

Industrie Chimiche Forestali

Sector: Industrial

Sector diversification mitigates dormant luxury

1Q24 sales declined by 7.1% yoy due to subdued luxury demand, balanced by growth in automotive, packaging, and industrial sectors, highlighting ICF's diversification advantage. The EBITDA margin increased to 10.8%, driven by favourable material costs and operating efficiencies despite lower luxury sales with higher margins. Net debt improved to Eu10.3mn, affirming cash generation. Despite a tough context awaiting luxury sector revival, we expect ICF's diversification to support overall performance with resilient margins and cash flow generation. We prudently trimmed FY24/25E sales and EBITDA by 4/6% and 9/12%, respectively, reflecting caution amidst a still dormant luxury/leather segment, with a focus on maintaining profitability (10.7% EBITDA margin in FY24E) and sales growth (+2% yoy to Eu81.4mn). We confirm the attractive FCF generation with >40% EBITDA/cash conversion in FY24-26E. ICF trades at 8.3x 24E EV/EBIT, 30% discount vs peers, an undemanding level given its solid fundamentals. BUY rating confirmed with TP to Eu7.4/share (from Eu7.8) after updating our DCF (50%) and multiples valuation (50%).

- **1Q sales stood at Eu19.5mn amid a tough market environment.** 1Q24 sales were Eu19.5mn, down by 7.1% year-on-year due to prolonged subdued demand in the luxury and premium leather business, still impacted by depressed consumption. Conversely, the automotive, packaging, and industrial applications markets improved, confirming the ICF's advantage in cross-sector diversification. Within the adhesives business, water-based and solvent-free products increased their relevance, contributing to 60% of total volumes.
- **EBITDA margin increased by 80bp to 10.8%.** In the first quarter, EBITDA held steady year-on-year at Eu2.1 million. Although the luxury line made a smaller contribution, the implied EBITDA margin rose to 10.8%, up from 10.0% in the first quarter of 2023 and the fourth quarter of 2024. This increase was further supported by more favourable material costs. Net debt improved to Eu10.3mn. Net debt decreased to Eu10.3mn (o/w c. Eu8.2mn lease IFRS) from Eu10.9mn at YE23, confirming its cash generation track-record.
- **Current visibility still suggests caution; waiting for luxury revival.** The mgmt. stated that reference market has yet to show signs of recovery, especially in the luxury/leather segment, which is expected to improve during 2H. The global slowdown in consumption is attributed to rising inflation, unaccompanied by wage growth, particularly impacting sectors such as footwear and leather goods. ICF's diversification into automotive, packaging, and industrial sectors helps in these challenges and bolster overall business performance. The group reiterated that it's on track to enhance production capacity while driving innovation in production processes.
- **We prudentially trim our FY24/25E sales and EBITDA.** As the luxury market is not signalling a rebound in the short-term, we reduce FY24E sales. The business-mix, expected to be weighs lower on luxury segment, with higher associated profitability, could represent a margin headwind despite improved material costs. We thus trim our FY24/25E sales by 4/6% and EBITDA by 9/12%, while adjusting FY26E figures accordingly to maintain our previous sales trend and margins. All in all, we see FY24E sales to reach Eu81.4mn (+1.9% yoy) with EBITDA of Eu8.7mn/10.7% margin. We expect ICF to confirm its solid FCF generation, dividend distribution, and continue on its successful M&A strategy.
- **BUY rating confirmed and TP to Eu7.4/share (from Eu7.8).** We confirm our BUY rating and fine-tune down our TP to Eu7.4/share (from Eu7.8) after updating our DCF (50% weight) and relative valuation (50%). ICF is now trading at 2024E 8.3x EV/EBIT 24 (c. 30% below larger international peers), an undemanding level given its solid fundamentals.

