



Cementir Holding

Cement & Aggregates / Italy

FY 2025: Higher EBITDA and expanding net cash

Earnings Wrap-up - 13/02/2026

FY 2025 reinforces Cementir's profile as a high-margin, cash-generative cement platform with a strong balance sheet and a credible decarbonisation pathway. The investment narrative is helped by three elements. FX masked underlying stability, recurring EBITDA still progressed despite operational one-offs and currency drag, and net cash expanded materially. The 2026–2028 plan adds visibility around cash build and capital intensity, with CCS treated as a staged strategic investment rather than a near-term cash shock.

Fact

- Revenue: €1.64bn (-2.8% YoY; flat ex-FX)
- Non-GAAP EBITDA: €460.2m (+15.3% YoY)
- Recurring EBITDA: €408.2m (+1.1% YoY)
- Net cash: €465.1m (+€174.6m YoY)
- 2028 EBITDA target: ~€460m (4.7% CAGR)

Analysis

Cementir's FY 2025 results show discipline in reported numbers and underlying earnings quality. Reported revenue came in at €1.64bn, down 2.8% year on year, while non-GAAP revenue was essentially flat at €1.644bn. Management attributed the headline decline largely to a €97m FX headwind, primarily from Turkish lira depreciation. Beneath the currency noise, volumes held up reasonably well: cement rose 3.1% and aggregates increased 3.4%, partly offset by a 4.8% decline in ready-mix driven by weaker trends in Turkey, Denmark and Belgium. The mix shows that demand remains firm where Cementir holds competitive positions, particularly in cement and aggregates, while ready-mix tracks local construction cycles more directly.

Profitability also improved. EBITDA reached €439.5m, up 7.9%, and non-GAAP EBITDA rose 15.3% to €460.2m, lifting margin to 28.0%. The uplift included €52m in net non-recurring gains—mainly a €36m capital gain from the Kars Cimento disposal and €19.7m in insurance proceeds from the Gaurain fire. Importantly, recurring profitability still improved after stripping these out: non-GAAP EBITDA excluding non-recurring items was €408.2m, up 1.1% year on year despite an additional €20.9m FX drag at EBITDA level. That combination signals that cost control and operational execution have become structural which is a good sign for investors.

Cash generation and balance sheet strength reinforce the picture. Net cash ended the year at €465.1m, a €174.6m improvement year on year, after paying €43.5m in parent dividends and €9m to minorities, and including €51m in proceeds from the Kars disposal. That liquidity preserves strategic optionality and removes any pressure to deploy capital at the wrong point in the cycle.

Regional drivers

Nordic & Baltic remain a core earnings area, although management flagged that early 2026 has been impacted by one of the harshest winters in fifteen years,



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Add	Upside: 16.7%
Target Price (6 months)	€ 21.2
Share Price	€ 18.1
Market Cap. €M	2,886
Price Momentum	STRONG
Extremes 12 Months	11.9 ▶ 20.3
Sustainability score	5.0 /10
Credit Risk	BBB →
Bloomberg	CEM IM Equity
Reuters	CEMI.MI

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PERF	1w	1m	3m	12m
Cementir Holding	-3.82%	-5.91%	15.8%	49.2
Building Prod. & Materials	-1.80%	-4.55%	-1.01%	8.34
STOXX 600	1.12%	1.32%	5.87%	12.9

Last updated: 18/06/2025	12/24A	12/25E	12/26E	12/27E
Adjusted P/E (x)	7.63	10.8	12.7	12.8
Dividend yield (%)	2.83	1.96	1.54	1.54
EV/EBITDA(R) (x)	3.23	4.61	5.51	4.93
Adjusted EPS (€)	1.30	1.32	1.42	1.42
Growth in EPS (%)	0.00	1.85	7.81	-0.27
Dividend (€)	0.28	0.28	0.28	0.28
Sales (€M)	1,687	1,749	1,840	1,985
EBITDA/R margin (%)	24.1	23.7	23.4	22.7
Attributable net profit (€M)	202	205	222	221
ROE (after tax) (%)	12.5	11.5	11.5	10.5
Gearing (%)	-14.8	-18.9	-23.4	-28.0

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reducing output across Scandinavia. The industrial plan assumes a recovery in residential construction from 2027 as rates normalise. EBITDA in 2026 is expected to be broadly flat, partly due to lower deliveries to the delayed Fehmarn project, while vertical integration remains a structural strength.

Belgium and France face softer construction demand but stable competitive dynamics. Pricing frameworks across Europe remain broadly constructive, and CO costs are passed through via monthly formula mechanisms, limiting margin volatility. The group continues efficiency and sustainability investments, including renewable energy and CCS-related initiatives.

