Zacks Report Date: January 08, 2026

Albemarle Corporation (ALB)

$161.57 (Stock Price as of 01/07/2026)

Price Target (6-12 Months): **$166.00**

Long Term: 6-12 Months	**Zacks Recommendation:** (Since: 11/05/25) Prior Recommendation: Outperform	**Neutral**
Short Term: 1-3 Months	**Zacks Rank:** (1-5)	**3-Hold**
	Zacks Style Scores:	VGM: C
	Value: D | Growth: B	Momentum: B

Summary

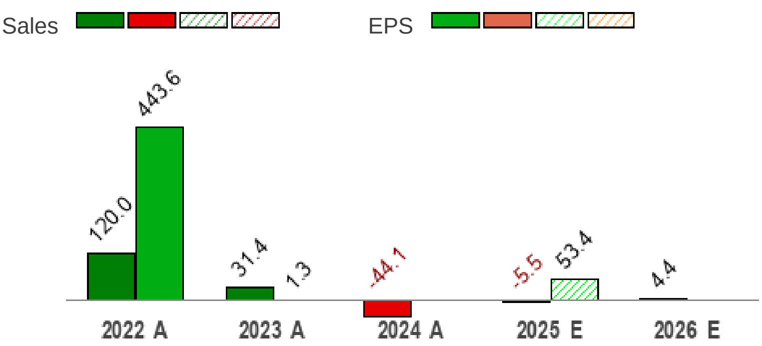
Earnings estimates for Albemarle for the fourth quarter have been going up over the past month. The company should gain from long-term growth in the battery-grade lithium market. It is expected to benefit from its actions to boost its global lithium derivative capacity to tap the significant growth opportunity. Demand for lithium is expected to rise on significant global electric vehicle (EV) penetration. Albemarle's cost-saving actions are expected to support margins in 2025. However, the weakness in lithium market pricing is expected to persist over the near term. Lower lithium prices are likely to weigh on the company's top line in the fourth quarter. Weaker demand in consumer electronics and construction may also hurt the Specialties unit. The company's stretched valuation is another concern.

Price, Consensus & Surprise[1]

Data Overview

52 Week High-Low	**$164.98 - $49.43**
20 Day Average Volume (sh)	**2,646,277**
Market Cap	**$19.0 B**
YTD Price Change	**14.2%**
Beta	**1.41**
Dividend / Div Yld	**$1.62 / 1.0%**
Industry	**Chemical - Diversified**
Zacks Industry Rank	**Bottom 6% (230 out of 244)**
Last EPS Surprise	**79.4%**
Last Sales Surprise	**1.2%**
EPS F1 Est- 4 week change	**35.6%**
Expected Report Date	**02/11/2026**
Earnings ESP	**-24.9%**
P/E TTM	**NA**
P/E F1	**-148.2**
PEG F1	**-2.5**
P/S TTM	**3.8**

Sales and EPS Growth Rates (Y/Y %)[1]



Sales Estimates (millions of $)[1]

	Q1	Q2	Q3	Q4	Annual*
2026	1,128 E	1,291 E	1,362 E	1,359 E	5,308 E
2025	1,077 A	1,330 A	1,308 A	1,369 E	5,082 E
2024	1,361 A	1,430 A	1,355 A	1,232 A	5,378 A

EPS Estimates[1]

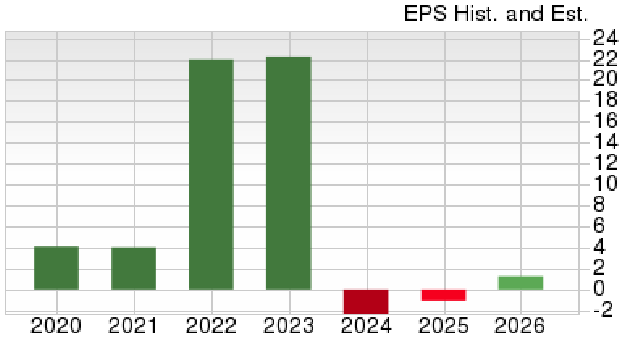
	Q1	Q2	Q3	Q4	Annual*
2026	0.02 E	0.38 E	0.69 E	0.54 E	1.27 E
2025	-0.18 A	0.11 A	-0.19 A	-0.61 E	-1.09 E
2024	0.26 A	0.04 A	-1.55 A	-1.09 A	-2.34 A

