



Cementir Holding

Cement & Aggregates / Italy

Solid position in a niche market

15/01/2025

Change in NAV

€ 14.7 vs 11.9 **+22.9%**

We have revised our valuation method for the company's Turkish asset, shifting from a multiple based on cement capacity to the market value of the asset, as it is publicly listed under the name Çimentas Izmir. Cementir Holding owns 96.7% of Çimentas Izmir, which now accounts for 44% of its NAV.

Change in DCF

€ 16.9 vs 14.9 **+13.1%**

We have lowered our long-term expectations for green capex for Cementir Holding, as its CCS project with Air Liquide has been selected for a grant by the EU Innovation Fund. We believe this CO2 reduction investment could enable the company to gradually decrease its green investment requirement over time.

**Loco DOUZA**

buildingmaterials@alphavalue.eu

+33 (0) 1 70 61 10 50

corporate.alphavalue.com

This research has been commissioned and paid for by the company and does therefore not constitute an inducement caught by the prohibition under MiFID II

Buy **Upside : 50.0%**

Target Price (6 months) € 15.8

Share Price € 10.5

Market Cap. €M 1,671

Price Momentum **GOOD**

Extremes 12 Months 8.65 ▶ 11.3

Bloomberg CEM IM Equity

Reuters CEMI.MI

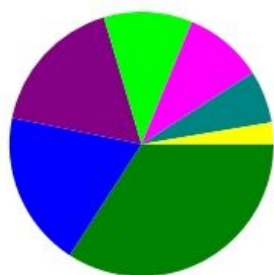
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PERF	1w	1m	3m	12m
Cementir Holding	-2.23%	-5.06%	9.15%	13.0%
Building Prod. & Materials	-0.61%	-4.06%	1.07%	25.3%
SXXR Index	-1.22%	-1.52%	-2.85%	9.45%

Last updated: 15/01/2025	12/23A	12/24E	12/25E	12/26E
Adjusted P/E (x)	6.04	8.40	8.87	8.64
Dividend yield (%)	3.57	2.83	2.67	2.67
EV/EBITDA(R) (x)	2.69	3.47	3.38	3.06
Adjusted EPS (€)	1.30	1.18	1.18	1.21
Growth in EPS (%)	21.6	-9.13	0.48	2.58
Dividend (€)	0.28	0.28	0.28	0.28
Sales (€M)	1,694	1,667	1,761	1,851
EBITDA/R margin (%)	24.3	23.6	22.8	22.3
Attributable net profit (€M)	202	183	184	189
ROE (after tax) (%)	14.0	11.8	11.0	10.5
Gearing (%)	-10.4	-15.9	-19.7	-23.5

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Sales by Geography



Nordic states (34.1%)
Belgium (19.1%)
Turkey (17.2%)
Italy (10.8%)
North America (9.7%)
Asia (6.4%)
Egypt (2.7%)

Consolidated P&L Accounts

		12/23A	12/24E	12/25E
Sales	€M	1,694	1,667	1,761
Change in sales	%	-1.67	-1.61	5.65
Change in staff costs	%	2.49	6.06	2.32
EBITDA	€M	411	393	402
EBITDA(R) margin	%	24.3	23.6	22.8
Depreciation	€M	-115	-118	-116
Underlying operating profit	€M	279	254	258
Operating profit (EBIT)	€M	279	254	258
Net financial expense	€M	11.6	5.15	2.09
of which related to pensions	€M		-0.43	-0.85
Exceptional items & other	€M			
Corporate tax	€M	-75.2	-62.5	-62.6
Equity associates	€M	0.77	1.00	1.00
Minority interests	€M	-14.1	-13.9	-14.7
Adjusted attributable net profit	€M	202	183	184
NOPAT	€M	210	191	195

