

BRUNELLO CUCINELLI

NEUTRAL

Sector: Consumers

Price: Eu100.10 - Target: Eu107.50

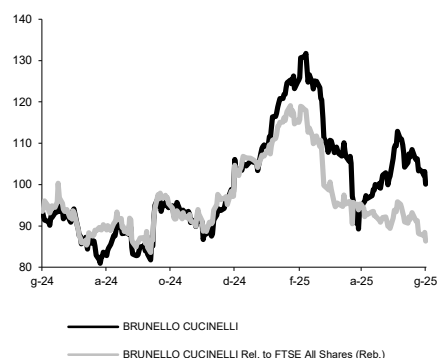
Revenue Growth To Remain Immune To Industry Slowdown

Andrea Randone +39-02-77115.364
andrea.randone@intermonte.it
Francesco Brilli: +39-02-77115.439
francesco.brilli@intermonte.it

Stock Rating				
Rating:	Unchanged			
Target Price (Eu):	Unchanged			
	2025E	2026E	2027E	
Chg in Adj EPS	-1.8%	-1.9%	-2.0%	

Next Event 1H25 revenues
Results Out: 10 July 2025

BRUNELLO CUCINELLI - 12M Performance



Stock Data			
Reuters code:	BCU.MI		
Bloomberg code:	BC IM		
Performance	1M	3M	12M
Absolute	-5.8%	-8.5%	7.0%
Relative	-6.1%	-13.1%	-8.9%
12M (H/L)	131.70/80.95		
3M Average Volume (th):	178.33		

Shareholder Data	
No. of Ord shares (mn):	68
Total no. of shares (mn):	68
Mkt Cap Ord (Eu mn):	6,807
Total Mkt Cap (Eu mn):	6,807
Mkt Float - Ord (Eu mn):	2,433
Mkt Float (in %):	35.8%
Main Shareholder:	
Fedone S.r.l.	50.1%

Balance Sheet Data	
Book Value (Eu mn):	560
BVPS (Eu):	8.63
P/BV:	11.6
Net Financial Position (Eu mn):	-878
Enterprise Value (Eu mn):	6,984

- **Double-digit revenue growth expected to continue in 2Q25.** We expect 2Q25 revenues to increase 9.5% YoY to Eu341.0mn (or +10.9% at Constant Exchange Rates). By channel, growth should be reasonably evenly split between retail, forecast up 7.9% YoY to Eu223.0mn (+10.1% CER), and wholesale, foreseen up 12.5% YoY to Eu118.1mn. As in 1Q25, we expect balanced geographical growth: Europe (including Italy) and North America should continue to grow at 10% CER, with Asia performing better. We note that China (expected up double-digit) accounts for about half of the Asian total, and Japan a further quarter.
- **1H margins expected flat YoY, net debt to reflect the extraordinary investment cycle.** We expect the 1H25 EBIT margin to reach 16.5%, down 30bp compared to 1H24 (that benefitted from a particularly strong retail growth), implying EBIT of Eu112.9mn, up 8.0% YoY. Our estimates point to an EBIT margin of 16.8% in 2H25. In terms of cash flow, we expect net debt, excluding IFRS16, to peak at Eu180mn at end-June 2025, after cash outs for the extraordinary CapEx cycle and the Eu63.9mn dividend payment. Net debt at YE25 is expected to remain on a similar level.
- **Business update.** In a recent press interview the company confirmed its revenue growth guidance of around +10% for the full year, indicating trends were solid in April and May. Management confirmed a price increase of 3-4% from 1st July in the US market for the Fall/Winter collections. As for the ongoing CapEx plan to get production up to speed to match expected 2030 volumes, the company expects to complete works by the end of 2025, ahead of schedule, with CapEx expected to peak at 10.5% of revenue in 2025 and normalise at 7.0-7.5% from 2026, as indicated during the last conference call. Production flexibility was highlighted as an important factor to mitigate risk. For 2025 the plan remains to invest in 4 openings and 3 expansions of the store network.
- **Change in estimates.** We are confirming our 2025/26 revenue forecasts, featuring annual growth slightly above 10%, applying a mere 0.5% reduction due entirely to ForEx fluctuations. In terms of cash flow, we expect 2025 generation to remain penalised by a high level of CapEx (nudged upwards to 10.5% in this report).
- **NEUTRAL; target Eu107.5 unchanged.** We expect 2Q25 revenues to confirm the brand's unique positioning and the excellent reliability of management indications. Importantly, market trends should continue to demonstrate the persisting performance gap between demand for authentically exclusive luxury goods, which remains strong, and the rest of the market, which is showing greater volatility. Brunello Cucinelli is among the few winners thanks to a brand positioning that is firmly rooted in ethical and humanistic values (sustained by a number of initiatives such as the one announced yesterday by the Cucinelli Foundation, aimed at encouraging public-private collaboration in preserving the architectural and landscape beauty of the Perugia area), credible and forward-looking relationships with a highly specialised supply chain network and extremely selective distribution (including wholesale doors). While we confirm our NEUTRAL stance on the stock, following the recent stock correction the valuation is becoming more attractive, with the strong visibility on the top line offering good protection.

