

SIT (BUY)**SIT IM; SIT-IT****Interview with CEO/Chairman de' Stefani**

Market Mover (SIT-IT)	Positive	Neutral	Negative
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What's up? Milano Finanza published an interview with Federico de' Stefani, SIT's Chairman, CEO, and main shareholder (with a 74.6% stake).

- In detail, de' Stefani stated that in the first months of 2025, the North American market was very strong, and the company recorded an order backlog that should support 1H25 results above the company's targets;
- According to the interview, the FY25 EBITDA margin should return to a double-digit level, coupled with a reduction in debt. This forecast is better than the company's previous expectations: while overall market conditions remain uncertain, due to tariff threats, 2H25 should benefit from agreements already in place with customers;
- On cost reduction, the company noted that the move of the electronic production hub from the Netherlands to Tunisia led to a structure cost reduction of around EUR 3M and should lead to further reductions in variable production costs in the coming years;
- The company's increase in debt also came from investments in headquarters and new R&D laboratories, already completed. In the future, the focus will be on products, with 3/5% of revenues to be invested in R&D;
- de' Stefani also stated that the company's delisting is not an option and that the 2.6% share capital in treasury shares could be used in future M&A deals.

What we think: The interview's tone is positive and suggests a good recovery for the company. Note that our FY25 EBITDA margin estimates point to 10% (FactSet consensus 10.2%). The stock is up roughly 30% YTD. **We keep our BUY rating.**

SIT - Key Data

03/03/2025		Engineering	
Target Price (€)		1.20	
Rating		BUY	
Mkt price (€)		1.2	
Mkt cap (EUR M)		30.1	
Main Metrics (€ M)	2024E	2025E	
Revenues	298.0	316.6	
EBITDA	27.62	31.66	
EPS (EUR)	-0.15	0.01	
Net debt/-cash	151.0	141.6	
Ratios (x)	2024E	2025E	
Adj. P/E	Neg.	NM	
EV/EBITDA	6.6	5.4	
EV/EBIT	NM	36.9	
Debt/EBITDA	5.5	4.5	
Div yield (%)	0	0	
Performance (%)	1M	3M	12M
Absolute	17.1	26.8	-44.2
Rel. to FTSE IT All Sh	10.8	10.3	-52.7

Source: FactSet, Company data, Intesa Sanpaolo Research estimates

Intesa Sanpaolo is Corporate Broker to SIT

Giada Cabrino - Research Analyst
+39 02 4127 9024
giada.cabrino@intesasnpaolo.com