BUY

Unchanged

TP 7.4

From 7.8

Target price upside 53%

	FY24E	FY25E
Change in EPS est.	-12.8%	-16.0%

Ticker (BBG, Reut)	ICF IM	ICF MI
Share price Ord. (Eu)		4.8
N. of Ord. shares (mn)		6.7
Total N. of shares (mn)		6.7
Market cap (Eu mn)		33
Total Market Cap f.d. (Eu mn)		33
Free Float Ord. (%)		91%
Free Float Ord. (Eu mn)		30
Daily AVG liquidity Ord. (Eu k)		25

	1M	3M	12M
Absolute Perf.	2.9%	14.4%	-16.3%
Rel. to FTSEMidCap	-0.4%	7.1%	-28.5%
52 weeks range		4.2	6.0



	FY23A	FY24E	FY25E
Sales	80	81	86
EBITDA	8.9	8.7	10.0
Net profit adj.	3.6	2.9	3.7
EPS adj.	0.536	0.425	0.548
DPS - Ord.	0.200	0.200	0.133
EV/EBITDA	5.4x	4.9x	3.9x
P/E adj.	10.1x	11.4x	8.8x
Dividend yield	3.7%	4.1%	2.8%
FCF yield	9.7%	11.1%	13.8%
Net debt/(Net cash)	10.9	9.3	5.7
Net debt/EBITDA	1.2x	1.1x	0.6x

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Financial Summary (IFRS)

P&L account (Eu mn)	FY22A	FY23A	FY24E	FY25E	FY26E
Sales	88.3	79.9	81.4	86.4	93.3
Gross margin	28.9	29.8	28.7	30.5	32.9
EBITDA reported	7.8	8.5	8.7	10.0	11.6
D&A	(4.6)	(5.3)	(5.5)	(5.7)	(5.8)
EBIT reported	3.1	3.1	3.2	4.3	5.8
Net financial charges	0.6	(0.7)	(0.8)	(0.8)	(0.8)
Associates	0.0	0.0	0.0	0.0	0.0
Extraordinary items	0.0	0.0	0.0	0.0	0.0
Pre-tax profit	3.7	2.4	2.5	3.6	5.0
Taxes	(0.5)	(0.2)	(1.1)	(1.4)	(1.7)
Minorities	0.0	0.0	0.0	0.0	0.0
Discontinued activities	0.0	0.0	0.0	0.0	0.0
Net profit reported	3.2	2.2	1.4	2.2	3.3
EBITDA adjusted	7.8	8.9	8.7	10.0	11.6
EBIT adjusted	5.1	5.4	5.2	6.3	7.7
Net profit adjusted	3.9	3.6	2.9	3.7	4.8

Margins (%)	FY22A	FY23A	FY24E	FY25E	FY26E
Gross margin	32.7%	37.4%	35.3%	35.3%	35.3%
EBITDA margin (adj)	8.8%	11.1%	10.7%	11.6%	12.4%
EBIT margin (adj)	5.8%	6.8%	6.4%	7.3%	8.3%
Pre-tax margin	4.2%	3.0%	3.0%	4.1%	5.4%
Net profit margin (adj)	4.4%	4.5%	3.5%	4.3%	5.1%

Growth rates (%)	FY22A	FY23A	FY24E	FY25E	FY26E
Sales	45.7%	-9.6%	1.9%	6.2%	8.0%
EBITDA	9.2%	8.5%	3.3%	14.9%	15.3%
EBITDA adjusted	9.2%	13.9%	-1.6%	14.9%	15.3%
EBIT	13.9%	-1.9%	4.9%	34.3%	33.3%
EBIT adjusted	7.3%	7.0%	-4.9%	21.3%	22.9%
Pre-tax	nm	nm	2.9%	44.7%	40.3%
Net profit	43.3%	-32.5%	-35.9%	60.3%	49.0%
Net profit adjusted	17.9%	-7.1%	-20.8%	29.1%	29.4%

Per share data	FY22A	FY23A	FY24E	FY25E	FY26E
Shares	6.846	6.741	6.741	6.741	6.741
N. of shares AVG	6.846	6.741	6.741	6.741	6.741
N. of shares diluted AVG	6.846	6.793	6.741	6.741	6.741
EPS	0.466	0.320	0.205	0.328	0.489
EPS adjusted	0.569	0.536	0.425	0.548	0.709
DPS - Ord.	0.150	0.200	0.200	0.133	0.164
DPS - Sav.	0.000	0.000	0.000	0.000	0.000
BVPS	11.470	11.743	11.748	11.943	12.268

