SPONSORED RESEARCH / COMPANY SNAPSHOT

10 April 2024

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

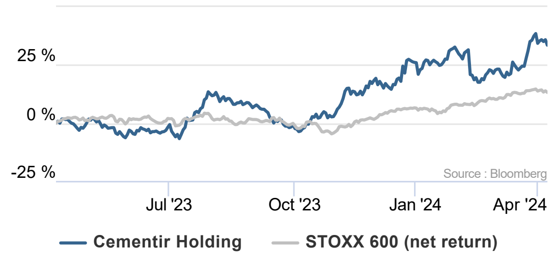
- Absolute market size is capped in white cement so that Cementir relies on Belgian and Danish assets to grow local grey cement franchises
- As a family business, it leaves no room for third-party openings and suffers from a limited float
- Cementir will see a trough in its net profit in 2019

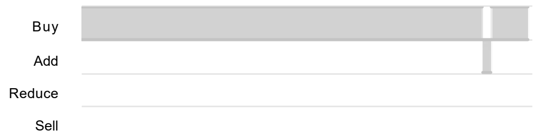
Key Figures	12/21A	12/22A	12/23E	12/24E	12/25E
Adjusted P/E (x)	12.0	6.11	7.31	10.2	11.7
Dividend yield (%)	2.07	3.37	3.06	2.57	2.77
EV/EBITDA(R) (x)	4.93	3.11	2.86	3.87	3.62
Adjusted EPS (€)	0.72	1.07	1.07	0.99	0.87
Growth in EPS (%)	11.2	47.3	0.53	-7.96	-12.2
Dividend (€)	0.18	0.22	0.24	0.26	0.28
Sales (€M)	1,360	1,723	1,694	1,793	1,905
EBITDA/R margin (%)	22.9	19.5	24.3	21.3	20.4
Attributable net profit (€M)	113	162	167	154	135
ROE (after tax) (%)	10.6	13.2	11.9	10.3	8.58
Gearing (%)	7.47	-2.01	-10.7	-15.8	-18.6

Buy

Upside : 29.3%	
Price (€)	10.1
Target Price (€)	13.1
Momentum	⊕⊕
Market Cap (€M)	1,607
Enterprise Value (€M)	1,477
High/Low (12M)	€ 7.05/10.5
BBG : CEM IM	RIC : CEMI.MI
Credit Risk & outlook	BBB →
Fundamental Strength	4 /10
Sustainability score	2.2 /10

Price relative to index & historical opinion





Performances (%)	1m	3m	12m
Absolute	10.6%	4.99%	33.5%

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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