

11 August 2024

ALPHAVALUE
CORPORATE SERVICES

CEMENTIR HOLDING

Cement & Aggregates / Italy

Positioned in a niche market

Pros

- Cementir is about white cement, a niche that offers growth and better margins as a higher value-added product. It controls 20% of the addressable market
- It has an excellent record at pivoting assets and making those sweat with Denmark, the US and Belgium as the current hubs
- The family-controlled business appears to be run as a tight ship with a long-term view

Cons

- Absolute market size is capped in white cement meaning that Cementir relies on its Belgian and Danish assets to grow local grey cement franchises
- As a family business, it leaves no room for third-party openings and suffers from a limited float
- High inflation in Europe is having a negative impact on the European market, particularly in residential, resulting in lower demand in the region. This situation could persist into 2024.

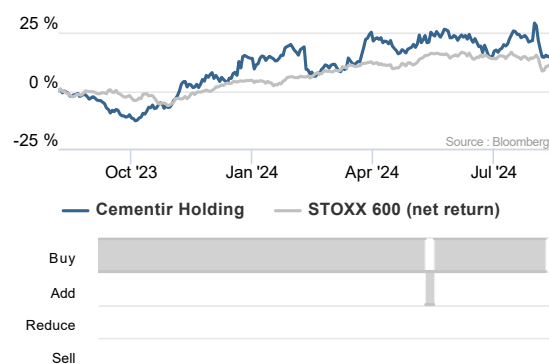
Key Figures	12/22A	12/23A	12/24E	12/25E	12/26E
Adjusted P/E (x)	6.11	6.04	8.64	8.89	8.42
Dividend yield (%)	3.37	3.57	2.99	2.99	2.99
EV/EBITDA(R) (x)	3.11	2.69	3.37	3.13	2.81
Adjusted EPS (€)	1.07	1.30	1.08	1.05	1.11
Growth in EPS (%)	47.3	21.6	-16.5	-2.87	5.65
Dividend (€)	0.22	0.28	0.28	0.28	0.28
Sales (€M)	1,723	1,694	1,695	1,792	1,885
EBITDA/R margin (%)	19.5	24.3	22.6	21.6	21.4
Attributable net profit (€M)	162	202	169	164	173
ROE (after tax) (%)	13.2	14.0	10.9	9.91	9.76
Gearing (%)	-2.01	-10.4	-15.6	-18.8	-22.0

Buy

Upside : 40.0%

Price (€)	9.36
Target Price (€)	13.1
Momentum	+
Market Cap (€M)	1,489
Enterprise Value (€M)	1,292
High/Low (12M)	€ 7.08/10.5
BBG : CEM IM	RIC : CEMI.MI
Credit Risk & outlook	BBB →
Fundamental Strength	6 /10
Sustainability score	3.5 /10

Price relative to index & historical opinion



Performances (%)	1m	3m	12m
Absolute	-4.29%	-5.68%	15.1%

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Conflicts of interest

Corporate broking	No
Trading in corporate shares	No
Analyst ownership	No
Advice to corporate	No
Research paid for by corporate	Yes
Corporate access	No
Brokerage activity at AlphaValue	No
Client of AlphaValue Research	No