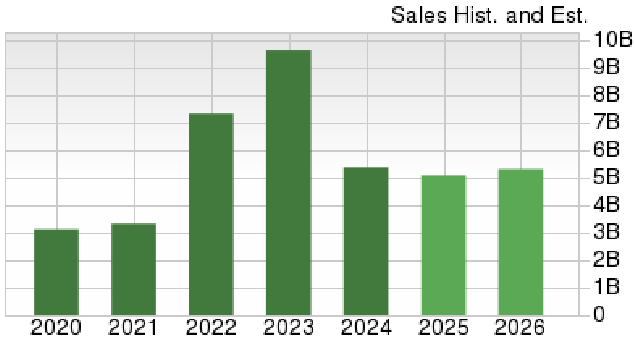
*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, including the Zacks Consensus EPS and sales estimates, is as of 01/07/2026.
(2) The report's text and the price target are as of 01/07/2026.

Overview

Charlotte, NC-based Albemarle Corporation is a premier specialty chemicals company with leading positions in attractive end markets globally. It is a leading producer of highly-engineered specialty chemicals geared to meet customer requirements across a bevy of end markets including petroleum refining, consumer electronics, energy storage, construction and automotive.





As of 01/07/2026

Albemarle, in January 2015, completed its acquisition of Rockwood Holdings, Inc for $5.7 billion. Rockwood became a fully-owned subsidiary of Albemarle following the deal closure. The Rockwood acquisition has brought together two leading specialty chemicals makers with strong market positions and complimentary product portfolios.

Albemarle, in April 2018, completed the sale of its polyolefin catalysts and components business to W. R. Grace & Co. (GRA). Per the terms of the deal, the curatives and organometallics portions of the Performance Catalysts Solutions (PCS) business remain with Albemarle.

Effective Jan 1, 2023, the company realigned its segments into two core global business units — Albemarle Energy Storage and Albemarle Specialties.

The new Albemarle Energy Storage unit includes the hydroxide, carbonate, battery grade metal, and advanced energy storage businesses in the former Lithium business. The unit focuses on the lithium-ion battery evolution and the transition to clean energy. The Albemarle Specialties unit combines the earlier Bromine business with the Lithium specialties business and focuses on the company's bromine and highly specialized lithium solutions.

The company reports through three new segments — Energy storage, Specialties and Ketjen (the new brand name of the catalysts business) starting first-quarter 2023. It earlier had three reportable segments — Lithium, Bromine Specialties and Catalysts.

Albemarle recorded sales of around $5.4 billion in 2024 with Energy Storage, Specialties and Ketjen segments accounting for 56%, 25% and 19%, respectively.

As of 01/07/2026

Reasons To Buy:

Albemarle remains focused on expanding capacity to capitalize on the strong growth in the battery-grade lithium market. It should also gain from cost and productivity actions.

- Albemarle is well-positioned to benefit from long-term growth in the battery-grade lithium market. The market for lithium batteries and energy storage remains strong, especially for EVs, offering significant opportunities for the company to develop innovative products and expand capacity. The company expects lithium demand to grow at a compound annual growth rate (CAGR) of 15-30% from 2024 to 2030 through significant global EV penetration. China, which accounts for more than 60% of the global electric vehicle market, continues to see strong demand. Global EV sales surged 30% year over year this year through September 2025, driven by China and Europe battery electric vehicles. Lithium demand also rose 30% on the back of energy transition and higher global demand for EVs and grid storage. Albemarle expects lithium demand to continue to rise over the long run with the increase in new lithium applications and the use of plug-in hybrid electric vehicles and full-battery electric vehicles. This growth is expected to be supported by sustained investments in the battery and EV supply chain by battery producers and automotive original equipment manufacturers and declining costs of lithium-ion batteries.

