



# Cementir Holding

Cement &amp; Aggregates / Italy

## A niche strategy in a heavy industry

Latest - 18/06/2025

We have updated our valuation for Cementir, moving from a simple volume-based model to one based on DCF per geographic unit, which gives a more disciplined picture of how each part of the business performs. This includes listed subsidiaries like Çimentoaş and separates countries like Norway and Sweden, as shown in the 2024 report. With a new enterprise value of €3.36bn and a NAV-based target price of €21.6, we take a fresh look at the full investment story.

### Analysis

#### Introduction

Cementir Holding isn't just in the business of making cement—it's in the business of doing it differently. Based in Rome but operating across five continents, the company has built a global presence by focusing on a niche most overlooked: white cement. With a 20% share of the global market (excluding lower-grade variants), Cementir has turned a specialist product into a strategic asset. But behind the pale façade lies a story of financial caution, disciplined expansion, and a long-term strategy that has helped the group stay profitable while others chased scale and sometimes stumbled.

Where many peers burned cash during the last cycle's acquisition frenzy, Cementir held its ground. Family-led and conservatively financed, the group avoided overpriced deals during the 2007–08 peak and consequently skipped the dilution ritual in the 2009 trough. Today, it sits on a net cash pile of €290m, targeting ~€700m by 2027—cash that may eventually fuel new expansion, but only at the right price.

Unlike vertically integrated giants focused on pure scale, Cementir blends geographic diversity with product specialisation, stretching across 18 countries on five continents. Its industrial footprint spans six key regions: the Nordic & Baltic, Belgium, Turkey, North America, Egypt, and Asia Pacific. Each region is run by local management, reflecting domestic market dynamics and regulatory realities. Denmark is the group's innovation hub, while Turkey anchors its grey cement and industrial waste operations.

#### Operations

At first glance, cement might seem like a basic, boring material—but Cementir has built a global business by betting on something very different: white cement. Unlike the standard grey version used in sidewalks and driveways, white cement is a high-end product used in sleek modern buildings, designer façades, and ultra-strong concrete. It sells for nearly twice the price of grey cement, and because it's lighter, purer, and easier to transport, Cementir has turned it into a global export business. Today, the company moves its product across borders using a network of logistics and local sales teams spanning more than 20 countries—accounting for roughly a quarter of all white cement trade worldwide.

But Cementir isn't just playing in luxury. Its more conventional grey cement operations are anchored in Turkey, Belgium, and Denmark, where the company runs vertically integrated hubs—producing not just cement, but also the sand, gravel, and ready-mix concrete that go with it. This integrated setup helps lower



Egor SONIN

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

<b>Buy</b>	<b>Upside: 41.1%</b>
Target Price (6 months)	€ 19.9
Share Price	€ 14.1
Market Cap. €M	2,244
Price Momentum	<b>STRONG</b>
Extremes 12 Months	9.07 ▶ 14.7
Sustainability score	3.8 /10
Credit Risk	BBB →
Bloomberg	CEM IM Equity
Reuters	CEMI.MI

[Download Full Analysis](#)[Company Page](#)

PERF	1w	1m	3m	12m
Cementir Holding	0.57%	0.28%	2.14%	44.2
Building Prod. & Materials	-2.00%	-3.24%	-2.11%	20.9
STOXX 600	-1.96%	-1.27%	-1.58%	6.02

Last updated: 18/06/2025	12/24A	12/25E	12/26E	12/27E
Adjusted P/E (x)	7.63	10.7	9.90	9.93
Dividend yield (%)	2.83	1.99	1.99	1.99
EV/EBITDA(R) (x)	3.23	4.54	4.05	3.54
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

[Company Valuation](#) - [Company Financials](#)

costs and boost margins, while also giving Cementir room to innovate in recycling and waste management—turning industrial by-products into fuel and materials as part of its push for a greener footprint.

The thing worth noticing is Cementir's unusually high level of transparency. According to the management, it stems from its small free float (25–27%), which has historically limited interest from large institutional investors. To counterbalance this, the company adopted a culture of maximum disclosure, reinforced by its listing on the star segment of the Milan Stock Exchange, which mandates rigorous reporting standards. Internally, Cementir is structured by regions, each with its own local CEO responsible for P&L, while strategic decisions, capital allocation and treasury are all managed centrally. As a counterpoint to its lean corporate office, the group maintains strong local management and operational autonomy.

