
Siemens Energy Likely to Need Additional Balance Sheet Strengthening -- Market Talk

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1306 GMT - Siemens Energy's balance sheet will likely require further strengthening after the profit warnings related to Siemens Gamesa Renewable Energy, JPMorgan analysts say in a research note. Those warnings have eroded confidence in the company's management as debate surrounds the German energy company, the analysts say. Plans to generate between EUR2.5 billion and EUR3 billion from divestments and the sale of the Siemens India stake aren't likely to be enough to redress the company's finances, the analysts say. "The bull case is now centred on the sum of the parts upside, where the Grid business alone could potentially be worth more than the current market value," the analysts say, adding they don't think the company would be keen on a breakup. Shares trade 1.6% down to EUR11.43. (pierre.bertrand@wsj.com)

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