

SIT (Outperform, TP €9.00)

Market Cap. €184m		Price: € 7.46		(Giuseppe Grimaldi +39 02 8829 412)	
	Turnover	Net Profit	PE Adj.	PBV	Yield
2020	321	13	10.0	0.9	5.0
2021E	344	15	10.8	1.0	4.6
2022E	358	18	8.6	0.9	4.7

Source: Mediobanca Securities

MeterSit meters used for 100% hydrogen housing project in the UK

Event Today in a press release SIT provided a business update.

Comment/Financials In the press release, the company announced that the meters designed by MeterRSit (ie smart metering branch of SIT) have been used in the first 100% hydrogen houses, developed by Northern Gas Networks and the BEIS in the UK

The houses, which will be completed in May 2021, will be powered entirely by hydrogen, allowing the public to witness first-hand and interact with domestic appliances created to order by the world's leading companies. It will also contain Worcester Bosch boilers that use hydrogen power safety valves created by SIT.

View/Action We have an Outperform rating on the name.

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SIT (Outperform, TP €9.00)

	Market Cap. €162.55m	Price: € 7.48	(Giuseppe Grimaldi +39 02 8829 412)		
	Turnover	Net Profit	PE Adj.	PBV	Yield
2020	321	13	10.0	0.9	5.0
2021E	344	15	11.1	1.0	4.5
2022E	358	18	8.8	0.9	4.6

Source: Mediobanca Securities

1Q21 Results preview - Top-line momentum to accelerate

Event On May 12, SIT will unveil its 1Q21 results.

Comment/Financials We expect the company to accelerate its growth pace QoQ with revenues up double-digit in 1Q. By division, we see momentum to remain strong in the heating division, despite some FX headwind. Meanwhile, the gas metering business should be down YoY with this downturn more than compensated by the inclusion of Janz in the perimeter.

At the profitability level, we expect EBITDA margin to expand YoY reflecting mainly higher volumes. Looking at the FCF, we see net debt to increase QoQ mainly reflecting the seasonal trend in working capital.

1Q21 - Results preview

€m	1Q21E	1Q20A	YoY chg.
Total sales	82.5	73.4	12%
EBITDA	12.2	8.9	37%
EBITDA margin	14.8%	12.1%	
EBIT	5.7	3.3	73%
EBIT margin	6.9%	4.5%	
Net profit	3.8	4.2	-9%
Net Debt/(Cash)	142.0	101.6	

Source: Mediobanca Securities

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