

CEMENTIR

Sector: Industrials

OUTPERFORM

Price: Eu12.36 - Target: Eu15.20

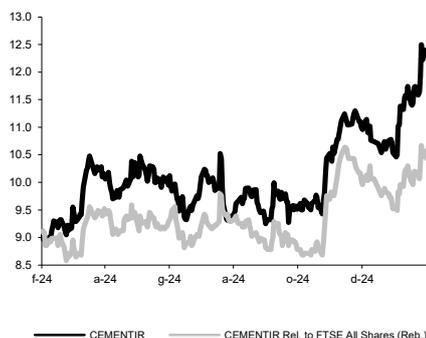
Strong 4Q, Accelerating Revenues and EBITDA in New 3Y BP

 Carlo Maritano +39-02-77115.358
 carlo.maritano@intermonte.it

Stock Rating

Rating:	Unchanged		
Target Price (Eu):	from 13.90 to 15.20		
	2024E	2025E	2026E
Chg in Adj EPS	1.8%	1.9%	2.5%

CEMENTIR - 12M Performance



Stock Data

Reuters code:	CEMI.MI
Bloomberg code:	CEM IM

Performance	1M	3M	12M
Absolute	17.3%	17.5%	35.2%
Relative	10.3%	8.3%	15.5%
12M (H/L)	12.50/8.89		
3M Average Volume (th):	61.50		

Shareholder Data

No. of Ord shares (mn):	159
Total no. of shares (mn):	159
Mkt Cap Ord (Eu mn):	1,967
Total Mkt Cap (Eu mn):	1,967
Mkt Float - Ord (Eu mn):	562
Mkt Float (in %):	28.6%
Main Shareholder:	
F. Gaetano Caltagirone	66.0%

Balance Sheet Data

Book Value (Eu mn):	1,818
BVPS (Eu):	10.92
P/BV:	1.1
Net Financial Position (Eu mn):	433
Enterprise Value (Eu mn):	1,589

We remain positive on CEM on the back of another year of over-delivering on targets and an outlook that remains bright thanks to recovering demand in most of the company's key markets, as visible from 4Q results. According to our estimates, over the next 3 years the company will generate average annual FCF of ~Eu220mn, leaving it with more than Eu750mn of net cash in 2027, or almost 40% of the current market cap. We continue to value the company at its historical multiple of 4.5x EV/EBITDA (10Y), and after rolling our valuation over by 1 year we are increasing our target price from Eu13.9 to Eu15.2.

- FY24 guidance beaten with EBITDA and net cash even higher than expected:** CEM reported FY net revenues of Eu1,649mn, down 2.7% YoY, implying a 3.9% increase in 4Q, in line with our estimate and continuing the sequential improvement already witnessed in 3Q. More positively, FY adj. EBITDA (Non-GAAP) reached Eu404mn, beating our estimates and consensus (Eu394mn and Eu391mn respectively), with the company once again outdoing the guidance provided at the beginning of the year and reaffirmed in November (Eu385mn). Furthermore, 4Q saw significant cash generation, with net cash coming to Eu290mn (vs. Eu268mn est.) improving by some Eu210mn QoQ or Eu73mn from YE23 despite Eu48mn of extraordinary investments and Eu14mn of extraordinary dividends to third parties.
- 2025 guidance in line with our estimates, but ahead of consensus:** in 2025, the company expects Eu1.75bn in revenue, up 6% YoY thanks to recovering volumes and rising prices due to inflation and the impact of the introduction of a CO₂ emissions tax in Denmark. EBITDA is expected to reach Eu415mn (in line with our estimate and 2% above consensus of Eu408mn), with a net cash position at Eu410mn, following Eu98mn of investments (of which Eu14mn in sustainability projects). The dividend payout was confirmed in the 20%-25% range. During the conference call management added that guidance includes a Eu10mn negative impact from ForEx in Turkey and Egypt combined, a prudent approach given the usual volatility of these currencies. Turkey is expected to post lower revenues and EBITDA than in 2024, although reconstruction activity in Syria and Ukraine (if the conflict ends) may offer some upside for volumes.
- 3-year plan incorporating top line and EBITDA acceleration:** the updated 3-year business plan includes an acceleration in revenues and EBITDA growth compared to the previous one, with revenues targeted to grow at a 6.6% CAGR in the period (vs. 5.7% in the previous plan) reaching ~Eu2bn thanks to key markets picking up and the new capacity in Egypt. EBITDA is expected at ~Eu465mn, a 4.8% CAGR (vs. 1.2% in the previous plan), slower than top line growth as margins are expected to revert to the mean (2027 margin expected at 23.3% vs. 24.5% in 2024). In the meantime, cash generation is expected to remain robust, with the net cash position expected to improve by Eu410mn by 2027, reaching ~Eu700mn after average annual CapEx of Eu104mn and a dividend payout in the 20%-25% range (confirmed).
- Estimates confirmed overall:** we are only implementing minor adjustments to our estimates, which are broadly aligned with company guidance for 2025 and 2027 (following a slight upgrade to 2026-27 estimates).