Enterprise value (Eu mn)	FY22A	FY23A	FY24E	FY25E	FY26E
Share price Ord. (Eu)	5.7	5.4	4.8	4.8	4.8
Market cap	38.9	36.6	32.6	32.6	32.6
Net debt/(Net cash)	7.8	10.9	9.3	5.7	1.6
Adjustments	1.0	1.0	1.0	1.0	1.0
Enterprise value	47.6	48.4	42.9	39.3	35.2

Cash flow (Eu mn)	FY22A	FY23A	FY24E	FY25E	FY26E
EBITDA adjusted	7.8	8.9	8.7	10.0	11.6
Net financial charges	(0.6)	(0.2)	(0.8)	(0.8)	(0.8)
Cash taxes	0.5	0.1	(1.0)	(1.2)	(1.6)
Ch. in Working Capital	(4.0)	(2.2)	(1.4)	(1.5)	(1.9)
Other operating items	(0.5)	(1.3)	(0.4)	(0.4)	(0.4)
Operating cash flow	3.3	5.3	5.3	6.2	7.0
Capex	(2.0)	(1.8)	(1.6)	(1.7)	(1.9)
FCF	1.3	3.5	3.6	4.5	5.1
Disposals/Acquisitions	(0.3)	(1.4)	(0.7)	0.0	0.0
Changes in Equity	(0.5)	(0.4)	0.0	0.0	0.0
Others	0.1	(3.5)	0.0	0.0	0.0
Dividends	(1.0)	(1.4)	(1.3)	(0.9)	(1.1)
Ch. in NFP	(0.4)	(3.1)	1.6	3.6	4.0

Ratios (%)	FY22A	FY23A	FY24E	FY25E	FY26E
Capex/Sales	2.3%	2.3%	2.0%	2.0%	2.0%
Capex/D&A	0.4x	0.3x	0.3x	0.3x	0.3x
FCF/EBITDA	16.0%	39.7%	41.5%	44.8%	44.2%
FCF/Net profit	nm	nm	nm	nm	nm
Dividend pay-out	42.3%	62.5%	65.0%	50.0%	50.0%

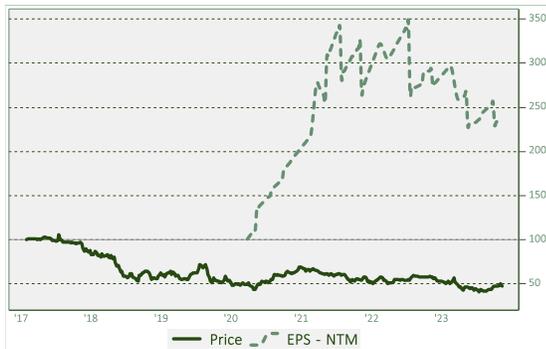
Balance sheet (Eu mn)	FY22A	FY23A	FY24E	FY25E	FY26E
Working capital	20.7	22.3	25.1	26.5	28.4
Fixed assets	73.3	75.2	72.6	70.1	68.0
Provisions & others	(7.7)	(7.4)	(9.2)	(10.4)	(12.0)
Net capital employed	86.3	90.1	88.5	86.2	84.4
Net debt/(Net cash)	7.8	10.9	9.3	5.7	1.6
Equity	78.5	79.2	79.2	80.5	82.7
Minority interests	0.0	0.0	0.0	0.0	0.0

Ratios (%)	FY22A	FY23A	FY24E	FY25E	FY26E
Working capital/Sales	23.5%	27.9%	30.8%	30.7%	30.4%
Net debt/Equity	9.9%	13.8%	11.7%	7.0%	2.0%
Net debt/EBITDA	1.0x	1.2x	1.1x	0.6x	0.1x