In early 2025, Cementir undertook a binding agreement, subject to regulatory clearance, to sell its Kars plant in northeastern Turkey for €51 million—an impressive price for a small, remote site contributing less than 2% of group capacity. But the decision wasn't driven by size; it reflected a deliberate shift in focus. Kars operated independently, far from Cementir's core network and export routes. Stepping away from it allowed the company to concentrate on its more strategic hubs in İzmir, Elazığ, and Edirne—locations better integrated into logistics corridors and closer to regions like Syria and Ukraine, where long-term reconstruction demand may eventually emerge.

This portfolio adjustment also draws attention to the growing importance of Cementir's Turkish business. The group owns 97.3% of Çimentoaş İzmir, a listed company currently valued at around €900 million—nearly 40% of Cementir's market capitalisation. While part of that valuation reflects limited market float and elevated trading multiples, it highlights how central Turkey has become to the group's equity story. It also invites a broader reflection: if the market already values the Turkish platform so highly, certainly Cementir's white cement leadership, European operations, and solid financial position remain underappreciated.

### **Waste potential**

Cement production typically relies on burning fossil fuels at high temperatures, which makes it one of the more carbon-intensive industries. Cementir has taken a gradual but deliberate step to change that. Over the past ten years, the company has invested in waste management—not as a separate business, but as part of how it produces cement. In Turkey, through a subsidiary called Recydia, Cementir collects and processes industrial waste as fuel in the company's kilns.

This approach helps lower carbon emissions and reduce dependence on traditional fuels like coal or natural gas. The company is actively investing to expand the use of alternative fuels, aiming to reach 48% of alternatives by 2030. In Belgium, Cementir has recently completed a major investment to boost the use of alternative fuels to 70%.

It is already making a difference in countries like Turkey, where waste-derived fuels now provide a meaningful share of the energy needed for production. These efforts aren't designed to deliver big profits on their own—but they support Cementir's wider aim of producing cement more responsibly, especially as environmental regulations tighten across Europe and beyond.

### **The Carbon Clock is Ticking**

Cementir knows the rules of the game are changing. In Europe, the "Fit for 55" plan—a major climate initiative—means companies must cut emissions faster and more deeply than ever before. For a cement producer, that's not a suggestion; it's

a requirement. Cementir has started adjusting accordingly. In its 2025–2027 plan, the company raised its growth targets and committed more resources to sustainability, including around €53 million earmarked for green investments.

The most ambitious of these is in Denmark, where Cementir is developing a carbon capture and storage (CCS) facility at its Aalborg plant. The idea is simple: trap CO<sub>2</sub> before it enters the atmosphere and store it underground. Backed by a €220 million grant from the EU Innovation Fund and developed with industrial gas company Air Liquide, the project aims to cut 1.5 million tonnes of emissions per year by 2030. Cementir expects to invest about €90 million into the project, though it's still in discussions with Danish authorities about support for operating costs in the years ahead.

## Valuation

Our DCF model is built on conservative expectations based on moderate sales and EBITDA growth of 1% apiece in the out-years and, for capex, our expectations are in line with the company's guidance to which we apply a 2% out-year growth reaching €125m in 2034.

## SOTP valuation

We initially valued Cementir based on a volume-driven SOTP approach. However, we've now refined our methodology, shifting to a DCF-based NAV model that capitalises on the group's detailed information. In this revision, we integrated both consolidated and listed subsidiaries, notably incorporating Cementir's 97.3% stake in Çimentoş — a publicly traded Turkish cement group — as well as its indirect exposure to CimBeton. Regional segments were also disentangled where needed: Norway and Sweden, for instance, were modelled separately to reflect their distinct operational profiles as disclosed in the 2024 annual report. This granular bottom-up recalibration yields a total enterprise value of €3.36 billion and supports a revised target share price of €21.1. Given the company's disciplined capital deployment, resilient margins, and under-recognised upside from strategically located emerging market assets, we believe Cementir remains structurally undervalued by the market.