- The company is strategically executing its projects aimed at boosting its global lithium conversion capacity. It remains focused on investing in high-return projects to drive productivity. The first sales from its Kemerton I lithium hydroxide conversion plant in Western Australia were achieved in July 2022. The facility has achieved a 50% operating rate for battery-grade products. Albemarle is currently focusing on the optimization and ramp-up of Kemerton I. The Salar yield improvement project has also achieved 50% operating rate. The ramp-up at Meishan lithium conversion facility in China is also progressing ahead of schedule. Moreover, the acquisition of the Qinzhou plant in China will also boost the growth of conversion capacity and drive lithium volumes. In July 2023, Albemarle amended the terms of the transaction with Mineral Resources, which was signed in early 2023. Under the revised agreements, Albemarle acquired the full ownership of Kemerton, Qinzhou and Meishan lithium processing facilities and a 50% ownership of the Wodgina spodumene mine in Australia. Moreover, the company completed the construction at La Negra III and IV projects in 2021 and achieved the first production in October. Its Talison joint venture (49%) in Australia is expanding lithium concentrate production at its Greenbushes mine. The joint venture completed phase II of the expansion in the fourth quarter of 2019, bringing the lithium carbonate equivalent capacity at Greenbushes to around 60,000 metric tons per year. Albemarle, in 2019, also completed a 20,000-metric-ton lithium hydroxide expansion in China at the Xinyu II facility.

- Albemarle remains focused on executing its cost-saving program and productivity goals. During the third quarter of 2025, Albemarle made progress with the earlier announced comprehensive review of its cost and operating structure. The company expects to deliver roughly $450 million in cost and productivity improvements in 2025, having surpassed its initial target of $300-$400 million. The cost savings will be driven by the elimination of redundancies, lower management layers, productivity benefits and optimized manufacturing costs. The projected savings are in addition to the cost savings of more than $100 million announced and executed in 2024.

Reasons To Sell:

Softer lithium market prices may hurt the Energy Storage unit. Weaker demand may also impact specialties margin. The company’s stretched valuation is another concern.

- The Energy Storage segment faces headwinds from weaker lithium market prices. Lithium prices are falling due to slowing demand growth for EVs, inventory glut and increased lithium supply. The uncertain macroeconomic environment and higher interest rates have weighed on demand. Lithium market prices ended 2024 at roughly $9 per kilogram of lithium carbonate equivalent (LCE), which are significantly below the $15 witnessed at the end of 2023. Lower lithium market prices hurt the company’s sales in the third quarter of 2025. Sales from its Energy Storage unit fell around 8% due to lower lithium market prices. The weakness in lithium market pricing is expected to persist in the fourth quarter.

- The Specialties unit is exposed to headwinds from demand weakness. The segment faces demand headwinds in the consumer electronics market. The demand weakness in consumer electronics, partly due to the global economic challenges, is expected to continue over the near term. Consumer spending growth has slowed amid high inflation and higher interest rates. Softness in consumer electronics is expected to persist over the near term. The segment also faces challenges from softness in building and construction. High interest rates continue to curb spending in residential construction. Weaker demand in oil and gas applications is also expected to weigh on the segment’s fourth-quarter sales and margins.

- Albemarle’s stretched valuation also might not offer an attractive entry point at this time. In the case of Albemarle, the trailing 12-month EV/EBITDA multiple (a preferred valuation metric for cyclical industries) is 24.97, while its industry’s trailing 12-month EV/EBITDA multiple is much lower at 11.27. As such, investors might not want to pay more for the stock at present.