Valuation	FY22A	FY23A	FY24E	FY25E	FY26E
EV/CE	0.5x	0.5x	0.4x	0.4x	0.4x
P/BV	0.5x	0.5x	0.4x	0.4x	0.4x
EV/Sales	0.5x	0.6x	0.5x	0.5x	0.4x
EV/EBITDA	6.1x	5.7x	4.9x	3.9x	3.0x
EV/EBITDA adjusted	6.1x	5.4x	4.9x	3.9x	3.0x
EV/EBIT	15.2x	15.8x	13.3x	9.1x	6.1x
EV/EBIT adjusted	9.4x	8.9x	8.3x	6.2x	4.6x
P/E	12.2x	17.0x	23.6x	14.7x	9.9x
P/E adjusted	10.0x	10.1x	11.4x	8.8x	6.8x
ROCE pre-tax	5.5%	5.7%	5.3%	6.5%	8.0%
ROE (excl. Goodwill)	9.0%	8.2%	7.0%	8.9%	10.9%
EV/FCF	38.1x	13.7x	nm	8.7x	6.9x
FCF yield	3.2%	9.7%	11.1%	13.8%	15.7%
Dividend yield	2.6%	3.7%	4.1%	2.8%	3.4%

Share price performance

Strong growth of EPS estimates



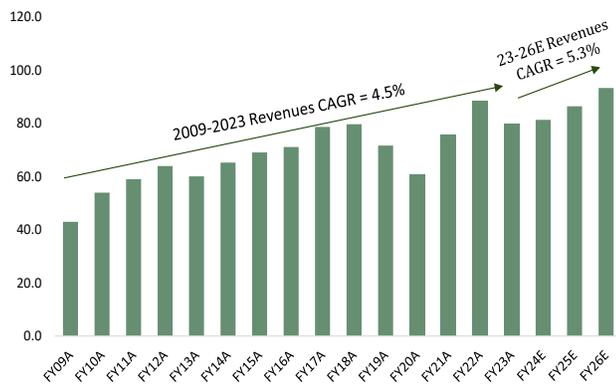
Valuation

The company is trading at significant discount versus peers



Solid top line growth in the long term (FY09A-FY26E)

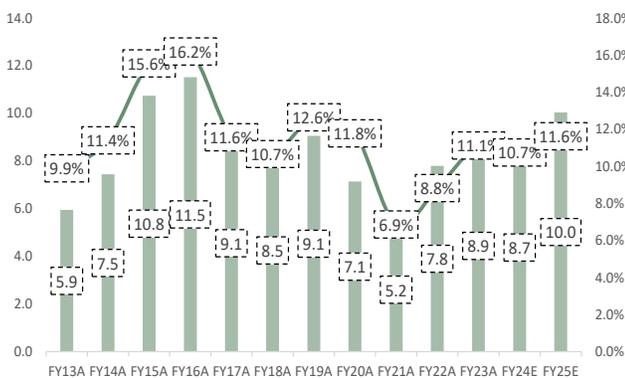
We expect 23-26E revenues CAGR of 5.3%



Source: company data, Alantra estimates

A profitable business (FY13A-FY25E EBITDA and margin)

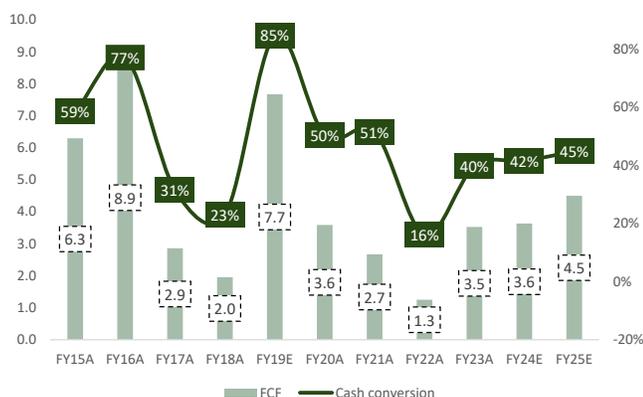
Profitability was resilient to Covid-19, further margin expansion is expected



Source: company data, Alantra estimates

Cash generative (FY15A-FY24E FCF and cash conversion)

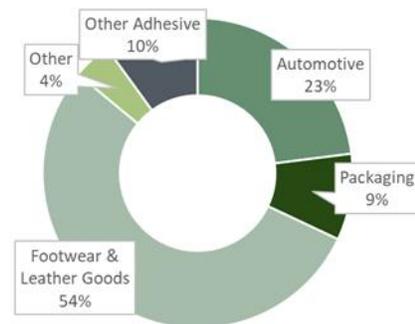
Good cash generation is foreseen ahead, reaching 50% cash conversion in FY24E



