

## Century Aluminum (CENX)

**\$31.56** (Stock Price as of 12/12/2025)

Price Target (6-12 Months): **\$33.00**

Long Term: 6-12 Months

**Zacks Recommendation:**

**Neutral**

(Since: 12/04/25)

Prior Recommendation: Underperform

Short Term: 1-3 Months

**Zacks Rank: (1-5)**

**3-Hold**

Zacks Style Scores:

VGM: B

Value: B

Growth: B

Momentum: F

### Summary

Earnings for Century Aluminum for the third quarter of 2025 missed the Zacks Consensus Estimate. The company offers strong long-term upside driven by tightening global aluminum supply, supportive U.S. tariffs, capacity restarts, and structural demand from electrification and renewables. It is poised to capitalize on the rising global demand for aluminum, further boosted by U.S. Section 232 tariffs that also provide it with extended pricing power. However, near-term risks remain elevated due to high energy and raw material costs, European operational disruptions, soft billet demand outside the U.S., and heavy capital requirements that pressure cash flows. The stock balances attractive medium-to-long-term growth potential against short-term earnings volatility and funding risks.

### Data Overview

52 Week High-Low	\$34.52 - \$13.05
20 Day Average Volume (sh)	1,814,511
Market Cap	\$2.9 B
YTD Price Change	73.2%
Beta	2.28
Dividend / Div Yld	\$0.00 / 0.0%
Industry	<a href="#">Metal Products - Procurement and Fabrication</a>
Zacks Industry Rank	Top 28% (67 out of 243)

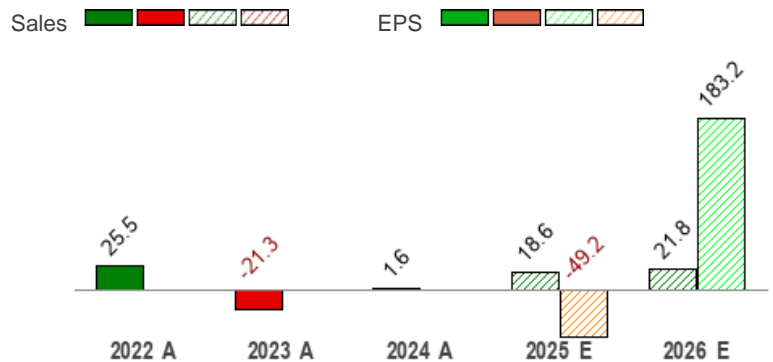
Last EPS Surprise	-81.0%
Last Sales Surprise	-4.8%
EPS F1 Est- 4 week change	0.0%
Expected Report Date	02/19/2026
Earnings ESP	0.0%

P/E TTM	37.1
P/E F1	18.9
PEG F1	1.0
P/S TTM	1.2

### Price, Consensus & Surprise<sup>(1)</sup>



### Sales and EPS Growth Rates (Y/Y %)<sup>(1)</sup>



### Sales Estimates (millions of \$)<sup>(1)</sup>

	Q1	Q2	Q3	Q4	Annual*
2026					3,206 E
2025	634 A	628 A	632 A	738 E	2,632 E
2024	490 A	561 A	539 A	631 A	2,220 A

### EPS Estimates<sup>(1)</sup>

	Q1	Q2	Q3	Q4	Annual*
2026	1.25 E	1.17 E	1.20 E	1.12 E	4.73 E
2025	0.28 A	-0.05 A	0.15 A	1.29 E	1.67 E
2024	-0.39 A	-0.03 A	0.46 A	0.47 A	3.29 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 12/12/2025.

(2) The report's text and the price target are as of 12/08/2025.

## Overview

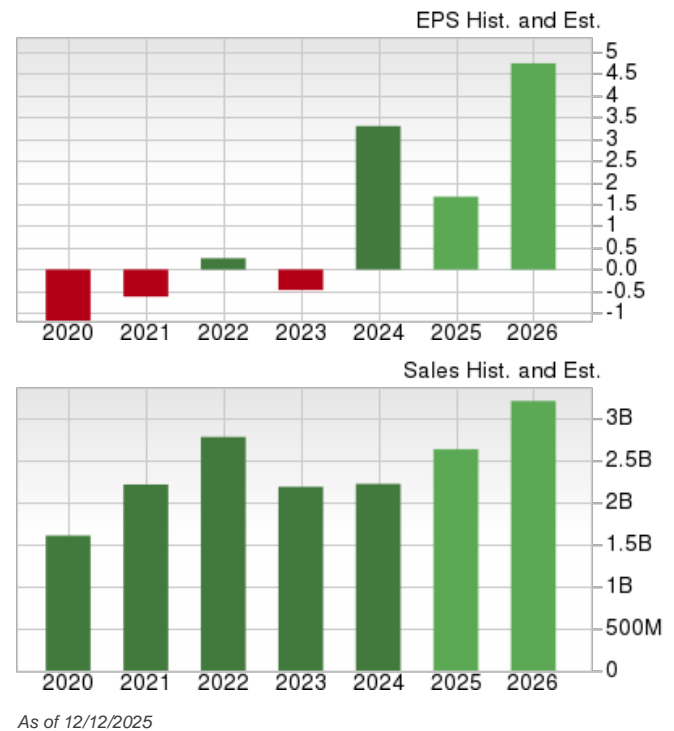
Chicago-based Century Aluminum Company is engaged in the production of primary aluminum in the United States and Iceland. The company produces standard-grade and value-added primary aluminum products as well as carbon products such as anodes and cathodes. Century Aluminum recorded revenues of around \$2,220.3 million in 2024. Total shipments in 2024 were 677,967 tons. It operates through one reportable segment – Primary Aluminum.

