

EQUITY RESEARCH

OMER S.P.A.
RESULTS REVIEW

BUY

TP 5.1€ (vs 5.5€)
Up/Downside: 42%

Solid FY25, with a more cautious outlook. The payout is turning increasingly attractive

OMER closed FY2025 with record results and a resilient margin despite higher personnel costs. A significant share of growth was nonetheless driven by the Dolcevit project, a one-off contribution of around €15m in 2025, with a residual effect in 2026. Management expects a slowdown in 2026–27, ahead of the next investment cycle in European high-speed rail and the ramp-up of projects in the US. The stock remains attractive, trading at ~11x 2026 earnings, with a dividend yield close to 5% and an estimated ROCE of 17–18% over 2026–27.

FY2025 marks the strongest year in OMER's history in terms of revenue, with an EBITDA margin close to 20% despite a significant increase in personnel costs. Growth was primarily driven by the Dolcevit project, whose exceptional contribution is estimated at €15m in 2025, with a marginal residual impact (~€4m) in 2026. This remains a non-recurring effect: at this stage, there is no visibility on potential additional trains, and we do not include this project beyond 2025 in our forecasts.

The company anticipates a natural slowdown in 2026–27 as several multi-year programmes enter their final phase (the Caravaggio project will conclude in July), while the market is shifting toward medium-duration orders (3–4 years), less extensive than in the past. Visibility on future high-speed contracts remains limited, but a new cycle could begin from 2027, supported by European programmes; notably, Trenitalia has announced plans to expand the Frecciarossa fleet (+78 additional trains), a segment in which OMER is already an accredited supplier (on an order worth around €20m).

In the US, the METRA project will become operational in June 2026, with a gradual ramp-up and an estimated contribution of €4–5m per year from 2027 onward. The North American market remains a strategic pillar of the medium-term plan, supported by a solid pipeline of rolling-stock renewal programmes.

Given the non-recurring nature of Dolcevit and the expectation of more moderate growth over 2026–27, we adjust the revenue trajectory and slightly revise our margin assumptions, factoring in higher energy and raw-material costs in an uncertain geopolitical environment. Our target price is revised to €5.1, and we maintain our BUY recommendation. We continue to view the stock as attractive and undervalued: it trades at ~11x 2026e earnings, offers a dividend yield of around 5% (40% payout), and is expected to deliver a ROCE of 17–18% over 2026–27%.

TP ICAP Midcap Estimates	12/25	12/26e	12/27e	12/28e	Valuation Ratio	12/26e	12/27e	12/28e
Sales (m €)	91.5	79.0	80.0	82.7	EV/Sales	0.9	0.8	0.6
Current Op Inc (m €)	14.4	10.8	11.4	13.4	EV/EBITDA	4.8	4.0	3.0
Current op. Margin (%)	15.8	13.7	14.3	16.2	EV/EBIT	6.5	5.4	3.9
EPS (€)	0.36	0.28	0.30	0.35	PE	12.7	12.1	10.4
DPS (€)	0.00	0.00	0.00	0.00	Source: TPICAP Midcap			
Yield (%)	0.0	0.0	0.0	0.0				
FCF (m €)	6.2	8.7	8.4	9.6				

Key data

Price (€)	3.6
Industry	Transportation Equipment
Ticker	OMER-IT
Shares Out (m)	28.750
Market Cap (m €)	103.2
Average trading volumes (k shares / day)	81.918
Next event	FY 2025 - 23.03.2026

Source: FactSet

Ownership (%)

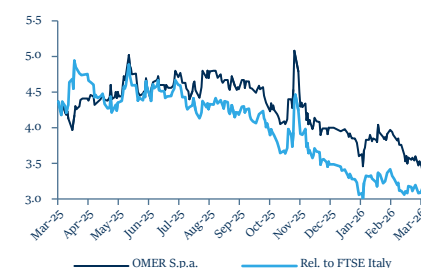
Halfa Srl	74.0
Mediolanum Gestione Fondi SGR	2.9
Fideuram - Intesa Sanpaolo Private	2.8
Free float	26.0

Source: TPICAP Midcap estimates

EPS (€)	12/26e	12/27e	12/28e
Estimates	0.28	0.30	0.35
Change vs previous estimates (%)	-13.38	-17.11	-12.56

Source: TPICAP Midcap estimates

Performance (%)	1D	1M	YTD
Price Perf	5.9	-6.0	-8.7
Rel FTSE Italy	5.0	2.3	-3.8



Source: FactSet

Consensus FactSet - Analysts:2	12/26e	12/27e	12/28e
Sales	88.0	90.0	na
EBIT	12.6	13.8	na
Net income	9.4	10.3	na