Key Figures & Ratios	2023A	2024E	2025E	2026E	2027E
Sales (Eu mn)	1,694	1,687	1,750	1,846	1,948
EBITDA Adj (Eu mn)	400	412	416	438	461
Net Profit Adj (Eu mn)	193	202	207	222	238
EPS New Adj (Eu)	1.211	1.271	1.303	1.397	1.495
EPS Old Adj (Eu)	1.211	1.248	1.279	1.363	
DPS (Eu)	0.280	0.281	0.293	0.314	0.336
EV/EBITDA Adj	2.6	3.2	3.8	3.3	2.8
EV/EBIT Adj	4.0	5.0	5.7	4.8	4.1
P/E Adj	10.2	9.7	9.5	8.8	8.3
Div. Yield	2.3%	2.3%	2.4%	2.5%	2.7%
Net Debt/EBITDA Adj	-0.5	-0.7	-1.0	-1.4	-1.7

DISCLAIMER (for more details go to [DISCLAIMER](#))

IMPORTANT DISCLOSURES

The reproduction of the information, recommendations and research produced by Intermonte SIM contained herein and of any its parts is strictly prohibited. None of the contents of this document may be shared with third parties without authorisation from Intermonte.

This report is directed exclusively at market professional and other institutional investors (Institutions) and is not for distribution to person other than "Institution" ("Non-Institution"), who should not rely on this material. Moreover, any investment or service to which this report may relate will not be made available to Non-Institution. The information and data in this report have been obtained from sources which we believe to be reliable, although the accuracy of these cannot be guaranteed by Intermonte. In the event that there be any doubt as to their reliability, this will be clearly indicated. The main purpose of the report is to offer up-to-date and accurate information in accordance with regulations in force covering "recommendations" and is not intended nor should it be construed as a solicitation to buy or sell securities.

This disclaimer is constantly updated on Intermonte's website www.intermonte.it under LEGAL INFORMATION. Valuations and recommendations can be found in the text of the most recent research and/or reports on the companies in question. For a list of all recommendations made by Intermonte on any financial instrument or issuer in the last twelve months consult the [PERFORMANCE](#) web page.

Intermonte distributes research and engages in other approved activities with respect to Major U.S. Institutional Investors ("Majors") and other Qualified Institutional Buyers ("QIBs"), in the United States, via Plural Securities LLC under SEC 15a-6 guidelines. Intermonte is not registered as a broker dealer in the United States under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and is not a member of the Securities Investor Protection Corporation ("SIPC"). Plural Securities LLC is registered as a broker-dealer under the Exchange Act and is a member of SIPC.

ANALYST CERTIFICATION

For each company mentioned in this report the respective research analyst hereby certifies that all of the views expressed in this research report accurately reflect the analyst's personal views about any or all of the subject issuer (s) or securities. The analyst (s) also certifies that no part of their compensation was, is or will be directly or indirectly related to the specific recommendation or view in this report.

The analyst (s) responsible for preparing this research report receive(s) compensation that is based upon various factors, including Intermonte's total profits, a portion of which is generated by Intermonte's corporate finance activities, although this is minimal in comparison to that generated by brokerage activities.