Key Figures & Ratios	2023A	2024A	2025E	2026E	2027E
Sales (Eu mn)	1,139	1,279	1,408	1,552	1,710
EBITDA Adj (Eu mn)	326	365	402	445	492
Net Profit Adj (Eu mn)	109	119	134	152	172
EPS New Adj (Eu)	1.598	1.757	1.975	2.234	2.535
EPS Old Adj (Eu)	1.598	1.757	2.012	2.277	2.585
DPS (Eu)	0.910	0.940	0.987	1.117	1.267
EV/EBITDA Adj	16.4	17.8	17.4	15.7	14.2
EV/EBIT Adj	28.5	30.7	29.7	26.8	24.0
P/E Adj	62.6	57.0	50.7	44.8	39.5
Div. Yield	0.9%	0.9%	1.0%	1.1%	1.3%
Net Debt/EBITDA Adj	1.7	2.1	2.2	2.0	1.9

The reproduction of the information, recommendations and research produced by Intermonte SIM contained herein, and any of its parts, is strictly prohibited. None of the contents of this document may be shared with third parties without Company authorization. Please see important disclaimer on the last page of this report

DISCLAIMER (for more details go to [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 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 Ave, 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 between 5.5%-6.0% are being used.

Frequency of research: quarterly.

Reports on all companies listed on the S&PMB40 Index, most of those on the MIBEX 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

CURRENT INVESTMENT RESEARCH RATING DISTRIBUTIONS

Intermonte SIM is authorised by CONSOB to provide investment services and is listed at n° 246 in the register of brokerage firms.

As at 31 March 2025 Intermonte's Research Department covered 131 companies.

As of today Intermonte's distribution of stock ratings is as follows:

BUY:	32.59 %
OUTPERFORM:	37.78 %
NEUTRAL:	29.63 %
UNDERPERFORM:	00.00 %
SELL:	00.00 %

As at 31 March 2025 the distribution of stock ratings for companies which have received corporate finance services from Intermonte in the last 12 months (74 in total) is as follows:

BUY:	52.70 %
OUTPERFORM:	29.73 %
NEUTRAL:	17.57 %
UNDERPERFORM:	00.00 %
SELL:	00.00 %

CONFLICT OF INTEREST

In order to disclose its possible conflicts of interest Intermonte SIM states that:

Intermonte SIM S.p.A. operates or has operated in the last 12 months as the person in charge of carrying out the share buyback plan approved by the shareholders' meeting of ABITARE IN, ANIMA HOLDING, AZIMUT, CIVITANAVI SYSTEMS, ELEN., ELICA, INTRED, PHARMANUTRA, SERVIZI ITALIA, SESA, TMP GROUP, UNIDATA, VALSOIA, WEBUILD

Intermonte SIM S.p.A. provides or has provided corporate brokerage services to ALLCORE, ALMAWAVE, ANTARES VISION, AQUAFIL, AVIO, CASTA DIVA GROUP, CUBE LABS, CYGATE, CYBEROO, DIGITOUCH, DOMINION HOSTING HOLDING, ELICA, ENERGY, ESPRINET, EVISO, FINE FOODS & PHARMACEUTICALS NTM, FNM, FRANCHI UMBERTO MARM, G.M. LEATHER, GPI, GREEN OLEO, GREENTHESIS, HIGH QUALITY FOOD, IGD, IKONISYS SA, INTRED, ISCC FINTECH, ITALIAN EXHIBITION GROUP, LEMON SISTEMI, LUVE, MAPS, MARE ENGINEERING GROUP, NEEDECORTECH, NOTORIOUS PICTURES, PREATONI GROUP, REDFISH LONGTERM CAPITAL, REVO INSURANCE, REWAY GROUP, SERI INDUSTRIAL, SG COMPANY, SPINDOX, STAR7, TALEA GROUP, ULISSSE BIOMED, XENIA HOTELLERIE SOLUTION, Zest Group SpA in the last 12 months

