

Italian Wake-up Call - 02 May 2025



Company-Specific News-flow:

SIT (N) – 1Q25E preview: slight YoY growth with improving profitability

SIT will publish its 1Q25 results on May 9. We expect top line to return into positive territory following some negative quarters. 1Q revenues should therefore stand at €70m. This should be driven by small positive contribution from both the Heating and the Metering divisions. This should also be coupled with a gradual improvement in profitability with EBITDA margin seen at 10.3%. In our view, improving profitability will be supported by positive impacts from cost saving actions implemented during the last few quarters, including the reshaping of the global industrial footprint. As such, net profit is projected touch below the breakeven. We finally expect a slight QoQ increase in NFP to €153m. As a reminder, company's outlook for FY25E includes i) high-single-digit growth in revenues, ii) return of adj. EBITDA margin into double digit territory and iii) reducing NFP. We have a Neutral rating on the name.