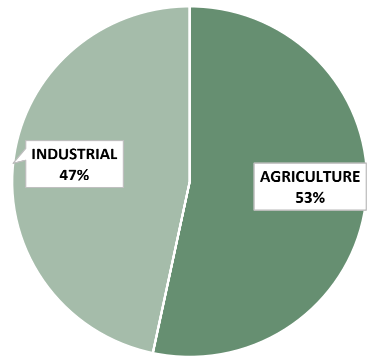
A complete offer in mechatronics and powertrain solutions

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

Source: Company data, Alantra

Sales breakdown by business (FY24A, %)

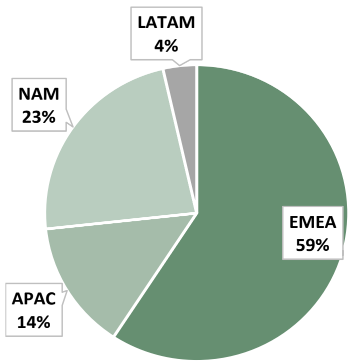
AG sales weighed 53% in FY24 sales; Industrial 47%



Source: Company data, Alantra

Sales breakdown by region (FY24A, %)

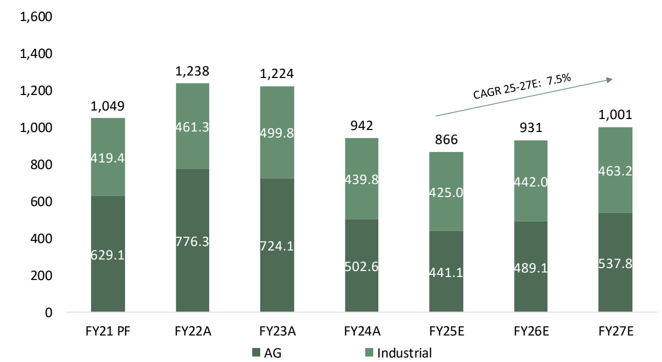
EMEA and NAM sales weighed 59% and 23% on sales, respectively in FY24



Source: Company data, Alantra

Net sales evolution (FY21PF-FY27E, Eumn)

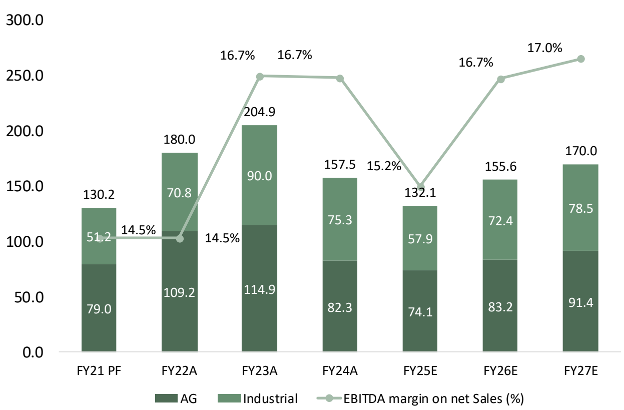
We expect Comer to experience a net sales CAGR 25-27E of 7.5%



Source: Company data, Alantra

Adj. EBITDA and EBITDA margin (FY21PF-FY27E, Eumn, %)

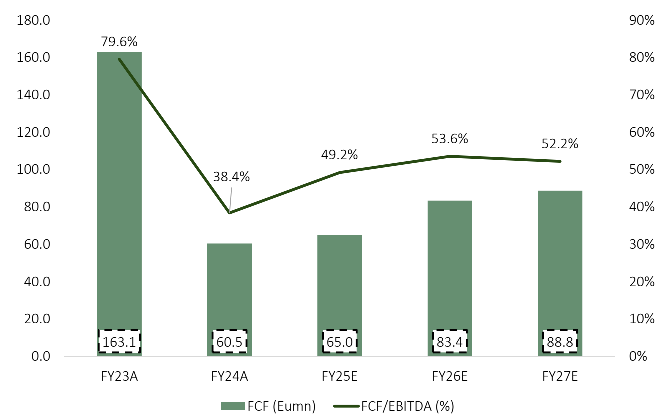
EBITDA is expected to reach Eu170mn/17.0% margin by FY27E