Turkey is the most FX-sensitive region. Management expects lower domestic volumes in 2026 following the post-earthquake reconstruction phase and the disposal of Kars Cimento, which generated a €36m capital gain in 2025. The industrial plan assumes a weaker Turkish contribution in 2026, while export optionality remains over the medium term.

Egypt is positioned for export-led improvement. Quality issues have been resolved, both lines are running, and exports are increasing, supported by the ramp-up of the El Arish export logistics. Management guided to EBITDA improvement in 2026.

North America is broadly stable, though residential demand remains softer. Energy exposure is largely hedged, limiting cost volatility. In Asia-Pacific, China faces mild pricing pressure, while Malaysia benefits from export activity. The plan assumes moderate volume growth across the region within the 2–3% cement CAGR embedded in 2026–2028 guidance.

Strategy

The industrial plan which Cementir presented during the FY 2025 call reads as a compounding framework built around Cementir's existing strengths rather than a reinvention. Management kept the five strategic pillars intact. Sustainability remains the anchor, with CCS in Denmark as the flagship project, combined with circularity initiatives and renewable energy projects. Competitiveness is framed around standardising group processes, harmonising supply chain and maintenance, and pushing efficiency through digital tools. Innovation focuses on low-carbon products and value-added solutions, supported by a more explicit application of AI to business processes and commercial execution. Growth and positioning centre on reinforcing vertical integration in Nordics, Belgium and Turkey, maintaining global leadership in white cement, and staying opportunistic on M&A. People and safety remain the cultural backbone, with a "zero accidents" emphasis alongside talent attraction and capability building.

The plan's financial targets are intentionally not aggressive on volumes, which is a positive in terms of credibility. Revenue is targeted at around €1.95bn by 2028, implying a 6–7% CAGR from the 2025 pro-forma base. Recurring EBITDA is targeted at around €460m by 2028, implying around 4.7% CAGR, with EBITDA margin expected around 23.6%. Net cash is targeted at around €800m by 2028, supported by cumulative cash generation of about €330m over three years and a progressive dividend policy with a 20–25% payout ratio. Capex is planned at €386m cumulative for 2026–2028, of which €77m relates to sustainability projects.

Decarbonisation remains positioned as a competitive differentiator rather than a pure cost. The plan reiterates a 2030 trajectory consistent with tighter CO frameworks. The CCS project in Aalborg is described as a multi-stream system covering both grey and white cement kilns, targeting roughly 1.5 Mt of CO captured annually and supported by a large EU grant. Execution is structured to limit near-term cash strain: capex is staged, and the timing of the larger CCS

outlays depends on third-party logistics infrastructure such as pipeline build and storage certification. That sequencing reduces the risk of committing large capital before the ecosystem is ready.

2026 Outlook

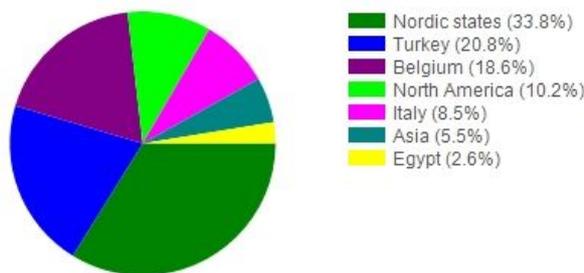
For 2026, Cementir guides to revenue around €1.7bn on a pro-forma basis excluding Kars Cimento, EBITDA in the €400–420m range, and net cash around €590m by year-end, after capex of approximately €128m. Guidance is explicitly like-for-like, non-GAAP and excludes extraordinary items. The tone is one of controlled ambition rather than stretch. Management acknowledges that the start of 2026 has been affected by unusually harsh winter conditions in the Nordics, which matters because the Nordics are a core earnings pool for the group. The underlying expectation is that once weather normalises and rates remain lower, volumes can broaden, supporting the second half more than the first.

Cost risk management is framed as a stabiliser. Management highlighted extensive hedging coverage on energy, describing full coverage “mostly” for 2026 and around 75% coverage into 2027–2028 across key energy inputs. This reduces sensitivity to energy spikes and supports the plan’s margin stability even while the company assumes higher raw material and fuel costs in the industrial plan assumptions.

■ Impact

We maintain our positive stance. Our model will be updated once the FY report is released.