Intermonte's internal procedures and codes of conduct are aimed to ensure the impartiality of its financial analysts. The exchange of information between the Corporate Finance sector and the Research Department is prohibited, as is the exchange of information between the latter and the proprietary equity desk in order to prevent conflicts of interest when recommendations are made.

The analyst responsible for the report is not a) a resident of US; b) an associated person of a U.S. broker-dealer; c) supervised by a supervisory principal of a U.S. broker-dealer. This Research Report is distributed in the U.S. through Plural Securities LLC, 950 3rd Ave, Suite 1702, NY 10022, USA.

GUIDE TO FUNDAMENTAL RESEARCH

The main methods used to evaluate financial instruments and set a target price for 12 months after the investment recommendation are as follows:

- Discounted cash flow (DCF) model or similar methods such as a dividend discount model (DDM)
- Comparison with market peers, using the most appropriate methods for the individual company analysed: among the main ratios used for industrial sectors are price/ earnings (P/E), EV/EBITDA, EV/EBIT, price /sales.
- Return on capital and multiples of adjusted net book value are the main methods used for banking sector stocks, while for insurance sector stocks return on allocated capital and multiples on net book value and embedded portfolio value are used
- For the utilities sector comparisons are made between expected returns and the return on the regulatory asset base (RAB)

Some of the parameters used in evaluations, such as the risk-free rate and risk premium, are the same for all companies covered, and are updated to reflect market conditions. Currently a risk-free rate of 4.0% and a risk premium of 5.5% are being used.

Frequency of research: quarterly.

Reports on all companies listed on the S&P500 Index, most of those on the MIBEX Index and the main small caps (regular coverage) are published at least once per quarter to comment on results and important newsflow.

A draft copy of each report may be sent to the subject company for its information (without target price and/or recommendations), but unless expressly stated in the text of the report, no changes are made before it is published.

Explanation of our ratings system:

BUY: stock expected to outperform the market by over 25% over a 12 month period;

OUTPERFORM: stock expected to outperform the market by between 10% and 25% over a 12 month period;

NEUTRAL: stock performance expected at between +10% and -10% compared to the market over a 12 month period;

UNDERPERFORM: stock expected to underperform the market by between -10% and -25% over a 12 month period;

SELL: stock expected to underperform the market by over 25% over a 12 month period.

Prices: The prices reported in the research refer to the price at the close of the previous day of trading

CURRENT INVESTMENT RESEARCH RATING DISTRIBUTIONS

Intermonte SIM is authorised by CONSOB to provide investment services and is listed at n° 246 in the register of brokerage firms.

As at 31 December 2024 Intermonte's Research Department covered 132 companies. Intermonte's distribution of stock ratings is as follows:

BUY:	31.34 %
OUTPERFORM:	43.28 %
NEUTRAL:	25.38 %
UNDERPERFORM	00.00 %
SELL:	00.00 %

The distribution of stock ratings for companies which have received corporate finance services from Intermonte in the last 12 months (71 in total) is as follows:

BUY:	50.70 %
OUTPERFORM:	29.58 %
NEUTRAL:	19.72 %
UNDERPERFORM	00.00 %
SELL:	00.00 %

CONFLICT OF INTEREST

In order to disclose its possible conflicts of interest Intermonte SIM states that:

Intermonte acts as financial advisor to Banco BPM in the context of the offer promoted by UniCredit

Intermonte acts as ECM advisor to Banca Ifis in the offer promoted on illimity Bank

Intermonte acts as financial advisor to Retex S.p.A. – Società Benefit in relation to the voluntary public tender offer launched on Alkerm S.p.A.

Intermonte SIM has provided in the last 12 months / provides / may provide investment banking services to the following companies: Aquafil, Banca Ifis, Banco BPM, Cy4Gate, Esprinet, GPI, Growens, Maire Tecnimont, Tinexta, Unidata and WIT.

Intermonte SIM is acting as counterparty to WIIT Fin S.r.l. in connection with call and put options having WIIT S.p.A. shares and dividends as reference underlying.