Source: Company data, Alantra

FCF and EBITDA conversion (FY23A-FY27E, Eumn, %)

We expect FCF/EBITDA consistently at attractive levels (>50%)



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 (53% of FY24 sales) and Industrial (47%) sectors. The group markets a comprehensive range of products (gearboxes, planetary drive, driveshafts, axles, etc.) across EMEA (59% of FY24 sales), NAM (23%), APAC (14%) 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 FY22-24 average, higher than the average of peers of around 10%.

Growth We expect Comer to post a 7.5% FY25-27E CAGR in net sales mainly driven by market share gains in Industrial, new products and increase in share of wallet in AG. EBITDA should reached c.17% margin in FY27E, 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 >50% in FY25-27E, thus reaching net cash position by 26E and triggering additional M&A firepower (>Eu350mn).

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	Weaknesses
Leading positioning in agriculture equipment market	Exposure to some market cyclicality
A global footprint and capillary presence that maximises proximity to cusotmers	Limited exposure to AM channel
Established track record with a portfolio of top tier global OEMs (AG and CE)	Followers in CE market

Opportunities	Threats
Growth in food consumption commands efficinencies in agriculture eqipment	Cyclical downturn should impact demand for reference markets (AG and CE)
Strong market share growth potential in Construction Equipment sector	Exposure to OEMs, implying some pressure on margins
New products and technologies through M&A	

Key shareholders	Management	Next events
Eagles Oak (2° gen Storchi Family): 51%	Matteo Storchi - President & CEO	2Q25 results: 01/08/25
WPG Parent BV: 23.9%	Stefano Palmieri - CFO	3Q25 results: 29/10/25
FINREGG (1° gen Storchi Family): 6.2%	Alessandro Brizzi - IR	
SS Giovanni e Paolo SpA: 5.5%		
Matteo Storchi: 2.3%		
Flee-float: 11.03%		

1Q25 Results

1Q25 results

1Q25 sales down 22% due to anticipated AG softness; EBITDA margin was resilient at 15.0%

Eu mn	1Q24A	1Q25A	YoY %
Net Sales	272	212	*-22%*
EBITDA	46	32	*-31%*
Ebitda Margin %	*16.8%*	*15.0%*	
NFP at YE (debt)/cash	(77)	(56)	

Source: Company data and Alantra estimates

1Q25 net sales

AG and Industrial sales decreased by 28% and 15% YoY, respectively in 1Q25

Eu mn	1Q24A	1Q25A	*YoY %*
Sales by sector			
Agriculture	150	109	*-28%*
Industrial	122	103	*-15%*
Sales by geography			
EMEA	156	117	*-25%*
APAC	46	42	*-7%*
NAM	60	43	*-28%*
LATAM	11	10	*-10%*
Net Sales	272	212	*-22%*

Source: Company data and Alantra estimates

Change in estimates

Change in Estimates

We reduce FY25E sales by and EBITDA by 0.8% and 6.4%, respectively, factor in further headwinds from US tariffs.

	NEW Estimates			% Change			OLD Estimates		
(Eu mn)	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Net Sales	866	931	1,001	-0.8%	1.0%	1.3%	873	922	988
EBITDA Adjusted	132	156	170	-6.4%	0.9%	0.7%	141	154	169
EBIT Adjusted	88	110	123	-9.3%	0.6%	-0.4%	97	109	123
Pretax Profit	69	91	105	-11.7%	0.7%	-0.4%	78	91	106
Restated Net Profit	61	77	87	-9.7%	0.6%	-0.4%	67	77	88
EPS	2.1	2.7	3.1	-9.7%	0.6%	-0.4%	2.4	2.7	3
Net financial position	(16)	49	114	(12)	(13)	(25)	(5)	62	139