Analyst

Alessio Olmi

alessio.olmi@tpicap.com

+33149241801





FINANCIAL DATA

Income Statement	12/23	12/24	12/25	12/26e	12/27e	12/28e
Sales	67.3	84.0	91.5	79.0	80.0	82.7
Changes (%)	6.3	24.8	8.9	-13.6	1.3	3.3
Gross profit	43.6	54.1	62.0	49.4	51.5	53.5
% of Sales	64.8	64.4	67.8	62.5	64.3	64.7
EBITDA	15.1	18.7	18.2	14.7	15.4	17.2
% of Sales	22.4	22.3	19.9	18.6	19.3	20.9
Current operating profit	12.2	15.1	14.4	10.8	11.4	13.4
% of Sales	18.1	18.0	15.8	13.7	14.3	16.2
Non-recurring items	-0.1	-0.1	0.0	0.0	0.0	0.0
EBIT	12.1	15.0	14.4	10.8	11.4	13.4
Net financial result	-0.7	0.2	-0.7	0.3	0.3	0.3
Income Tax	-3.0	-4.1	-3.5	-3.0	-3.1	-3.7
Tax rate (%)	-26.6	-26.9	-25.5	-26.9	-26.9	-26.9
Net profit, group share	8.4	11.1	10.2	8.1	8.5	10.0
EPS	0.29	0.39	0.36	0.28	0.30	0.35
Financial Statement	12/23	12/24	12/25	12/26e	12/27e	12/28e
Goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Tangible and intangible assets	16.2	17.0	18.0	20.5	22.5	24.1
Right of Use	0.0	0.0	0.0	0.0	0.0	0.0
Financial assets	0.1	0.0	0.0	0.0	0.0	0.0
Working capital	19.8	29.8	32.8	29.7	27.9	26.7
Other Assets	0.0	0.0	0.0	0.0	0.0	0.0
Assets	36.1	46.8	50.8	50.3	50.4	50.8
Shareholders equity group	55.3	64.8	73.0	81.1	89.6	99.6
Minorities	0.0	0.0	0.0	0.0	0.0	0.0
LT & ST provisions and others	0.4	0.8	0.8	0.8	0.8	0.8
Net debt	-19.8	-19.9	-24.1	-32.7	-41.1	-50.7
Other liabilities	0.2	1.2	1.2	1.2	1.2	1.2
Liabilities	36.1	46.8	50.8	50.3	50.4	50.8
Net debt excl. IFRS 16	-19.8	-19.9	-24.1	-32.7	-41.1	-50.7
Gearing net	-0.4	-0.3	-0.3	-0.4	-0.5	-0.5
Leverage	-1.3	-1.1	-1.3	-2.2	-2.7	-2.9
Cash flow statement	12/23	12/24	12/25	12/26e	12/27e	12/28e
CF after elimination of net borrowing costs and taxes	12.0	15.8	14.0	12.0	12.5	13.8
ΔWCR	4.5	-9.3	-3.0	3.0	1.8	1.2
Operating cash flow	16.5	6.5	11.0	15.0	14.3	15.1
Net capex	-4.9	-4.1	-4.8	-6.3	-6.0	-5.5
FCF	11.6	2.3	6.2	8.7	8.4	9.6
Acquisitions/Disposals of subsidiaries	0.0	0.0	0.0	0.0	0.0	0.0
Other investments	-5.0	-5.0	0.0	0.0	0.0	0.0
Change in borrowings	-1.3	-1.2	0.0	0.0	0.0	0.0
Dividends paid	-1.4	-1.7	-2.0	0.0	0.0	0.0
Repayment of leasing debt	0.0	0.0	0.0	0.0	0.0	0.0
Equity Transaction	-0.1	0.0	0.0	0.0	0.0	0.0
Others	0.0	0.0	0.0	0.0	0.0	0.0
Change in net cash over the year	3.7	-0.6	4.2	8.7	8.4	9.6
ROA (%)	23.3%	23.8%	20.1%	16.1%	16.9%	19.6%
ROE (%)	15.2%	17.2%	14.0%	10.0%	9.5%	10.0%

