

Company Flash Note

Reason: Company results (post view)

26 February 2025

Buy

Recommendation unchanged

Share price: EUR 26.00

closing price as of 25/02/2025

Target price: EUR 28.20

Target Price unchanged

Upside/Downside Potential 8.5%

Reuters/Bloomberg CMTM.SCT/CMO SM

Market capitalisation (EURm) 1,719

Current N° of shares (m) 66

Free float 6%

Daily avg. no. trad. sh. 12 mth (k) 1

Daily avg. trad. vol. 12 mth (k) 0.00

Price high/low 12 months 26.00 / 19.50

Abs Perfs 1/3/12 mths (%) 0.00/8.33/33.33

Key financials (EUR) 12/23 12/24e 12/25e

Sales (m) 1,349 1,374 1,410

EBITDA (m) 337 355 365

EBITDA margin 25.0% 25.8% 25.9%

EBIT (m) 257 270 271

EBIT margin 19.0% 19.6% 19.2%

Net Profit (adj.)(m) 155 170 175

ROCE 12.8% 13.3% 13.1%

Net debt/(cash) (m) (17) (70) (149)

Net Debt Equity 0.0 -0.1 -0.1

Net Debt/EBITDA 0.0 -0.2 -0.4

Int. cover(EBITDA/Fin.int) 10.2 15.0 21.1

EV/Sales 0.9 1.2 1.1

EV/EBITDA 3.8 4.6 4.3

EV/EBITDA (adj.) 3.8 4.6 4.3

EV/EBIT 5.0 6.0 5.8

P/E (adj.) 8.4 10.0 9.8

P/BV 1.1 1.3 1.2

OpFCF yield 15.0% 7.5% 8.4%

Dividend yield 3.5% 4.0% 4.1%

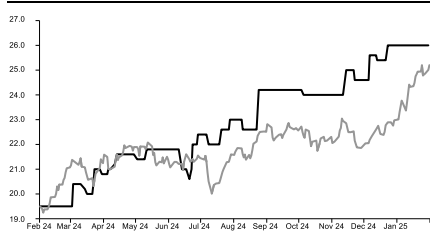
EPS (adj.) 2.34 2.57 2.64

BVPS 18.50 20.08 21.72

DPS 0.92 1.03 1.06

Shareholders

Otinix 33%; Noumea 32%; Cartera de inversiones 24%;



Source: FactSet

Analyst(s)

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Caja neta mejor de lo esperado.

El EBITDA es similar a lo estimado, creciendo algo por encima del objetivo anunciado (4%/5%). También valoramos de forma positiva la caja neta que continúa incrementándose por encima de lo estimado. Destacamos los mayores precios, y mejoras por los planes de eficiencia. Mantenemos nuestra visión positiva en el valor.

- ✓ **Ventas** (EUR 1.365 +1%, 27% en 4Q24, +6% en 2023) en gran parte de los mercados por mayores precios, menor volumen y peor tipo de cambio. **En términos I-f-I** el incremento es del 23% (+34% 2023).
- ✓ **Las ventas de cemento** (volumen) disminuyen un 8% en 2024 (-7% en 4Q24, +6% en 2023). Descenso todos los mercados, penalizado además por factores políticos. En **hormigón** el aumento de los volúmenes permanece, aunque a un menor ritmo (3%, -2% en 4Q24, 12% en 2023). Crecimiento en España y México y descenso de Sudamérica.
- ✓ El **EBITDA** aumenta un 6% (EUR 356m, 39% en 4T24, 22% en 2023) con un EBITDA comparable que aumenta un 30% y a pesar de un peor tipo de cambio (-32% con hiperinflación). El **margen EBITDA** se recupera hasta el 26,1% desde el 25% del 2023.
- ✓ **En términos comparables el EBITDA** (ajustado por tipo de cambio, hiperinflación y a mismo perímetro) crece un 30% por mayores precios de venta y costes variables (41%), por menor volumen (-9%), y mayores costes fijos (-3%). **El EBITDA I-f-I** (+30%) sube un 11% en Europa, cae un 2% en México, aumenta un 95% en Sudamérica, sube un 14% en Asia y Norte de África.
- ✓ **El beneficio neto** se eleva a EUR 184m, +22% apoyado en menores gastos financieros y menor ajuste por hiperinflación.
- ✓ **Conversión de caja. 56%** (64% en 2023) de conversión del EBITDA en flujo de caja (EUR 200m). WC ligeramente negativo (EUR -3). Reducidos costes financieros, inversiones de mantenimiento y mínimas inversiones de crecimiento.
- ✓ **CF libre, Deuda. CF libre positivo** de EUR 74m con lo que la **caja neta** pasa de EUR 17m en 2023 a EUR 91m en 2024. 50% de la deuda está en euros y el 61% de la tesorería en monedas fuertes. **Líneas de financiación** de EUR 587m (46% utilizadas). Reducidos **vencimientos** en los próximos años.
- ✓ **Objetivos plan estratégico 23-26.** Crecimiento de ventas anual del 3%/4%, del EBITDA del 4%/5% y un rango de pay out del 30%/40%.
- ✓ **Avance en los principales indicadores del “2030 Sustainability roadmap”** con el objetivo de quedar por debajo de los 500kg CO2/tonelada cemento en 2030, contar con el 40% de combustibles alternativos y un factor Clinker en el 68%.
- ✓ **Dividendo** de EUR 1,11/Acción, por encima de lo estimado.