Source: company data, Alantra estimates

Revenues breakdown by Sector (Tessitura Langè post-merger)

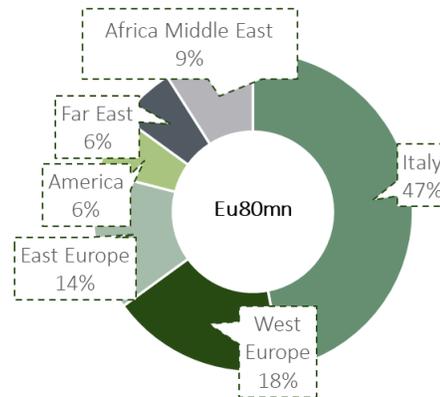
ICF has significantly reduced its exposure to the automotive sector



Source: Company data

Revenues breakdown by Geography (FY23A)

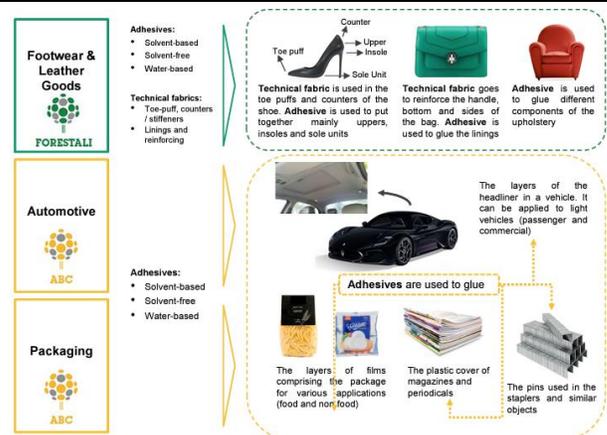
Well diversified by geography



Source: company data

An overview of ICF's adhesive applications

ICF's adhesive are used in a diversified end-markets (Premium leather/footwear, automotive, packaging)



Source: company data

Profile

Background	ICF manufactures adhesives (74% of sales in FY22) and technical fabrics (26%). The company carries out its activities from its production site located in Marcallo con Casone (the plant occupies an area of about 22,800 square meters out of a property of 60.000 square meters), through two distinctive divisions: Forestali and ABC (Adhesive Based Chemicals). The Forestali division (66%) manufactures: (i) adhesives and technical fabrics (i.e. toe-puffs and stiffeners) for the footwear industry; (ii) adhesives and technical fabrics (i.e. linings and reinforcing) for leather goods and upholstered furniture. Forestali also acts as a contract manufacturer in the production of third parties' brands for well recognized international players. The ABC division (34%) was launched in 2005 and manufactures industrial adhesives for the automotive and packaging industry. Today, Footwear and Leather Goods represents the most important reference sector accounting for 52% of sales, followed by Automotive for 22%. Smaller contribution but higher potential for growth comes from Packaging (13%) and other adhesive (13%).
Positioning	ICF has been gaining shares in adhesives reference markets by leveraging on its niche positioning between global players and local competitors. ICF has, on one side, a higher degree of flexibility compared to global players, which struggle to serve a fragmented customer base; on the other, the group represents a certified and reliable partner respecting strict standards of quality. As of today, the company can rely on 3 R&D Labs (Manufacturing, Automotive, Packaging) with > 20 employees. As the company focus on sustainability to attract new clients, over the last decade the amount of water-based and solvent free adhesives over total production increased from 34% to 53% significantly reducing emissions. ICF sells its adhesives and fabrics all over the world. Sales made abroad were a relevant driver of growth over the last decade, representing 60% of 2022 total sales. The company distributes its products both directly, through a network of 9 experienced sales, and via agents / distributors. With the Morel and Tessitura Langè acquisitions in 2021 and 2023 respectively, ICF has expanded its activity into luxury footwear, leather goods and premium textiles.
Growth	<p>Since 2009, when Guido Cami was appointed as group's CEO, ICF has built a history of long-term solid growth: revenues grew from Eu43.0mn in FY09 to Eu88mn in FY22 posting a 6% 13Y CAGR. Growth came mainly from revenues made abroad thanks to an effective commercial activity made both in the US and in Asia. Cumulative adj. FCF generation over 2012-23 period was over Eu50mn. On average EBITDA cash conversion was >50%.</p> <p>The adhesive/sealants market is worth today around USD50bn (source: IHS research). Mechanical fastening replacement and growth of adhesive consumption in emerging markets are the main drivers behind a relentless market growth expected in coming years (3% to 3.5% per year) which should bring total value to around USD70bn by 2027.</p>
Strategy	ICF is unceasingly expanding its commercial network in large and underpenetrated footwear markets (e.g. APAC, LATAM). While there is little room to grow further into automotive, the diversification into structurally growing industries like flexible packaging and leather goods (where ICF's know-how on environmental-friendly water-based adhesives is key) is far from being complete. ICF also considers M&A an opportunity to consolidate its leadership in reference markets, enter into new geographies/end markets.