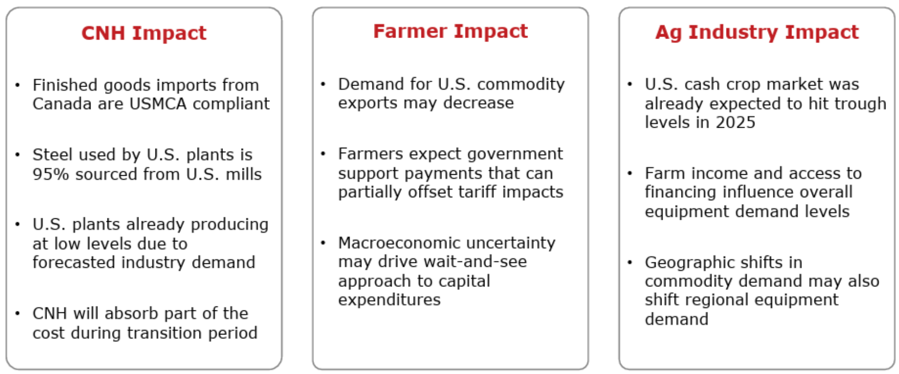
Source: Company data and Alantra estimates

OEMs outlook: prolonged softness and lower margins

Major OEMs reinforced expectations that 2025 represents a cyclical low, especially for for the ag machinery market, with persistent weakness across regions. While back in December, timid signals were pointing to a recovery in the latter part of the year, US tariffs have changed the picture, resetting expectations. CNH, for instance, lagged that depressed farm incomes, soft equipment demand, and financing constraints may delay recovery into 2026. This is mainly due to indirect implications of tariffs to farmers which are expected to pressure U.S. commodity exports and delay capex decisions amid macroeconomic uncertainty, though government support payments could offer some relief.

CNH 2025 tariff considerations on AG

Depressed farm incomes, soft equipment demand, and financing constraints may delay recovery into 2026



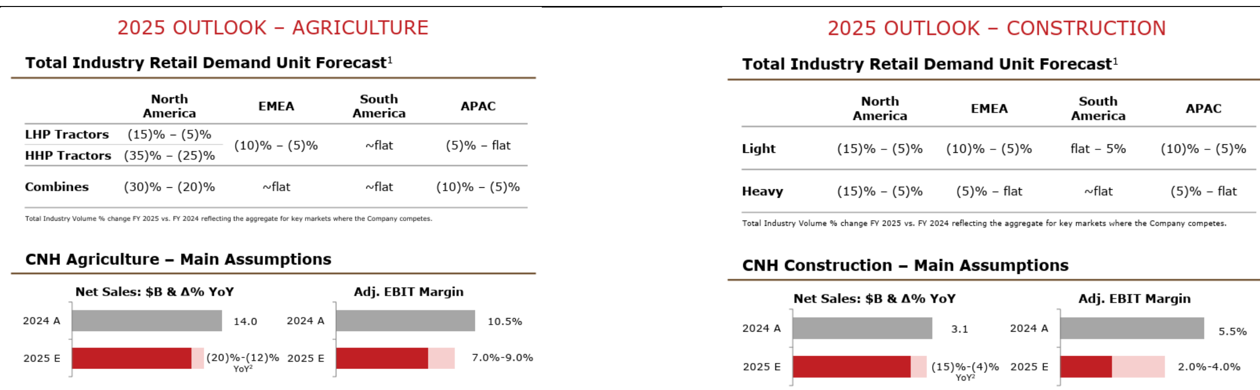
Source: CNH 1Q25 results presentation

Major OEMs reiterated a challenging 2025, especially for AG and in North America, while Europe (c.60% of Comer's FY24 sales) offer a more moderate decline. More in details:

- CNH foresees net sales decline by 20-12% for AG (from prev. 18-13%) and 15-4% for Industrial (from 10-5%). All in all, the group targets a sales decline in 2025 between 19-11% with adj. EBIT margin down by 100bp at 5.5% vs 6.5% previously forecasted (at mid-point range).