Molins: Summary tables

	12/2022	12/2023	12/2024e	12/2025e	12/2026e	12/2027e
PROFIT & LOSS (EURm)						
Sales	1,268	1,349	1,374	1,410	1,432	1,468
Cost of Sales & Operating Costs	-992.0	-1,012.3	-1,019.0	-1,044.5	-1,068.9	-1,125.7
Non Recurrent Expenses/Income	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	276	337	355	365	363	342
EBITDA (adj.)*	276	337	355	365	363	342
Depreciation	-77.0	-75.5	-85.3	-94.7	-104.2	-109.6
Depreciation of Right-of-Use	0	0	0	0	0	0
EBITA	199	261	270	271	259	232
EBITA (adj)*	199	261	270	271	259	232
EBIT	202	257	270	271	259	232
EBIT (adj.)*	202	257	270	271	259	232
Net Financial Interest	-26.9	-33.0	-23.6	-17.3	-9.4	-2.6
Other Financials	0.0	0.0	0.0	0.0	0.0	0.0
Associates	0.0	0.0	0.0	0.0	0.0	0.0
Other Non Recurrent Items	0.0	0.0	0.0	0.0	0.0	0.0
Earnings Before Tax (EBT)	175	224	246	253	249	230
Tax	-62.8	-72.6	-76.4	-78.5	-77.2	-71.2
<i>Tax rate</i>	<i>35.9%</i>	<i>32.4%</i>	<i>31.0%</i>	<i>31.0%</i>	<i>31.0%</i>	<i>31.0%</i>
Discontinued Operations	0.0	0.0	0.0	0.0	0.0	0.0
Minorities	0.0	0.0	0.0	0.0	0.0	0.0
Net Profit (reported)	112	151	170	175	172	158
Net Profit (adj.)	110	155	170	175	172	158
CASH FLOW (EURm)						
Cash Flow from Operations before change in NWC	191	236	255	263	270	262
Change in Net Working Capital	-11.0	33.0	-19.9	0.0	2.5	-1.2
Cash Flow from Operations	180	269	235	263	272	260
Capex	-94.0	-74.0	-108.0	-118.0	-118.0	-118.0
Net Financial Investments	0.0	0.0	0.0	0.0	0.0	0.0
Free Cash Flow	86.4	195	127	145	154	142
Dividends	-39.0	-48.0	-65.3	-66.1	-66.5	-63.3
Other (incl. Capital Increase & share buy backs)	-15.4	14.4	-8.0	0.0	0.0	0.0
Change in Net Financial Debt	32.0	161	53.3	79.1	87.7	79.0
NOPLAT	129	174	186	187	178	160
BALANCE SHEET & OTHER ITEMS (EURm)						
Net Tangible Assets	827	862	892	923	945	961
Net Intangible Assets (incl. Goodwill)	368	407	399	392	384	376
Right-of-Use Assets (Lease Assets)	0.0	0.0	0.0	0.0	0.0	0.0
Net Financial Assets & Other	66.0	79.3	79.3	79.3	79.3	79.3
Total Fixed Assets	1,261	1,348	1,371	1,394	1,408	1,417
Inventories	195	179	183	187	190	195
Trade receivables	250	227	237	239	247	281
Other current assets	0.0	67.5	68.8	70.5	71.6	73.4
Cash (-)	-206.7	-291.8	-291.8	-291.8	-291.8	-315.9
Total Current Assets	651	765	780	789	801	866
Total Assets	1,912.4	2,113.5	2,151.3	2,183.4	2,208.8	2,282.2
Shareholders Equity	1,023	1,223	1,328	1,436	1,542	1,637
Minority	0.0	0.0	0.0	0.0	0.0	0.0
Total Equity	1,023	1,223	1,328	1,436	1,542	1,637
Long term interest bearing debt	314	244	191	112	23.8	-31.2
Provisions	0.0	0.0	0.0	0.0	0.0	0.0
Lease Liabilities	0.0	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	170	233	225	218	212	205
Total Long Term Liabilities	483	477	415	330	236	174
Short term interest bearing debt	37.8	31.2	31.2	31.2	31.2	31.2
Trade payables	369	0.0	0.0	0.0	0.0	0.0
Other current liabilities	0.0	382	377	386	400	440
Total Current Liabilities	407	413	408	417	431	471
Total Liabilities and Shareholders' Equity	1,912.4	2,113.5	2,151.3	2,183.4	2,208.8	2,282.2
Net Capital Employed	1,336.9	1,439.6	1,482.2	1,505.5	1,516.8	1,526.3
Net Working Capital	75.9	91.3	111.2	111.2	108.6	109.8
GROWTH & MARGINS						
<i>Sales growth</i>	<i>31.1%</i>	<i>6.4%</i>	<i>1.9%</i>	<i>2.6%</i>	<i>1.5%</i>	<i>2.5%</i>
EBITDA (adj.)* growth	14.4%	21.9%	5.4%	2.9%	-0.7%	-5.8%
<i>EBITA (adj.)* growth</i>	<i>12.2%</i>	<i>31.1%</i>	<i>3.3%</i>	<i>0.3%</i>	<i>-4.4%</i>	<i>-10.2%</i>
<i>EBIT (adj.)* growth</i>	<i>11.3%</i>	<i>27.4%</i>	<i>5.0%</i>	<i>0.3%</i>	<i>-4.4%</i>	<i>-10.2%</i>