Strengths

Global leading player in the supply of adhesives for car headliners
Cross-sector diversification with exposure to luxury end-markets
Low maintenance capex needs, sound cash generation

Weaknesses

Exposure to cyclical automotive market
Competition in the automotive sector is with global players with larger scale
High exposure to raw material prices fluctuation

Opportunities

M&A to expand footprint, to achieve higher product and geographical diversification
Develop new commercial relationships and industrial partnerships
R&D on water-based adhesives to attract customers via eco-friendly technologies

Threats

Aggressive commercial behavior from large suppliers in automotive sector
Limited number of raw materials suppliers
Cyclical downturn should hit demand from automotive customers

Key shareholders

V.F. Adhesives srl 26.5%

Management

Guido Cami - CEO and Chairman
Marcello Taglietti - COO
Massimo Rancilio - CFO

Next events

1H24 results: 25/09/24
3Q24 results: 18/11/24

1Q24 Results

1Q24 results

1Q sales stood at Eu19.5mn amid a tough market environment. EBITDA margin increased by 80bp to 10.8%.

Eu mn	1Q23A	1Q24A	YoY %	FY23A	Old FY24E	YoY %
Revenues	21.0	19.5	-7.1%	79.9	84.9	6.4%
EBITDA Reported	2.1	2.1	0.0%	8.5	9.6	13.3%
Ebitda Margin %	10.0%	10.8%		10.6%	11.3%	
NFP (debt)/cash	(9.3)	(10.3)		(10.9)	(9.1)	

Source: Company data, Alantra estimates

Estimates

Change in estimates

We prudently trimmed FY24/25E sales and EBITDA by 4/6% and 9/12%, respectively, reflecting caution amidst a still dormant luxury/leather segment

(Eu mn)	NEW Estimates			% Change			OLD Estimates		
	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E
Total Revenues / Value of Production	81.4	86.4	93.3	-4%	-6%	-4%	84.9	92.0	96.9
EBITDA Adjusted	8.7	10.0	11.6	-9%	-12%	-7%	9.6	11.4	12.4
EBIT Adjusted	5.2	6.3	7.7	-14%	-17%	-10%	6.0	7.6	8.6
Net profit restated	2.9	3.7	4.8	-13%	-16%	-6%	3.3	4.4	5.1
EPS	0.425	0.548	0.709	-13%	-16%	-6%	0.487	0.652	0.756
Net financial position	(9.3)	(5.7)	(1.6)	-0.22	0.49	0.30	(9.1)	(6.2)	(2.0)

Source: Alantra estimates

Peers

Trading multiples

At current market price, the stock is at a large discount vs peers based on 2024/2025E multiples