CNH AG (LHS) and Industrial (RHS) FY25 outlook

While agriculture remains weak into FY25, Europe is expected to see a milder decline compared to other major regions



Agriculture	North America	EMEA	South America	APAC
LHP Tractors	(15)% – (5)%	(10)% – (5)%	~flat	(5)% – flat
HHP Tractors	(35)% – (25)%			
Combines	(30)% – (20)%	~flat	~flat	(10)% – (5)%

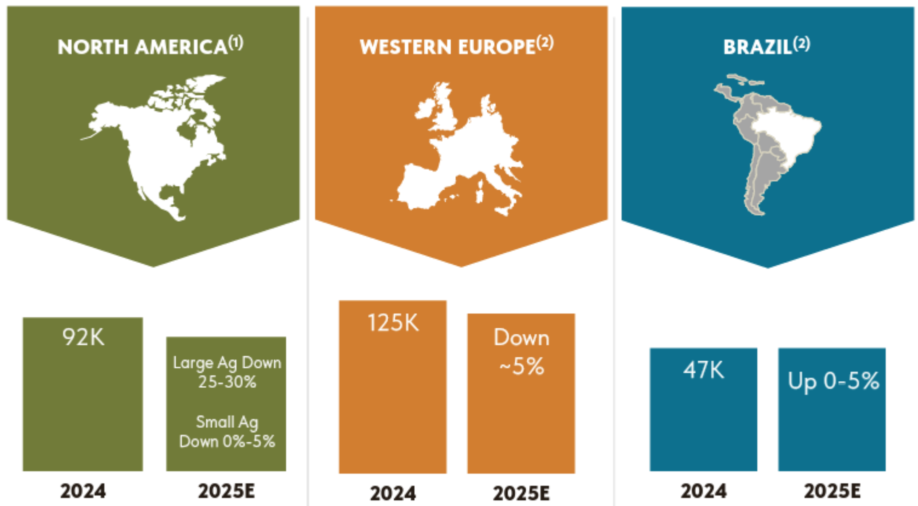
Construction	North America	EMEA	South America	APAC
Light	(15)% – (5)%	(10)% – (5)%	flat – 5%	(10)% – (5)%
Heavy	(15)% – (5)%	(5)% – flat	~flat	(5)% – flat

Source: CNH 1Q25 results presentation

- AGCO continues to see pressure in North America, now expecting a decline of 25-30% (from c.-25%) for large AG and 0-5% (no chg.) for Small AG. Western Europe should suggest a milder drop of c. 5% (no chg.), while Brazil should be up between 0-5% (from flat). AGCO reiterated adj. operating margin slightly above 7%, after tariff impact evaluations, from c.9% announced pre-tariffs).

AGCO FY25 Outlook

Western Europe is expected to outperform North America.