Intermonte SIM S.p.A. operates or has operated in the last 12 months as Financial Content Provider on the company ALLCORE, ALMAWAVE, B&C SPEAKERS, BANCA SISTEMA, BIFIRE, CASTA DIVA GROUP, CLEANBNB, COFLE, CROWDFUNDME, CUBE LABS, DIGITOUCH, DOMINION HOSTING HOLDING, ECOSUNTEK, EDILIZIACROBATICA, ELES, ENERGY, EVISO, FAE TECHNOLOGY, FIERA MILANO, FOPE, G.M. LEATHER, GREEN OLEO, HIGH QUALITY FOOD, IGD, IKONISYS SA, INTERCOS, INTRED, ISCC FINTECH, LEMON SISTEMI, MAPS, MARE ENGINEERING GROUP, MASI AGRICOLA, MISITANO & STRACUZZI SPA, NEEDECORTECH, NOTORIOUS PICTURES, OLIDATA, OSAI AUTOMATION SYSTEM, PREATONI GROUP, RACING FORCE, REDFISH LONGTERM CAPITAL, RETI, SCLUIKER FRAMES, SG COMPANY, SIMONE, SOLID WORLD GROUP, SPINDOX, TALEA GROUP, TAMBURI, TINEXTA, TMP GROUP, ULISSSE BIOMED, XENIA HOTELLERIE SOLUTION, Zest Group SpA

Intermonte SIM S.p.A. performs or has performed in the last 12 months the role of intermediary appointed in the public purchase and/or exchange offer transaction of SAES GETTERS, TINEXTA

Intermonte SIM S.p.A. operates or has operated in the last 12 months as liquidity provider of BANCA SISTEMA, Zest Group SpA

Intermonte SIM is acting as counterparty to WIIT Fin S.r.l. in connection with call and put options having **WIIT S.p.A. shares and dividends as reference underlying.**

Intermonte SIM acts as financial advisor to Banco BPM in the context of the offer promoted by Unicredit.

Intermonte SIM acts as ECM advisor to Banca IFIS in the offer promoted on Illimity Bank.

Intermonte SIM S.p.A. performs or has performed in the last 12 months the role of financial advisor for AQUAFIL, BANCA IFIS, BANCO BPM, MAIRE, RETEX SPA, TINEXTA

Intermonte SIM S.p.A. operates or has operated in the last 12 months as market maker on financial instruments with underlying shares issued by A2A, AMPLIFON, AZIMUT, BANCA IFIS, BANCA MEDIOLANUM, BANCO BPM, BCA MPS, BCA POP SONDRIO, BFF BANK, Bper Banca, BREMBO, BUZZI, CAMPARI, DANIELI & C, DIASORIN, ENEL, ENI, ERG, FERRARI, FINECOBANK, INDUSTRIE DE NORA, INTERPUMP GROUP, INTESA SANPAOLO, INWIT, IREN, ITALGAS, IVECO GROUP, LEONARDO, LOTTOMATICA GROUP, MEDIOBANCA, MFE B, MONCLER, MONDADORI EDIT., NEXI, OVS, PIRELLI & C, POSTE ITALIANE, PRYSMIAN, SAPEM, SESA, SNAM S.p.A., STELLANTIS, STIMICROELECTRONICS, TECHNOGYM, TECHNOPROBE, TELECOM ITALIA, TELECOM ITALIA R, TENARIS, TERNA, UNICREDIT, UNIPOL, WEBUILD

Intermonte Sim S.p.A. has or had in the last 12 months a marketing contract on instruments issued by BARCLAYS, BNP PARIBAS, GOLDMAN SACHS GROUP INC, LEONTEQ, MAREX FINANCIAL, MEDIOBANCA, MORGAN STANLEY, NATIXIS, SOCIETE GENERALE, UNICREDIT, VONTOBEL N, WISDOMTREE IRELAND LIMITED

Intermonte SIM S.p.A. performs or has performed in the last 12 months the role of specialist on financial instruments issued by ABITARE IN, ALKEMY, BANCA IFIS, BANCA SISTEMA, CIVITANAVI SYSTEMS, COFLE, CYBEROO, DIGITOUCH, ECOSUNTEK, ELEN., EMAK, ENERGY, GREENTHESIS, MISITANO & STRACUZZI SPA, MONDADORI EDIT., OLIDATA, OMIER, PHARMANUTRA, QF ALPHA INIM, REPLY, SAES GETTERS, SERVIZI ITALIA, SESA, SG COMPANY, SOMEK, SYS-DAT, TAMBURI, TESMEC, THE ITALIAN SEA GROUP, TINEXTA, TMP GROUP, TXT E-SOLUTIONS, UNIDATA, WIIT **with the obligation to disseminate studies**

Intermonte SIM S.p.A. plays or has played in the last 12 months the role of sponsor for UNIDATA S.p.A.

Intermonte SIM SpA holds net long or short positions in excess of 0.5% of the overall share capital in the following issuers:

Emittente	%	Long/Short
-----------	---	------------

© 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 [MIFID](#)

Further information is available