Sales by Geography



Consolidated P&L Accounts

		12/24A	12/25E	12/26E
Sales	€M	1,687	1,749	1,840
Change in sales	%	-0.44	3.70	5.21
Change in staff costs	%	5.94	2.41	6.75
EBITDA	€M	407	415	431
EBITDA(R) margin	%	24.1	23.7	23.4
Depreciation	€M	-159	-125	-132
Underlying operating profit	€M	262	264	273
Operating profit (EBIT)	€M	262	264	273
Net financial expense	€M	21.7	25.5	27.6
of which related to pensions	€M		-1.37	-1.74
Exceptional items & other	€M			
Corporate tax	€M	-70.4	-71.9	-75.8
Equity associates	€M	1.15	1.00	1.00
Minority interests	€M	-12.8	-13.3	-3.98
Adjusted attributable net profit	€M	202	205	222
NOPAT	€M	198	200	207

Cashflow Statement

		12/24A	12/25E	12/26E
EBITDA	€M	407	415	431
Change in WCR	€M	5.26	-33.1	-26.0
Actual div. received from equity holdi...	€M	0.59	0.00	0.00
Paid taxes	€M	-65.1	-71.9	-75.8
Exceptional items	€M			
Other operating cash flows	€M	-10.1	-40.0	-40.0
Total operating cash flows	€M	338	270	289
Capital expenditure	€M	-128	-98.0	-99.0
Total investment flows	€M	-109	-138	-139
Net interest expense	€M	21.7	25.5	27.6
Dividends (parent company)	€M	-58.2	-43.5	-43.5
Dividends to minorities interests	€M	-214	0.00	0.00
New shareholders' equity	€M			
Total financial flows	€M	-373	23.3	5.75
Change in cash position	€M	-141	155	156
Free cash flow (pre div.)	€M	232	197	218

Per Share Data

		12/24A	12/25E	12/26E
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	1.32	1.42
Restated NAV per share	€			
Net dividend per share	€	0.28	0.28	0.28

Valuation Summary

Benchmarks	Value	Weight	Largest comparables
DCF	€ 20.6	35%	● Holcim
NAV/SOTP per share	€ 22.0	20%	● Heidelberg Materials
EV/Ebitda	€ 26.1	20%	● Buzzi
P/E	€ 20.1	10%	● Vicat
Dividend Yield	€ 11.8	10%	
P/Book	€ 23.0	5%	
TARGET PRICE	€ 21.2	100%	

NAV/SOTP Calculation

Balance Sheet

		12/24A	12/25E	12/26E
Goodwill	€M	448	453	457
Total intangible	€M	643	649	656
Tangible fixed assets	€M	813	821	830
Financial fixed assets	€M	127	128	130
WCR	€M	-23.8	9.31	35.4
Other assets	€M	81.8	72.3	72.3
Total assets (net of short term liab.)	€M	1,819	1,860	1,903
Ordinary shareholders' equity	€M	1,717	1,844	2,023
Quasi Equity & Preferred	€M			
Minority interests	€M	139	142	145
Provisions for pensions	€M	25.9	52.1	50.0
Other provisions for risks and liabilities	€M	30.1	30.1	30.1
Total provisions for risks and liabilities	€M	56.0	82.2	80.1
Tax liabilities	€M	197	197	197
Other liabilities	€M	0.24	0.24	0.24
Net debt (cash)	€M	-290	-405	-542
Total liab. and shareholders' equity	€M	1,819	1,860	1,903

Capital Employed

		12/24A	12/25E	12/26E
Capital employed after depreciation	€M	1,736	1,787	1,831

Profits & Risks Ratios

		12/24A	12/25E	12/26E
ROE (after tax)	%	12.5	11.5	11.5
ROCE	%	11.4	11.2	11.3
Gearing (at book value)	%	-14.8	-18.9	-23.4
Adj. Net debt/EBITDA(R)	x	-0.58	-0.78	-1.07
Interest cover (x)	x	-12.1	-9.83	-9.31

Valuation Ratios

		12/24A	12/25E	12/26E
Reference P/E (benchmark)	x	7.63	10.8	12.7
Free cash flow yield	%	15.1	8.87	7.72
P/Book	x	0.90	1.21	1.39
Dividend yield	%	2.83	1.96	1.54

EV Calculation

		12/24A	12/25E	12/26E
Market cap	€M	1,539	2,222	2,821
+ Provisions	€M	56.0	82.2	80.1
+ Unrecognised actuarial losses/(gains)	€M	0.00	0.00	0.00
+ Net debt at year end	€M	-467	-584	-722
+ Leases debt equivalent	€M	177	179	180
- Financial fixed assets (fair value)	€M	127	128	130
+ Minority interests (fair value)	€M	139	142	145
= EV	€M	1,317	1,913	2,375
EV/EBITDA(R)	x	3.23	4.61	5.51
EV/Sales	x	0.78	1.09	1.29

Analyst : Egor Sonin, Changes to Forecasts : 18/06/2025.