Source: AGCO 1Q25 presentation

Peers

Financials – Comer Industries versus selected peers

Comer financial indicators are broadly in line with industry peers

Company	Country	Mkt Cap (Eu mn)	FY25E - FY27E average margins: EBITDA Margin	EBIT Margin	Net Income Margin	Capex / Sales	Dividend Payout	CAGR FY24A - FY27E: Sales	EBITDA	EBIT	Net profit
COMER INDUSTRIES S.p.A.	ITALY	849	16.3%	9.8%	6.8%	4.2%	35.4%	2.0%	2.6%	2.6%	4.3%
PEERS	Average		17.1%	11.7%	8.4%	3.7%	25.7%	1.7%	5.1%	8.4%	12.6%
	Median		17.5%	12.1%	9.5%	3.9%	19.8%	1.9%	4.8%	7.1%	8.6%
Interpump Group S.p.A.	ITALY	3,499	22.5%	16.7%	11.4%	4.9%	15.2%	2.8%	4.5%	5.2%	5.9%
Dana Incorporated	UNITED STATES	1,867	10.2%	5.8%	2.4%	3.4%	24.3%	0.1%	7.2%	14.2%	27.5%
Bucher Industries AG	SWITZERLAND	4,086	12.4%	9.6%	7.7%	4.3%	50.2%	2.3%	3.7%	5.5%	5.8%
Regal Rexnord Corporation	UNITED STATES	6,451	23.4%	14.5%	12.3%	2.0%	13.1%	1.6%	5.1%	8.8%	11.2%
Off-Highway Components	Average		17.1%	11.7%	8.4%	3.7%	na	1.7%	5.1%	8.4%	12.6%
Manufacturers	Median		17.5%	12.1%	9.5%	3.9%	na	1.9%	4.8%	7.1%	8.6%
CNH Industrial NV	UNITED STATES	13,670	9.0%	6.3%	5.6%	2.8%	54.0%	-1.5%	3.5%	-0.2%	-0.6%
Deere & Company	UNITED STATES	115,210	20.5%	17.0%	14.0%	3.7%	31.2%	0.3%	-0.3%	-3.9%	-0.8%
AGCO Corporation	UNITED STATES	6,308	11.1%	8.2%	4.2%	3.9%	47.7%	-3.3%	-1.8%	-2.7%	-2.1%
Caterpillar Inc.	UNITED STATES	134,012	21.8%	19.0%	14.2%	3.5%	29.2%	2.6%	0.8%	1.1%	2.2%
Off-highway OEMs	Average		15.6%	12.6%	9.5%	3.5%	40.5%	-0.4%	0.6%	-1.5%	-0.3%
	Median		15.8%	12.6%	9.8%	3.6%	39.4%	-0.6%	0.3%	-1.5%	-0.7%

Source: Factset, Alantra

Trading multiples

Comer Industries is trading at 5% discount to Off-highway Components Manufacturers peer on EV/EBITDA 2025

Company	Country	Mkt Cap (Eu mn)	EV/EBITDA FY25E	EV/EBITDA FY26E	EV/EBITDA FY27E	EV/EBIT FY25E	EV/EBIT FY26E	EV/EBIT FY27E	PE FY25E	PE FY26E	PE FY27E	EV/Sales FY25E	EV/Sales FY26E	EV/Sales FY27E
COMER INDUSTRIES S.p.A.	ITALY	849	7.9 x	6.3 x	5.4 x	14.2 x	10.4 x	8.6 x	16.6 x	12.5 x	10.8 x	1.2 x	1.1 x	0.9 x
Premium (discount) to C. Manufacturers' Median			-7%	-19%	-23%	26%	1%	-5%	17%	-1%	-5%	-17%	-21%	-24%
PEERS	Average		11.5 x	10.0 x	9.5 x	15.7 x	13.1 x	12.8 x	17.6 x	14.5 x	12.9 x	1.9 x	1.7 x	1.6 x
	Median		9.7 x	8.4 x	7.7 x	13.6 x	11.7 x	10.5 x	16.5 x	14.9 x	13.2 x	1.4 x	1.3 x	1.7 x
Interpump Group S.p.A.	ITALY	3,499	8.3 x	7.2 x	6.4 x	11.3 x	9.8 x	8.5 x	16.1 x	14.1 x	12.8 x	1.8 x	1.6 x	1.5 x
Dana Incorporated	UNITED STATES	1,867	4.3 x	3.7 x	3.3 x	7.8 x	6.4 x	5.7 x	11.2 x	7.8 x	7.4 x	0.4 x	0.4 x	0.4 x
Bucher Industries AG	SWITZERLAND	4,086	8.6 x	8.4 x	7.6 x	11.4 x	10.8 x	9.6 x	15.4 x	15.6 x	14.0 x	1.1 x	1.0 x	0.9 x
Regal Rexnord Corporation	UNITED STATES	6,451	9.7 x	8.5 x	7.7 x	16.4 x	13.7 x	11.9 x	13.0 x	11.2 x	10.0 x	2.2 x	2.0 x	1.9 x
Off-Highway Components	Average		7.7 x	6.9 x	6.3 x	11.7 x	10.2 x	8.9 x	13.9 x	12.2 x	11.1 x	1.4 x	1.3 x	1.2 x
Manufacturers	Median		8.4 x	7.8 x	7.0 x	11.3 x	10.3 x	9.0 x	14.2 x	12.7 x	11.4 x	1.4 x	1.3 x	1.2 x
CNH Industrial NV	UNITED STATES	13,670	13.6 x	10.5 x	17.9 x	20.8 x	14.0 x	26.2 x	19.8 x	14.5 x	12.0 x	1.0 x	0.9 x	1.9 x
Deere & Company	UNITED STATES	115,210	25.7 x	23.0 x	16.0 x	30.6 x	27.4 x	19.9 x	25.3 x	22.1 x	19.2 x	4.9 x	4.6 x	3.5 x
AGCO Corporation	UNITED STATES	6,308	9.8 x	7.9 x	7.0 x	13.8 x	10.4 x	9.2 x	23.1 x	15.7 x	13.6 x	1.0 x	0.9 x	0.8 x
Caterpillar Inc.	UNITED STATES	134,012	11.7 x	10.7 x	10.1 x	13.4 x	12.5 x	11.4 x	17.0 x	15.3 x	13.8 x	2.5 x	2.4 x	2.2 x
Off-highway OEMs	Average		15.2 x	13.0 x	12.8 x	19.7 x	16.1 x	16.7 x	21.3 x	16.9 x	14.6 x	2.3 x	2.2 x	2.1 x
	Median		12.7 x	10.6 x	13.1 x	17.3 x	13.3 x	15.6 x	21.4 x	15.5 x	13.7 x	1.7 x	1.6 x	2.1 x