Cashflow Statement

EBITDA	€M	411	393	402
Change in WCR	€M	-13.4	-23.1	-20.9
Actual div. received from equity holdi...	€M	0.11	0.00	0.00
Paid taxes	€M	-61.3	-62.5	-62.6
Exceptional items	€M			
Other operating cash flows	€M	-34.5	-30.0	-40.0
Total operating cash flows	€M	302	277	279
Capital expenditure	€M	-107	-135	-96.0
Total investment flows	€M	-91.8	-165	-136
Net interest expense	€M	11.6	5.15	2.09
Dividends (parent company)	€M	-37.5	-43.5	-43.5
Dividends to minorities interests	€M	-215	0.00	0.00
New shareholders' equity	€M			
Total financial flows	€M	-356	-68.1	-0.61
Change in cash position	€M	-159	44.3	142
Free cash flow (pre div.)	€M	207	148	185

Per Share Data

No. of shares net of treas. stock (year...	Mio	156	156	156
Number of diluted shares (average)	Mio	156	156	156
Benchmark EPS	€	1.30	1.18	1.18
Restated NAV per share	€			
Net dividend per share	€	0.28	0.28	0.28

Valuation Summary

Benchmarks	Value	Weight	Largest comparables
DCF	€ 16.9	35%	● Holcim
NAV/SOTP per share	€ 14.7	20%	● Heidelberg Materials
EV/Ebitda	€ 20.0	20%	● Buzzi
P/E	€ 13.2	10%	● Vicat
Dividend Yield	€ 8.18	10%	
P/Book	€ 15.5	5%	
TARGET PRICE	€ 15.8	100%	

NAV/SOTP Calculation

Balance Sheet

		12/23A	12/24E	12/25E
Goodwill	€M	405	409	413
Total intangible	€M	593	599	605
Tangible fixed assets	€M	732	739	747
Financial fixed assets	€M	94.1	95.1	96.0
WCR	€M	0.81	24.0	44.9
Other assets	€M	72.3	72.3	72.3
Total assets (net of short term liab.)	€M	1,670	1,709	1,746
Ordinary shareholders' equity	€M	1,503	1,606	1,741
Quasi Equity & Preferred	€M			
Minority interests	€M	148	151	154
Provisions for pensions	€M	22.8	30.8	32.1
Other provisions for risks and liabilities	€M	29.3	29.3	29.3
Total provisions for risks and liabilities	€M	52.1	60.1	61.4
Tax liabilities	€M	184	184	184
Other liabilities	€M	0.25	0.25	0.25
Net debt (cash)	€M	-218	-292	-394
Total liab. and shareholders' equity	€M	1,670	1,709	1,746

Capital Employed

Capital employed after depreciation	€M	1,597	1,636	1,673
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Profits & Risks Ratios

ROE (after tax)	%	14.0	11.8	11.0
ROCE	%	13.1	11.7	11.7
Gearing (at book value)	%	-10.4	-15.9	-19.7
Adj. Net debt/EBITDA(R)	x	-0.40	-0.59	-0.83
Interest cover (x)	x	-24.0	-45.4	-88.0

Valuation Ratios

Reference P/E (benchmark)	x	6.04	8.40	8.87
Free cash flow yield	%	17.0	9.59	11.3
P/Book	x	0.81	0.96	0.94
Dividend yield	%	3.57	2.83	2.67

EV Calculation

Market cap	€M	1,219	1,539	1,633
+ Provisions	€M	52.1	60.1	61.4
+ Unrecognised actuarial losses/(gains)	€M	0.00	0.00	0.00
+ Net debt at year end	€M	-395	-471	-575
+ Leases debt equivalent	€M	177	179	180
- Financial fixed assets (fair value)	€M	94.1	95.1	96.0
+ Minority interests (fair value)	€M	148	151	154
= EV	€M	1,107	1,363	1,358
EV/EBITDA(R)	x	2.69	3.47	3.38
EV/Sales	x	0.65	0.82	0.77

Analyst : Loco Douza, Changes to Forecasts : 15/01/2025.