Intermonte SIM is Specialist and/or Corporate Broker and/or Sponsor and/or Broker in charge of the share buy back activity of the following Companies: Abitare In, Alkerm, Anima Holding, Antares Vision, Aquafil, Avio, Banca Ifis, Banca Sistema, Civitanavi Systems, Cyberoo, Cy4gate, DHH, El.En, Elica, Emak, Esprinet, Fimit - Fondo Alpha, Fine Foods, Franchi Umberto Marmi, GPI, Greenthesis (formerly Ambientthesis), IEG, IndelB, Intred, Luve, Misitano & Stracuzzi, Mondadori, Notorious Pictures, Omer, Pharamutra, Relatech, Reply, Revo Insurance, Reway, Saes Getters, Sciuiker Frames, Servizi Italia, Sesa, Seri Industrial, Somec, Star7, Sy5-Dat Group, Talea, Tamburi, Tinexta, Tesmec, The Italian Sea Group, TXT, Unidata, Webuild and WIT.

Intermonte SIM has a contractual commitment to act as liquidity provider on behalf of third parties for the following company: Banca Sistema.

Intermonte SIM performs as a market maker for the following companies: A2A, Anima, Atlantia, Autogrill, Azimut Holding, BAMI, Banca Generali, Banca Mediolanum, Brembo, Buzzi, CNHI, Enel, ENI, Exor, Fineco, FCA, FTMBI, Generali, Italgas, Iren, Intesa Sanpaolo, Leonardo, Mediobanca, Moncler, Mediaset, Pirelli&C, Prysmian, Poste, Ferrari, Saipem, Snam, STM, Tenaris, Telecom Italia, Telecom Italia sav, Terna, UBI, Unicredit, Unipol, UnipolSai.

Intermonte SIM, through Websim, which constitute the digital division of Intermonte, acts as a Financial Content Provider and/or Specialist and/or Corporate Broker on the following companies: Abitare In, Alkerm, Alcore, Almawave, Banca Sistema, Bifire S.p.A., B&C Speakers, Casta Diva Group, Cleanbnb, Coffe, Crowdfundme, Cube Labs, Cy4gate, Cyberoo, DHH, Digital Bros, Digital Magics, Digitouch, Doxee, Edilziacrobatica Spa, Eles, Elica, Emak, Energy, Esi, Esprinet, Eviso, Fae Technology, Fiera Milano, Fope, FOS, Franchi Umberto Marmi, Giglio Group, GM Leather, GPI, Green Oleo, High Quality Food, Ikonisys, Intercos, Intred, ISCC Fintech, Lemon Sistemi, Lventure Group, Maps Group, Mare Group, Masi Agricola, Matica Fintec, Misitano & Stracuzzi, Neodecortech, Notorious Pictures, Olidata, Osai Automation System, Racing Force Group, Redfish Long Term Capital, Relatech, Reti, Sciuiker Frames, SG Company, Solid World Group, Spindox Digital Soul, Talea, Tamburi, Tesmec, Tinexta, TMP Group, Tps Group, Trendevice, Ulisse Biomed, Xenia Hôtellerie Solution Spa Società Benefit, Wilit, Zest.

Intermonte SIM SpA holds net long or short positions in excess of 0.5% of the overall share capital in the following issuers:

Emittente	%	Long/Short

© Copyright 2025 by Intermonte SIM - All rights reserved

It is a violation of national and international copyright laws to reproduce all or part of this publication by email, xerography, facsimile or any other means. The Copyright laws impose heavy liability for such infringement. The Reports of Intermonte SIM are provided to its clients only. If you are not a client of Intermonte SIM and receive emailed, faxed or copied versions of the reports from a source other than Intermonte SIM you are violating the Copyright Laws. This document is not for attribution in any publication, and you should not disseminate, distribute or copy this e-mail without the explicit written consent of Intermonte SIM.

INTERMONTE will take legal action against anybody transmitting/publishing its Research products without its express authorization.

INTERMONTE Sim strongly believes its research product on Italian equities is a value added product and deserves to be adequately paid.

Intermonte Sim sales representatives can be contacted to discuss terms and conditions to be supplied the INTERMONTE research product.

INTERMONTE SIM is MIFID compliant - for our Best Execution Policy please check our Website [MIFID](#)

Further information is available