

Daily Bulletin

October 27, 2025

Arabian Cement 3Q25 Profit Soars 43% YoY, Surpasses Analyst Expectations

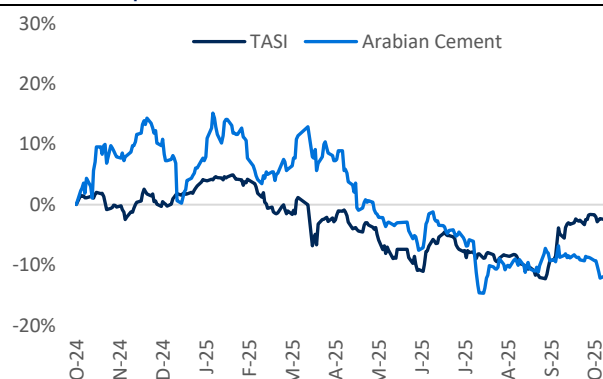
Last Price: SAR 21.3 | Consensus Target Price: SAR 26.9 | YTD Performance: 18.2%

Arabian Cement Company reported a net income of SAR 66 mn, up 43% YoY, significantly exceeding the consensus estimate of SAR 17 mn (+292%). The growth was driven by a notable increase in average selling price for the company.

The company reported a 30% YoY increase in revenue to SAR 293 mn, exceeding the consensus estimate of SAR 232 mn by 26%. This translated into a 29% rise in gross profit, with a stable gross margin of 30% in 3Q25 compared to 3Q24. The growth was driven by higher average selling prices for the company, which rose by 19% to SAR 332 per ton in 3Q25 from SAR 267 in 3Q24, and increased sales volume for the group, which reached 883 ktons in 3Q25 from 872 ktons in 3Q24. We highlight that Finished goods inventory declined to 29,050 tons in 9M25 from 39,088 tons in 2024.

Arabian Cement's stock has declined 18.2% YTD, underperforming TASI, which fell 3.7% over the same period. The stock is currently trading at a 2025e P/E of 25.2x, with the latest 12-month consensus target price of SAR 26.9/share, implying an upside potential of 26.3% from current levels.

Relative price chart



Source: Bloomberg, anbc research

Arabian cement result (SAR mn)

	3Q25	3Q24	YoY (%)	2Q25	QoQ (%)	Consensus	Variation (%)
Revenue	293	225	30	233	26	232	26
COGS	(206)	(157)	31	(196)	5	NA	
Gross profit	88	68	29	37	135	NA	
Gross margin (%)	30	30		16		NA	
Operating exp.	(85)	(76)	12	(81)	5	NA	
Operating profit	69	52	32	19	260	10.8	
Opt. margin (%)	23	23		8		5	
Net income	66	46	43	21	220	17	292
Net margin (%)	22	20		9		7	
EPS	0.7	0.5	43	0.2	220	0.2	292

Source: Company financials, anbc research

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