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Analyst certifications

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Methodology

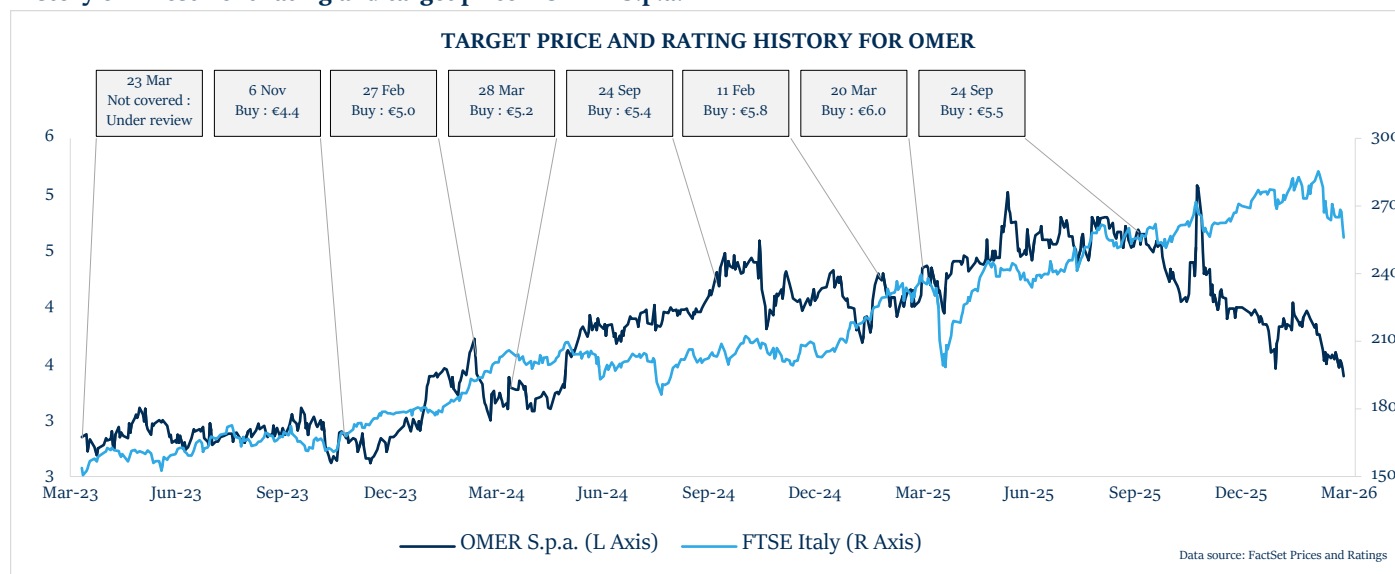
This Report may mention evaluation methods defined as follows:

1. DCF method: discounting of future cash flows generated by the company's operations. Cash flows are determined by the analyst's financial forecasts and models. The discount rate used corresponds to the weighted average cost of capital, which is defined as the weighted average cost of the company's debt and the theoretical cost of its equity as estimated by the analyst.
2. Comparable method: application of market valuation multiples or those observed in recent transactions. These multiples can be used as references and applied to the company's financial aggregates to deduce its valuation. The sample is selected by the analyst based on the characteristics of the company (size, growth, profitability, etc.). The analyst may also apply a premium/discount depending on his perception of the company's characteristics.
3. Assets and liabilities method: estimate of the value of equity capital based on revalued assets adjusted for the value of the debt.
4. Discounted dividend method: discounting of estimated future dividend flows. The discount rate used is generally the cost of capital.
5. Sum of the parts: this method consists of estimating the various activities of a company using the most appropriate valuation method for each of them, then realizing the sum of the parts.

Conflict of Interests between TP ICAP Midcap and the Issuer

G. Midcap and the Issuer have agreed to the provision by the former to the latter of a service for the production and distribution of the investment recommendation on the said Issuer: OMER S.p.a.

History of investment rating and target price – OMER S.p.a.



Historical recommendations and target price (-1Y)

Date	Analyst	Old Target Price	New Target Price	Closing Price	Old Recommendation	New Recommendation
26 Feb 26 - 08:01:56	Alessio Olmi	€ 5.50	€ 5.50	€ 3.76	Buy	Buy
22 Jan 26 - 08:26:31	Alessio Olmi	€ 5.50	€ 5.50	€ 3.68	Buy	Buy
15 Dec 25 - 08:15:44	Alessio Olmi	€ 5.50	€ 5.50	€ 3.98	Buy	Buy
04 Dec 25 - 08:20:43	Alessio Olmi	€ 5.50	€ 5.50	€ 4.14	Buy	Buy
17 Nov 25 - 19:00:30	Alessio Olmi	€ 5.50	€ 5.50	€ 5.06	Buy	Buy
05 Nov 25 - 20:32:56	Alessio Olmi	€ 5.50	€ 5.50	€ 4.05	Buy	Buy
24 Sep 25 - 08:22:45	Alessio Olmi	€ 6.00	€ 5.50	€ 4.69	Buy	Buy
30 Jul 25 - 08:21:47	Alessio Olmi	€ 6.00	€ 6.00	€ 4.55	Buy	Buy
18 May 25 - 20:19:26	Alessio Olmi	€ 6.00	€ 6.00	€ 4.40	Buy	Buy
14 May 25 - 20:01:53	Alessio Olmi	€ 6.00	€ 6.00	€ 4.40	Buy	Buy
09 May 25 - 08:07:10	Alessio Olmi	€ 6.00	€ 6.00	€ 4.43	Buy	Buy
07 Apr 25 - 08:23:29	Alessio Olmi	€ 6.00	€ 6.00	€ 4.15	Buy	Buy

Distribution of Investment Ratings

Rating	Recommendation Universe*	Portion of these provided with investment banking services**
Buy	72%	72%
Hold	20%	58%
Sell	3%	40%
Under review	4%	86%

Midcap employs a rating system based on the following:

Buy: Expected to outperform the markets by 10% or more over a 6 to 12 months horizon.

Hold: expected performance between -10% and +10% compared to the market over a 6 to 12 months horizon.

Sell: Stock is expected underperform the markets by 10% or more over a 6 to 12 months horizon.

The history of ratings and target prices for the Issuers covered in this report are available on request at <https://researchtpicap.midcapp.com/en/disclaimer>.

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