

SIT (BUY)**Reorganisation of the Business Units**

Market Mover (SIT-IT)	Positive	Neutral	Negative
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What's up? In a press release published yesterday, SIT announced a reorganisation of the Business Units, which will become 3 (previously 2: Heating and Metering):

- **Heating and Ventilation BU:** SIT's historical core business provides solutions for efficiency improvement in heating appliances using gas, hybrid solutions, biomethane and hydrogen. It has been enriched with the offer of solutions for ventilation and indoor air quality. Walter Albè was appointed head of this Business Unit. Before joining SIT, he worked for Whirlpool and Ariston Thermo;
- **Smart Gas Metering BU:** The unit is active in the design and manufacture of gas meters for residential and industrial systems and provides new digital technologies for data reading and consumption control. Head of this division will be Giulio Prandi, former Chief Operating Officer. He has been working for SIT since 2018;
- **Water Metering BU:** The unit provides water consumption measurement solutions, with both traditional and smart technologies to utilities and municipalities. It will continue to be headed by Gianpaolo Anselmi, who has overseen the Water Metering since the acquisition of Janz (end of 2020);

Tomaso Valdinoci will be Chief Product Officer of SIT. The heads of the three Business Units and the CPO will report to CEO and Chairman Federico de' Stefani.

What we think: We think that this reorganisation should allow SIT to respond more quickly and effectively to the market's needs, also providing the Ventilation business line with a good boost to development. **Rating BUY and TP EUR 8.4/sh.**

SIT - Key Data

05/04/2023	Engineering		
Target Price (EUR)	8.4		
Rating	BUY		
Mkt price (EUR)	4.85		
Mkt cap (EUR M)	122		
Main Metrics (€ M)	2022E	2023E	2024E
Revenues	380.5	397.8	416.6
EBITDA	36.09	48.14	55.20
EPS (EUR)	0.45	0.51	0.69
Net debt/-cash	129.7	110.2	94.55
Ratios (x)	2022E	2023E	2024E
Adj. P/E	10.9	9.6	7.0
EV/EBITDA	7.0	4.8	3.9
EV/EBIT	31.4	12.1	8.5
Debt/EBITDA	3.6	2.3	1.7
Div yield (%)	6.2	6.2	8.2
Performance (%)	1M	3M	12M
Absolute	-16.4	-21.8	-39.4
Rel. to FTSE IT All Sh	-13.9	-27.9	-43.0

Source: FactSet, Company data, Intesa Sanpaolo Research estimates

Intesa Sanpaolo is Corporate Broker to SIT

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