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	
Industrie Chimiche Forestali	ITALY	36	4.9 x	3.9 x	3.0 x	8.3 x	6.2 x	4.6 x	11.4 x	8.8 x	6.8 x	0.5 x	0.5 x	0.4 x	
Premium (discount) to Peers' Median			-38%	-45%	-57%	-30%	-42%	-54%	-31%	-38%	-53%	-67%	-70%	-73%	
PEERS			Average	9.2 x	8.2 x	11.5 x	13.3 x	11.6 x	21.8 x	51.6 x	15.4 x	15.3 x	1.7 x	1.6 x	1.9 x
			Median	7.9 x	7.1 x	7.0 x	11.8 x	10.7 x	9.9 x	16.6 x	14.3 x	14.4 x	1.6 x	1.5 x	1.4 x
Henkel AG & Co. KGaA Pref	GERMANY	33,949	9.3 x	8.6 x	8.1 x	11.6 x	10.6 x	9.9 x	16.6 x	15.3 x	14.4 x	1.6 x	1.5 x	1.4 x	
Sika AG	SWITZERLAND	46,297	21.0 x	19.0 x	17.0 x	27.2 x	24.0 x	21.0 x	34.5 x	30.6 x	26.9 x	4.2 x	3.8 x	3.5 x	
Arkema SA	FRANCE	7,399	6.0 x	5.3 x	4.9 x	9.7 x	8.2 x	7.3 x	10.8 x	9.2 x	8.6 x	1.0 x	0.9 x	0.9 x	
H.B. Fuller Company	UNITED STATES	4,068	9.6 x	8.8 x	7.8 x	13.4 x	11.9 x	10.4 x	19.0 x	16.5 x	14.5 x	1.6 x	1.6 x	1.4 x	
PEERS Adhesives Producers			Average	11.4 x	10.4 x	9.4 x	15.5 x	13.7 x	12.2 x	20.2 x	17.9 x	16.1 x	2.1 x	1.9 x	1.8 x
			Median	9.4 x	8.7 x	7.9 x	12.5 x	11.2 x	10.2 x	17.8 x	15.9 x	14.5 x	1.6 x	1.5 x	1.4 x
SAES Getters S.p.A.	ITALY	437	nm	nm	48.2 x	nm	nm	113.8 x	nm	nm	26.0 x	nm	nm	5.8 x	
Cembre S.p.A.	ITALY	712	9.7 x	9.1 x	8.6 x	11.9 x	11.2 x	10.5 x	16.6 x	15.6 x	14.7 x	2.8 x	2.6 x	2.5 x	
LU-VE SpA	ITALY	523	7.9 x	7.1 x	6.2 x	12.6 x	10.8 x	9.2 x	15.4 x	13.3 x	12.1 x	1.0 x	0.9 x	0.9 x	
Aquafil SpA	ITALY	139	5.2 x	4.2 x	3.7 x	nm	nm	nm	324.0 x	nm	nm	0.7 x	0.6 x	0.5 x	
Sabaf S.p.A.	ITALY	217	6.4 x	5.3 x	4.7 x	11.3 x	8.5 x	7.1 x	16.1 x	12.1 x	10.3 x	1.0 x	0.9 x	0.8 x	
B&C Speakers S.p.A.	ITALY	184	7.6 x	6.8 x	6.2 x	8.4 x	7.6 x	6.7 x	11.7 x	10.7 x	9.9 x	1.7 x	1.5 x	1.4 x	
PEERS Italian Small-Caps			Average	7.4 x	6.5 x	12.9 x	11.1 x	9.5 x	29.4 x	76.8 x	12.9 x	14.6 x	1.4 x	1.3 x	2.0 x
			Median	7.6 x	6.8 x	6.2 x	11.6 x	9.7 x	9.2 x	16.1 x	12.7 x	12.1 x	1.0 x	0.9 x	1.1 x

Source: Alantra estimates and Factset

Financials

Selected peers enjoy better margins than ICF being larger/more diversified (Adhesives producers) or being active in different businesses (Italian Small-Caps)