Molins: Summary tables

GROWTH & MARGINS	12/2022	12/2023	12/2024e	12/2025e	12/2026e	12/2027e
Net Profit growth	8.1%	40.3%	9.9%	2.8%	-1.6%	-7.9%
EPS adj. growth	8.1%	40.3%	9.9%	2.8%	-1.6%	-7.9%
DPS adj. growth	21.4%	34.7%	12.2%	2.8%	-1.6%	-7.9%
EBITDA (adj)* margin	21.8%	25.0%	25.8%	25.9%	25.3%	23.3%
EBITA (adj)* margin	15.7%	19.4%	19.6%	19.2%	18.1%	15.8%
EBIT (adj)* margin	15.9%	19.0%	19.6%	19.2%	18.1%	15.8%
RATIOS	12/2022	12/2023	12/2024e	12/2025e	12/2026e	12/2027e
Net Debt/Equity	0.1	0.0	-0.1	-0.1	-0.2	-0.2
Net Debt/EBITDA	0.5	0.0	-0.2	-0.4	-0.7	-0.9
Interest cover (EBITDA/Fin.interest)	10.3	10.2	15.0	21.1	38.6	n.m.
Capex/D&A	125.8%	92.6%	126.7%	124.6%	113.3%	107.6%
Capex/Sales	7.4%	5.5%	7.9%	8.4%	8.2%	8.0%
NWC/Sales	6.0%	6.8%	8.1%	7.9%	7.6%	7.5%
ROE (average)	11.4%	13.8%	13.3%	12.6%	11.5%	10.0%
ROCE (adj.)	10.2%	12.8%	13.3%	13.1%	12.4%	11.1%
WACC	8.2%	9.0%	9.0%	9.0%	9.0%	9.0%
ROCE (adj.)/WACC	1.2	1.4	1.5	1.5	1.4	1.2
PER SHARE DATA (EUR)***	12/2022	12/2023	12/2024e	12/2025e	12/2026e	12/2027e
Average diluted number of shares	66.1	66.1	66.1	66.1	66.1	66.1
EPS (reported)	1.69	2.29	2.57	2.64	2.60	2.40
EPS (adj.)	1.67	2.34	2.57	2.64	2.60	2.40
BVPS	15.47	18.50	20.08	21.72	23.32	24.76
DPS	0.68	0.92	1.03	1.06	1.04	0.96
VALUATION	12/2022	12/2023	12/2024e	12/2025e	12/2026e	12/2027e
EV/Sales	1.0	0.9	1.2	1.1	1.0	1.0
EV/EBITDA	4.7	3.8	4.6	4.3	4.1	4.1
EV/EBITDA (adj.)*	4.7	3.8	4.6	4.3	4.1	4.1
EV/EBITA	6.5	4.9	6.0	5.8	5.7	6.0
EV/EBITA (adj.)*	6.5	4.9	6.0	5.8	5.7	6.0
EV/EBIT	6.5	5.0	6.0	5.8	5.7	6.0
EV/EBIT (adj.)*	6.5	5.0	6.0	5.8	5.7	6.0
P/E (adj.)	10.5	8.4	10.0	9.8	10.0	10.9
P/BV	1.1	1.1	1.3	1.2	1.1	1.1