The company operates three U.S. aluminum smelters in Hawesville, KY, Robards, KY (Sebree) and Mt. Holly, SC, and one smelter in Grundartangi, Iceland.

Hawesville is the company's biggest U.S. smelter and the largest producer of high-purity primary aluminum in North America. It has an annual production capacity of roughly 250,000 tons. In fourth-quarter 2015, around 60% of the total capacity at Hawesville was curtailed due to a considerable decline in the prices of aluminum. In 2018, the company began to restart capacity at three potlines, which were curtailed. The first line restarted in September 2018 and the second restarted in December 2018. Each line has an incremental capacity to produce roughly 50,000 tons per annum at full capacity.

Sebree is a primary aluminum reduction facility that makes standard-grade aluminum, which is cast into several products, including billet, foundry and slab. It is capable of producing roughly 220,000 tons per year. In November 2018, the company announced two new expansion programs at the Sebree smelter, which will boost its production of value-added and secondary aluminum. It will improve the smelter's product mix by adding around 90,000 metric tons (MT) of additional billet to the Sebree casthouse. This will boost the smelter's overall output by adding 20,000 MT of additional secondary or scrap reprocessing capacity.

Mt. Holly is a primary aluminum reduction facility which makes standard-grade aluminum that is cast into tee bars and several value-added products. In October 2018, the company entered into an agreement with Santee Cooper that will enable the Goose Creek, SC, plant to continue operating at half capacity. The agreement with Santee Cooper had a term till Dec. 31, 2020. Per the deal, Santee Cooper will continue to service 25% of the Mt. Holly power at a standard cost-based industrial rate.



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## Reasons To Buy:

- ▲ Century Aluminum is poised to capitalize on a surge in global demand for aluminum, outpacing supply growth on a worldwide scale. As volumes rebound to pre-pandemic levels, the company is witnessing a notable increase in demand across various intermediate and end markets, mainly fueled by robust manufacturing activities, especially in the United States. Additionally, the recent increase in U.S. Section 232 tariffs to 50% has strengthened domestic pricing power, enhancing Century Aluminum's ability to benefit from higher Midwest premiums and robust U.S. demand. The company has announced the restart of the final 50,000 MT of capacity at its Mt. Holly smelter, expected to reach full production by the second quarter of 2026, further increasing U.S. primary aluminum output.
- ▲ With expectations of resuming long-term growth rates, bolstered by declining interest rates and improved GDP growth in the United States and EU markets, coupled with initiatives like the Inflation Reduction Act and similar spending programs in the EU and other regions, the company anticipates a sustained rise in aluminum demand, particularly in automotive and renewable energy applications. This demand strength is expected to further support value-added billet premium expansion starting in 2026, as customers shift supply chains back to the United States following tariff revisions. Over the long run, the company believes that global trends toward electrification and lightweighting will continue to drive up demand for aluminum.
- ▲ Through the acquisition of Jamalco, Century Aluminum has solidified its raw material supply chain and unlocked opportunities for value expansion through capital and operational improvements. This includes the installation of a new steam turbine at Jamalco, expected to be operational by the first quarter of 2026, which will make the refinery fully power self-sufficient. The company continues to focus on improvement, both through operational optimization and the implementation of its multi-year capital expenditure program, which aims to raise Jamalco production capacity to 1.4 million tons.
- ▲ Century Aluminum is actively implementing several strategies aimed at reducing costs and conserving cash amid challenging market conditions. Through effective management of controllable expenses, the company anticipates bolstering its financial performance in the short term. At the end of the third quarter of 2025, the company had cash and cash equivalents of \$151.4 million. Cash provided by operating activities was \$82.2 million.

Century Aluminum is well positioned to benefit from tightening global aluminum supply, rising U.S. demand, and stronger domestic pricing power supported by higher Section 232 tariffs.