### NAV/SOTP Calculation

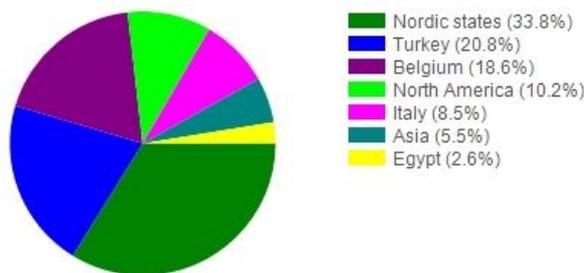
	% owned	Valuation technique	Multiple used	Valuation at 100% (€M)	Stake valuation (€M)	In currency per share (€)	% of gross assets
Denmark cement	100%	DCF		1,367	1,367	8.79	42.0%
Belgium/France grey ...	100%	DCF		910	910	5.85	28.0%
Cimentas Izmir Cime...	96.7%	- Listed -		602	582	3.74	17.9%
US white cement	63.0%	DCF		212	134	0.86	4.11%
Egypt white cement	71.1%	DCF		132	93.9	0.60	2.88%
China white cement	100%	DCF		69.0	69.0	0.44	2.12%
Sweden cement	100%	DCF		62.0	62.0	0.40	1.91%
Malaysia white cement	70.0%	DCF		35.0	24.5	0.16	0.75%
Norway cement	100%	DCF		12.0	12.0	0.08	0.37%
Other							
<b>Total gross assets</b>					<b>3,254</b>	<b>20.9</b>	<b>100%</b>
Net cash/(debt) by year end					405	2.61	12.5%
Commitments to pay					-222	-1.42	-6.81%
Commitments received							
NAV/SOTP					3,437	22.1	106%
<b>Number of shares net of treasury shares - year end (Mio)</b>					<b>156</b>		
<b>NAV/SOTP per share (€)</b>					<b>22.1</b>		
<b>Current discount to NAV/SOTP (%)</b>						<b>36.0</b>	

Please remember that the NAV approach is one of the five methods onboarded by AlphaValue to assess target prices. At pixel time, the target price for Cementir is €19.9, a +41% progress on the earlier metrics.

## Summary

Benchmarks		Current multiples	Weight	Values (€)	Upside
DCF (Edit and simulate)			35%	19.8	40%
NAV/SOTP per share			20%	22.1	56%
EV/Ebitda	Peers	4.3 x	20%	24.3	72%
P/E	Peers	10.3 x	10%	17.1	21%
Dividend Yield	Peers	2.0%	10%	9.71	-31%
P/Book	Peers	1.1 x	5%	21.0	49%
<b>Target Price</b>			<b>100%</b>	<b>19.9</b>	<b>41%</b>

## 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
<b>EBITDA(R) margin</b>	<b>%</b>	<b>24.1</b>	<b>23.7</b>	<b>23.4</b>
Depreciation	€M	-159	-125	-132
Underlying operating profit	€M	262	264	273
<b>Operating profit (EBIT)</b>	<b>€M</b>	<b>262</b>	<b>264</b>	<b>273</b>
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
<b>Adjusted attributable net profit</b>	<b>€M</b>	<b>202</b>	<b>205</b>	<b>222</b>
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
<b>Free cash flow (pre div.)</b>	<b>€M</b>	<b>232</b>	<b>197</b>	<b>218</b>

## 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
<b>Benchmark EPS</b>	<b>€</b>	<b>1.30</b>	<b>1.32</b>	<b>1.42</b>
Restated NAV per share	€			
<b>Net dividend per share</b>	<b>€</b>	<b>0.28</b>	<b>0.28</b>	<b>0.28</b>

## Valuation Summary

Benchmarks	Value	Weight	Largest comparables
DCF	€ 19.8	35%	● Holcim
NAV/SOTP per share	€ 22.1	20%	● Heidelberg Materials
EV/Ebitda	€ 24.1	20%	● Buzzi
P/E	€ 17.0	10%	● Vicat
Dividend Yield	€ 9.63	10%	
P/Book	€ 20.9	5%	
TARGET PRICE	€ 19.9	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
<b>Ordinary shareholders' equity</b>	<b>€M</b>	<b>1,717</b>	<b>1,844</b>	<b>2,023</b>
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
<b>Net debt (cash)</b>	<b>€M</b>	<b>-290</b>	<b>-405</b>	<b>-542</b>
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
<b>ROE (after tax)</b>	<b>%</b>	<b>12.5</b>	<b>11.5</b>	<b>11.5</b>
ROCE	%	11.4	11.2	11.3
<b>Gearing (at book value)</b>	<b>%</b>	<b>-14.8</b>	<b>-18.9</b>	<b>-23.4</b>
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
<b>Reference P/E (benchmark)</b>	<b>x</b>	<b>7.63</b>	<b>10.7</b>	<b>9.90</b>
Free cash flow yield	%	15.1	8.99	9.94
P/Book	x	0.90	1.19	1.08
<b>Dividend yield</b>	<b>%</b>	<b>2.83</b>	<b>1.99</b>	<b>1.99</b>

## EV Calculation

		12/24A	12/25E	12/26E
Market cap	€M	1,539	2,193	2,193
+ 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	1,884	1,747
<b>EV/EBITDA(R)</b>	<b>x</b>	<b>3.23</b>	<b>4.54</b>	<b>4.05</b>
EV/Sales	x	0.78	1.08	0.95

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