Total Yield Ratio	3.4%	2.8%	3.8%	3.8%	3.9%	3.7%
EV/CE	1.0	0.9	1.2	1.1	1.0	1.0
OpFCF yield	7.5%	15.0%	7.5%	8.4%	9.0%	8.3%
OpFCF/EV	6.6%	15.2%	7.8%	9.2%	10.4%	10.1%
Payout ratio	40.1%	40.0%	40.0%	40.0%	40.0%	40.0%
Dividend yield (gross)	3.9%	3.5%	4.0%	4.1%	4.0%	3.7%
EV AND MKT CAP (EURm)	12/2022	12/2023	12/2024e	12/2025e	12/2026e	12/2027e
Price** (EUR)	17.50	19.60	25.60	26.00	26.00	26.00
Outstanding number of shares for main stock	66.1	66.1	66.1	66.1	66.1	66.1
Total Market Cap	1,157.0	1,295.9	1,692.6	1,719.0	1,719.0	1,719.0
Gross Financial Debt (+)	351.3	275.1	221.8	142.7	55.0	0.0
Cash & Marketable Securities (-)	-206.7	-291.8	-291.8	-291.8	-291.8	-315.9
Net Financial Debt	144.6	-16.7	-70.0	-149.1	-236.8	-315.9
Lease Liabilities (+)	0.0	0.0	0.0	0.0	0.0	0.0
Net Debt	144.6	-16.7	-70.0	-149.1	-236.8	-315.9
Other EV components	0.0	0.0	0.0	0.0	0.0	0.0
Enterprise Value (EV adj.)	1,301.6	1,279.2	1,622.5	1,569.9	1,482.2	1,403.1

Source: Company, GVC Gaesco Valores estimates.

Notes

* Where EBITDA (adj.) or EBITA (adj.) = EBITDA (or EBITA) +/- Non Recurrent Expenses/Income and where EBIT (adj.) = EBIT +/- Non Recurrent Expenses/Income - PPA amortisation

**Price (in local currency): Fiscal year end price for Historical Years and Current Price for current and forecasted years

***EPS (adj.) diluted = Net Profit (adj.) / Avg DIL. Ord. (+ Ord. equivalent) Shs. EPS (reported) = Net Profit reported / Avg DIL. Ord. (+ Ord. equivalent) Shs.

Sector: Materials, Construction & Infrastructure/Cement

Company Description: Cementos Molins is a building materials producer (family owned) present mostly in Spain, Mexico and Argentina.