Source: Factset, Alantra

Performance

The stock price has underperformed its peers over the past 6 months

Company	Country	Mkt Cap (Eu mn)	Performance 1M	3M	6M	1YR	3YR	5YR
COMER INDUSTRIES S.p.A.	ITALY	849	6.1%	1.4%	-10.0%	-7.5%	2.8%	193.1%
PEERS	Average		15.7%	-9.8%	6.9%	-4.3%	1.2%	106.1%
	Median		12.5%	-8.2%	8.1%	-0.9%	-9.1%	73.9%
Interpump Group S.p.A.	ITALY	3,499	11.1%	-27.7%	-22.8%	-22.5%	-13.2%	21.7%
Dana Incorporated	UNITED STATES	1,867	29.0%	-9.2%	80.9%	9.2%	-5.1%	39.8%
Bucher Industries AG	SWITZERLAND	4,086	12.9%	3.2%	9.9%	2.3%	9.7%	41.0%
Regal Rexnord Corporation	UNITED STATES	6,451	11.6%	-28.9%	-34.3%	-33.2%	-16.0%	52.2%
Off-Highway Components	Average		16.1%	-15.7%	8.4%	-11.1%	-6.1%	38.7%
Manufacturers	Median		12.2%	-18.5%	-6.5%	-10.1%	-9.1%	40.4%
CNH Industrial NV	UNITED STATES	13,670	15.9%	-1.2%	10.4%	8.2%	-14.2%	146.0%
Deere & Company	UNITED STATES	115,210	12.0%	2.9%	20.2%	20.0%	25.7%	256.2%
AGCO Corporation	UNITED STATES	6,308	20.9%	-7.2%	6.3%	-14.2%	-26.7%	95.6%
Caterpillar Inc.	UNITED STATES	134,012	12.2%	-10.0%	-15.7%	-4.1%	49.6%	196.7%
Off-highway OEMs	Average		15.2%	-3.9%	5.3%	2.5%	8.6%	173.6%
	Median		14.0%	-4.2%	8.3%	2.1%	5.7%	171.3%

Source: Alantra estimates and Factset

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