Last Earnings Report

Albemarle's Earnings and Revenues Surpass Estimates in Q3

FY Quarter Ending	12/31/2025
Earnings Reporting Date	**Nov 05, 2025**
Sales Surprise	**1.23%**
EPS Surprise	**79.35%**
Quarterly EPS	**-0.19**
Annual EPS (TTM)	**-1.35**

Albemarle logged adjusted losses (barring one-time items) of 19 cents per share in the third quarter of 2025. This compares to losses of $1.55 per share a year ago. The figure was narrower than the Zacks Consensus Estimate of a loss of 92 cents.

Revenues fell roughly 3.5% year over year to $1,307.8 million in the quarter. The top line beat the Zacks Consensus Estimate of $1,292 million. The top line was hurt by lower prices in the Energy Storage segment, partly offset by the volume growth in the Energy Storage and Ketjen.

Adjusted EBITDA for the reported quarter was $225.6 million, up from $211.5 million in the prior-year quarter. Lower input costs and cost reduction efforts offset reduced lithium pricing.

Segment Highlights

Sales from the Energy Storage unit fell around 7.6% year over year to $708.8 million. It surpassed the consensus estimate of $678 million. The decline in sales was attributed to reduced pricing. Sales volumes were up 8% due to higher spodumene sales, record production from integrated conversion facilities and inventory reductions.

The Specialties segment recorded sales of $345 million, up around 0.8% year over year. It was below the consensus estimate of $349 million. Foreign exchange benefits more than offset lower volume.

The Ketjen unit recorded revenues of $254.1 million in the reported quarter, up roughly 3.7% year over year. It beat the consensus estimate of $248 million. Higher volumes were partially offset by lower prices.

Financial Position

Albemarle ended the quarter with cash and cash equivalents of roughly $1,931.8 million, up from $1,664.5 million reported in the prior-year quarter. Long-term debt was around $3,181 million, up around 2% sequentially.

Cash from operations was around $893.8 million for the first nine months of 2025, up 29% from the prior-year period.

2025 Outlook

Albemarle is taking actions to improve costs, productivity and efficiencies to preserve its long-term competitive position. It has raised the full-year outlook for the enterprise and Energy Storage. For the full year 2025, results are expected to be near the higher end of the earlier $9/kg forecast range because of strong performance, higher lithium prices, and higher-than-expected Energy Storage sales. The outlook for Ketjen and Specialties remains the same.

Albemarle expects capital expenditures for full-year 2025 to be roughly $600 million.

Albemarle expects depreciation and amortization expenses of $630-$670 million for 2025. Corporate costs are expected to be $10-$30 million, while Interest and financing expenses are forecast to be $180-$210 million for the full year.

Valuation

Albemarle's shares are up 81% over the trailing 12-month period. Over the past year, the Zacks Chemical - Diversified industry and the Zacks Basic Materials sector are down 22.3% and up 32.8%, respectively.

The S&P 500 index is up 18.9% in the past year.

The stock is currently trading at 24.97X trailing 12-month enterprise value-to EBITDA (EV/EBITDA) ratio, which compares to 11.27X for the Zacks sub-industry, 15.32X for the Zacks sector and 18.8X for the S&P 500 index.

Over the past five years, the stock has traded as high as 31.24X and as low as 3.81X, with a 5-year median of 16.33X.

Our Neutral recommendation indicates that the stock will perform in line with the broader market. Our $166 price target reflects 2.43X tangible book value.

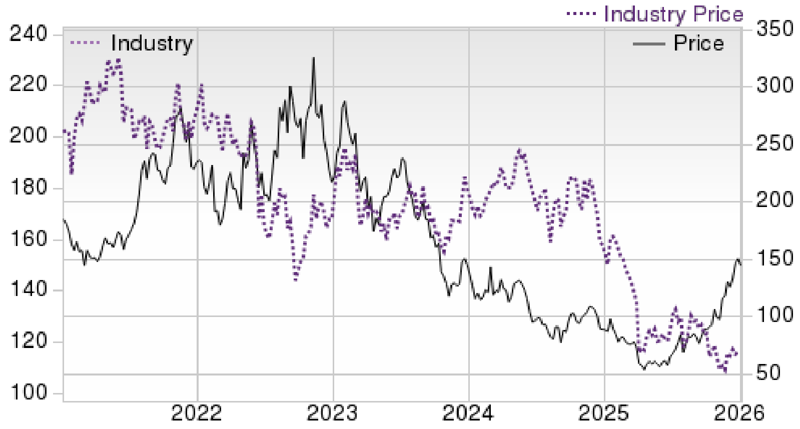
The table below shows summary valuation data for ALB:

Valuation Multiples - ALB

		Stock	Sub-Industry	Sector	S&P 500
EV/EBITDA TTM	Current	24.97	11.27	15.32	18.8
	5-Year High	31.24	12.79	15.86	22.34
	5-Year Low	3.81	5.59	5.75	13.86
	5-Year Median	16.33	9.92	10.98	17.93
P/B TTM	Current	2.32	1.42	3.66	8.57
	5-Year High	5.71	3.12	4.29	9.13
	5-Year Low	0.74	1.28	2.18	6.57
	5-Year Median	2.42	2	3.05	8.04
P/S TTM	Current	2.76	0.87	3.53	6.03
	5-Year High	10.02	2.03	3.84	6.16
	5-Year Low	1.15	0.78	1.92	3.99
	5-Year Median	2.79	1.17	2.84	5.35

As of 01/06/2026 *Source: Zacks Investment Research*

Industry Analysis[1] Zacks Industry Rank: Bottom 6% (230 out of 244)



Top Peers [1]

Company (Ticker)	Rec	Rank
BASF SE **(BASFY)**	Neutral	4
FMC Corporation **(FMC)**	Neutral	3
Huntsman Corporation **(HUN)**	Neutral	3
ICL Group Ltd. **(ICL)**	Neutral	3
Lithium Americas Cor...**(LAC)**	Neutral	3
Olin Corporation **(OLN)**	Neutral	3
Sociedad Quimica y M...**(SQM)**	Neutral	2
Cabot Corporation **(CBT)**	Underperform	5