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	EPS	
Industrie Chimiche Forestali	ITALY	36	11.6%	7.3%	4.3%	2.0%	55.0%	5.3%	9.3%	12.3%	9.8%	
PEERS			Average	17.6%	12.3%	8.8%	5.2%	38.0%	6.0%	-15.7%	-48.2%	1.3%
			Median	17.2%	11.9%	7.5%	4.6%	37.2%	5.7%	7.3%	9.0%	9.9%
Henkel AG & Co. KGaA Pref	GERMANY	33,949	17.3%	14.0%	9.5%	3.3%	36.8%	2.4%	7.6%	8.1%	10.1%	
Sika AG	SWITZERLAND	46,297	20.2%	16.0%	11.3%	2.7%	43.8%	6.6%	11.1%	13.7%	15.3%	
Arkema SA	FRANCE	7,399	17.0%	10.9%	7.1%	7.6%	37.7%	3.7%	7.4%	9.4%	9.7%	
H.B. Fuller Company	UNITED STATES	4,068	17.6%	13.0%	7.3%	3.7%	17.4%	4.5%	7.2%	9.7%	13.3%	
PEERS Adhesives Producers			Average	18.0%	13.5%	8.8%	4.3%	33.9%	4.3%	8.3%	10.2%	12.1%
			Median	17.5%	13.5%	8.4%	3.5%	37.2%	4.1%	7.5%	9.5%	11.7%
SAES Getters S.p.A.	ITALY	437	8.8%	1.7%	7.6%	10.2%	22.4%	9.3%	-255.8%	-171.4%	110.9%	
Cembre S.p.A.	ITALY	712	29.1%	23.6%	17.4%	7.0%	71.9%	6.5%	5.2%	5.6%	4.7%	
LU-VE SpA	ITALY	523	13.4%	8.8%	5.4%	5.9%	25.1%	4.9%	6.9%	10.3%	7.5%	
Aquafil SpA	ITALY	139	13.2%	4.4%	1.1%	3.9%	34.0%	4.3%	23.7%	-424.5%	-185.6%	
Sabaf S.p.A.	ITALY	217	17.1%	10.5%	6.6%	5.3%	38.4%	9.2%	22.3%	48.5%	18.0%	
B&C Speakers S.p.A.	ITALY	184	22.3%	20.3%	14.7%	2.0%	52.5%	8.8%	6.9%	8.5%	9.3%	
PEERS Italian Small-Caps			Average	17.3%	11.6%	8.8%	5.7%	40.7%	7.2%	-31.8%	-87.2%	-5.9%
			Median	15.3%	9.7%	7.1%	5.6%	36.2%	7.7%	6.9%	7.0%	8.4%

Source: Alantra estimates and Factset

Performance

ICF's price underperformed vs adhesives producers over the last 12 months

Company	Country	Mkt Cap (Eu mn)	Performance					
			1M	3M	6M	1YR	3YR	5YR
Industrie Chimiche Forestali	ITALY	36	2.9%	14.4%	5.6%	-16.3%	-21.6%	-13.3%
PEERS	Average		1.5%	3.0%	10.7%	7.6%	12.8%	44.8%
	Median		6.3%	2.1%	13.9%	14.2%	10.4%	40.4%
Henkel AG & Co. KGaA Pref	GERMANY	33,949	15.7%	18.4%	14.7%	7.6%	-13.2%	-2.5%
Sika AG	SWITZERLAND	46,297	7.6%	14.6%	19.6%	13.0%	3.5%	81.9%
Arkema SA	FRANCE	7,399	0.8%	0.7%	4.8%	15.4%	-8.8%	25.9%
H.B. Fuller Company	UNITED STATES	4,068	6.8%	3.4%	7.2%	23.5%	17.3%	80.8%
PEERS Adhesives Producers	Average		7.7%	9.3%	11.6%	14.9%	-0.3%	46.5%
	Median		7.2%	9.0%	11.0%	14.2%	-2.6%	53.4%
SAES Getters S.p.A.	ITALY	437	-29.5%	-25.0%	-21.5%	-8.3%	28.0%	21.2%
Cembre S.p.A.	ITALY	712	-1.8%	0.2%	20.4%	33.0%	71.7%	116.0%
LU-VE SpA	ITALY	523	6.3%	8.8%	13.0%	-16.8%	47.3%	106.1%
Aquafil SpA	ITALY	139	6.4%	-3.6%	15.7%	-26.5%	-48.4%	-62.0%
Sabaf S.p.A.	ITALY	217	6.2%	13.5%	30.6%	19.3%	-19.3%	26.2%
B&C Speakers S.p.A.	ITALY	184	-4.0%	-0.6%	2.5%	15.6%	49.8%	54.6%
PEERS Italian Small-Caps	Average		-2.7%	-1.1%	10.1%	2.7%	21.5%	43.7%
	Median		2.2%	-0.2%	14.3%	3.6%	37.7%	40.4%

Source: Alantra estimates and Factset

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