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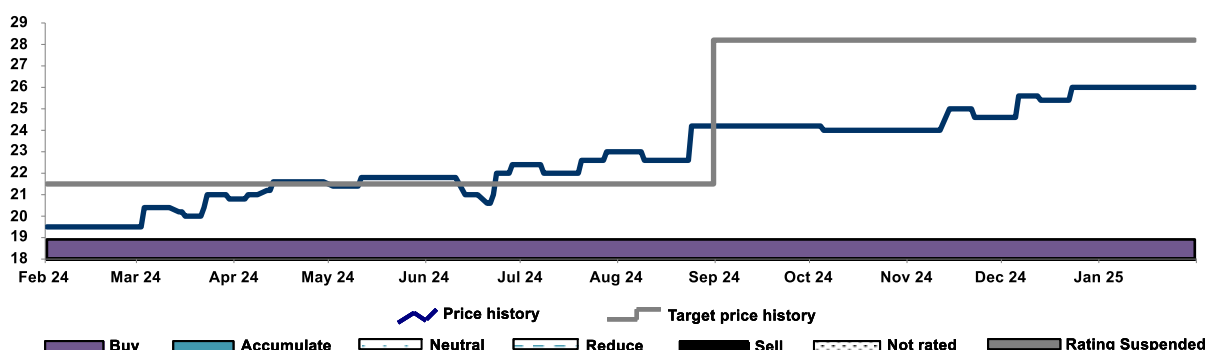
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- has a liquidity contract as outlined by the CNMV's Circular 1/2017 with: Melia Hotels International; Española de Viviendas en Alquiler S.A. (CEVASA); ENCE Energia y Celulosa; Cementos Molins; Desarrollo Especiales de Sistemas de Anclaje, S.A. (DESA).
- has signed a Corporate Brokerage agreement that includes a contractually agreed provision of research services that in return, GVC Gaesco Valores receives a compensation. These reports (sponsored) may/could have been previously shown to the companies: Atrys Health; Audax Renovables; Gigas Hosting; Vytrus Biotech; Nicolás Correa; Prim; Ktesios, Cementos Molins.

Recommendation history for CEMENTOS MOLINS

Date	Recommendation	Target price	Price at change date
25-Sep-24	Buy	28.20	24.20
03-Aug-23	Buy	21.50	18.00
10-Jan-23	Buy	20.10	17.50

Source: Factset & ESN, price data adjusted for stock splits.

This chart shows GVC Gaesco Valores continuing coverage of this stock; the current analyst may or may not have covered it over the entire period. Current analyst: Rafael Fernández de Heredia (since 08/04/2021)



ESN Recommendation System

The ESN Recommendation System is **Absolute**. It means that each stock is rated based on **total return**, measured by the upside/downside potential (including dividends and capital reimbursement) over a **12-month time horizon**. The final responsible of the recommendation of a listed company is the analyst who covers that company. The recommendation and the target price set by an analyst on one stock are correlated but not totally, because an analyst may include in its recommendation also qualitative elements as market volatility, earning momentum, short term news flow, possible M&A scenarios and other subjective elements.



The ESN spectrum of recommendations (or ratings) for each stock comprises 5 categories: **Buy (B), Accumulate (A), Neutral (N), Reduce (R) and Sell (S)**.

Furthermore, in specific cases and for a limited period of time, the analysts are allowed to rate the stocks as **Rating Suspended (RS)** or **Not Rated (NR)**, as explained below.

Meaning of each recommendation or rating:

- **Buy:** the stock is expected to generate total return of **over 15%** during the next 12 months
- **Accumulate:** the stock is expected to generate total return of **5% to 15%** during the next 12 months
- **Neutral:** the stock is expected to generate total return of **-5% to +5%** during the next 12 months
- **Reduce:** the stock is expected to generate total return of **-5% to -15%** during the next 12 months
- **Sell:** the stock is expected to generate total return **under -15%** during the next 12 months
- **Rating Suspended:** the rating is suspended due to: a) a capital operation (take-over bid, SPO, etc.) where a Member of ESN is or could be involved with the issuer or a related party of the issuer; b) a change of analyst covering the stock; c) the rating of a stock is under review by the Analyst.
- **Not Rated:** there is no rating for a stock when there is a termination of coverage of the stocks or a company being floated (IPO) by a Member of ESN or a related party of the Member.

Note: a certain flexibility on the limits of total return bands is permitted especially during higher phases of volatility on the markets

GVC Gaesco Valores, S.V., S.A. Ratings Breakdown

Recommendation	Nr. of stocks covered	%
Buy	57	78%
Accumulate	9	12%
Neutral	7	10%
Reduce	0	0%
Sell	0	0%

of which Sponsored Research

Recommendation	Nr. of stocks covered	%
Buy	10	100%
Accumulate	0	0%
Neutral	0	0%
Reduce	0	0%
Sell	0	0%

ESN Ratings Breakdown

Recommendation	Nr. of stocks covered	%
Buy	232	67%
Accumulate	29	8%
Neutral	84	24%
Reduce	0	0%
Sell	3	1%

of which Sponsored Research

Recommendation	Nr. of stocks covered	%
Buy	38	88%
Accumulate	2	5%
Neutral	3	7%
Reduce	0	0%
Sell	0	0%

For full ESN Recommendation and Target price history (in the last 12 months), please see ESN Website [Link](#)

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