Industry Comparison[1] Industry: Chemical - Diversified

Industry Peers

	ALB	X Industry	S&P 500	FMC	LAC	SQM
Zacks Recommendation (Long Term)	Neutral	-	-	Neutral	Neutral	Neutral
Zacks Rank (Short Term)	3	-	-	3	3	2
VGM Score	C	-	-	F	F	C
Market Cap	19.02 B	2.78 B	40.27 B	1.83 B	1.70 B	21.45 B
# of Analysts	9	2.5	22	6	5	4
Dividend Yield	1.00%	1.67%	1.35%	2.19%	0.00%	0.16%
Value Score	D	-	-	B	F	C
Cash/Price	0.11	0.16	0.04	0.28	0.27	0.07
EV/EBITDA	-21.89	6.56	14.84	6.96	-39.18	24.18
PEG Ratio	-2.49	2.54	2.06	0.82	NA	NA
Price/Book (P/B)	2.37	1.18	3.44	0.48	2.90	3.88
Price/Cash Flow (P/CF)	41.31	6.68	15.60	3.03	NA	30.71
P/E (F1)	-148.23	15.77	18.94	6.02	NA	15.74
Price/Sales (P/S)	3.84	0.64	3.12	0.51	NA	NA
Earnings Yield	0.79%	6.08%	5.28%	16.62%	-6.80%	6.35%
Debt/Equity	0.40	0.55	0.57	0.86	0.84	0.68
Cash Flow ($/share)	3.83	3.39	8.98	4.91	-0.19	2.43
Growth Score	B	-	-	F	C	C
Hist. EPS Growth (3-5 yrs)	17.22%	-10.37%	8.24%	-18.74%	NA	12.12%
Proj. EPS Growth (F1/F0)	53.42%	20.27%	9.18%	-13.79%	-209.52%	-8.71%
Curr. Cash Flow Growth	-85.25%	0.55%	7.00%	-7.01%	1,018.24%	-65.56%
Hist. Cash Flow Growth (3-5 yrs)	-12.07%	-1.87%	7.49%	-8.47%	NA	20.04%
Current Ratio	2.27	1.99	1.19	1.40	3.77	2.82
Debt/Capital	23.65%	35.66%	38.14%	46.25%	45.66%	40.48%
Net Margin	-0.43%	0.48%	12.77%	-14.81%	NA	12.12%
Return on Equity	0.10%	5.89%	17.03%	10.40%	-8.50%	9.79%
Sales/Assets	0.29	0.74	0.53	0.30	NA	0.37
Proj. Sales Growth (F1/F0)	-5.50%	1.83%	5.29%	-6.90%	NA	-2.60%
Momentum Score	B	-	-	F	D	B
Daily Price Chg	8.23%	2.10%	0.62%	5.39%	4.61%	6.26%
1 Week Price Chg	-4.05%	0.58%	0.70%	5.75%	1.71%	-2.67%
4 Week Price Chg	22.32%	6.92%	1.52%	11.07%	3.42%	18.49%
12 Week Price Chg	64.33%	3.52%	4.52%	-51.17%	-45.77%	66.96%
52 Week Price Chg	75.76%	-12.58%	17.53%	-70.96%	58.89%	89.79%
20 Day Average Volume	2,574,553	188,335	2,426,458	3,821,853	10,706,767	971,705
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(F1) EPS Est 4 week change	35.61%	0.00%	0.00%	-1.15%	0.00%	25.20%
(F1) EPS Est 12 week change	136.45%	-9.73%	0.44%	-38.59%	-60.34%	37.17%
(Q1) EPS Est Mthly Chg	0.00%	0.00%	0.00%	-3.33%	0.00%	0.00%

Zacks Stock Rating System

We offer two rating systems that take into account investors' holding horizons: Zacks Rank and Zacks Recommendation. Each provides valuable insights into the future profitability of the stock and can be used separately or in combination with each other depending on your investment style.

Zacks Recommendation

The Zacks Recommendation aims to predict performance over the next 6 to 12 months. The foundation for the quantitatively determined Zacks Recommendation is trends in the company's estimate revisions and earnings outlook. The Zacks Recommendation is broken down into 3 Levels; Outperform, Neutral and Underperform. Unlike many Wall Street firms, we have an excellent balance between the number of Outperform and Neutral recommendations. Our team of 70 analysts are fully versed in the benefits of earnings estimate revisions and how that is harnessed through the Zacks quantitative rating system. But we have given our analysts the ability to override the Zacks Recommendation for the 1200 stocks that they follow. The reason for the analyst over-rides is that there are often factors such as valuation, industry conditions and management effectiveness that a trained investment professional can spot better than a quantitative model.

Zacks Rank

The Zacks Rank is our short-term rating system that is most effective over the one- to three-month holding horizon. The underlying driver for the quantitatively-determined Zacks Rank is the same as the Zacks Recommendation, and reflects trends in earnings estimate revisions.

Zacks Style Scores

The Zacks Style Score is as a complementary indicator to the Zacks rating system, giving investors a way to focus on the highest rated stocks that best fit their own stock picking preferences.

Academic research has proven that stocks with the best Value, Growth and Momentum characteristics outperform the market. The Zacks Style Scores rate stocks on each of these individual styles and assigns a rating of A, B, C, D and F. We also produce the VGM Score (V for Value, G for Growth and M for Momentum), which combines the weighted average of the individual Style Scores into one score. This is perfectly suited for those who want their stocks to have the best scores across the board.

Value Score	D
Growth Score	B
Momentum Score	B
VGM Score	C

As an investor, you want to buy stocks with the highest probability of success. That means buying stocks with a Zacks Recommendation of Outperform, which also has a Style Score of an A or a B.

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