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## Reasons To Sell:

- ▼ The company faced production curtailments due to higher energy costs, particularly in two additional smelters in Europe. In total, it witnessed the curtailment of 1.2 million tons of capacity as the energy crisis began, representing more than 50% of the total EU capacity. Though the energy crisis has stabilized, the Grundartangi smelter experienced a transformer failure in the second quarter, leading to a production cut of around 3,000 MT. Additionally, European billet demand remains soft compared with the United States, hampering Century Aluminum's ability to fully benefit from potential capacity recoveries.
- ▼ Century Aluminum is exposed to headwinds from higher costs of raw materials and energy. Energy costs, despite easing somewhat of late, remain a major concern as the second quarter witnessed unusually hot summers pushing up power prices and reducing profitability. Higher coke, pitch and caustic prices are also likely to adversely impact EBITDA.
- ▼ Century Aluminum faces growing funding and cash flow pressures as it undertakes several large-scale growth initiatives. The restart of 50,000 MT of capacity at Mt. Holly, requiring an estimated \$50 million investment, along with the planned construction of a new U.S. smelter, will require significant capital outlays. While the company expects strong future returns, a delay in receiving its \$195 million in 45X tax credits temporarily reduces financial flexibility.

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Century Aluminum faces trade uncertainties and production curtailments due to higher energy and raw material costs. Higher labor expenses and plant turnaround may also hurt margins.

## Last Earnings Report

### Century Aluminum's Earnings and Revenues Lag Estimates in Q3

Century Aluminum reported earnings of 15 cents per share for the third quarter of 2025, missing the Zacks Consensus Estimate of 79 cents. The figure compares unfavorably with the prior-year quarter's earnings of 46 cents and favourably with a loss of 5 cents in the previous quarter.

### Revenues and Shipments

The company reported net sales of \$632.2 million, up 17% year over year. However, the figure missed the Zacks Consensus Estimate of \$663.7 million. Sales increased 0.7% sequentially.

The sequential increase was primarily driven by a higher realized Midwest premium, partly offset by unfavorable volume and sales mix, and third-party alumina sales.

Primary aluminum shipments were 162,442 tons, down around 3.7% year over year.

### Financials

At the end of the quarter, the company had cash and cash equivalents of \$151.4 million, up 272% from the previous quarter. Net cash provided by operating activities was \$82.2 million for the nine months ended Sept. 30, 2025.

### Outlook

The company forecasts fourth-quarter 2025 adjusted EBITDA to be in the range of \$170 million to \$180 million, with increased realization of Midwest regional premium and higher realized LME.

**FY Quarter Ending** **12/31/2024**

Earnings Reporting Date	Nov 06, 2025
Sales Surprise	-4.75%
EPS Surprise	-81.01%
Quarterly EPS	0.15
Annual EPS (TTM)	0.85

## Valuation

Century Aluminum's shares are up 39.9% over the trailing 12-month period. Over the past year, the Zacks Metal Products-Procurement and Fabrication industry and the Zacks Industrial Products sector are up and down 18.1% and 1.6%, respectively.

The S&P 500 index is up 16.3% in the past year.

The stock is currently trading at 4.16X trailing 12-month tangible book value, which compares to 2.87X for the Zacks sub-industry, 8.94X for the Zacks sector and 8.56X for the S&P 500 index.

Over the past five years, the stock has traded as high as 6.31X and as low as 0.93X, with a 5-year median of 2.61X.

Our Neutral recommendation indicates that the stock will perform in line with the broader market. Our \$33 price target reflects 4.41X tangible book value.

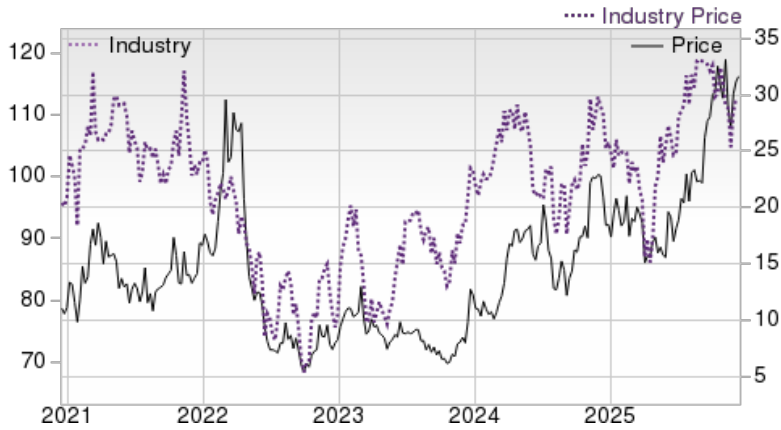
The table below shows summary valuation data for CENX.

Valuation Multiples - CENX					
		Stock	Sub-Industry	Sector	S&P 500
P/B TTM	Current	4.16	2.87	8.94	8.56
	5-Year High	6.31	4.76	11.02	9.16
	5-Year Low	0.93	1.76	5.89	6.6
	5-Year Median	2.61	2.51	7.67	8.05
EV/Sales TTM	Current	1.28	1.69	5.4	5.77
	5-Year High	1.4	1.82	5.54	5.81
	5-Year Low	0.24	0.7	2.99	3.78
	5-Year Median	0.79	1.27	3.93	5.12
P/S TTM	Current	1.15	1.74	4.99	6.01
	5-Year High	1.29	1.86	4.99	6.17
	5-Year Low	0.18	0.63	2.56	4
	5-Year Median	0.66	1.17	3.53	5.36

As of 12/05/2025

Source: Zacks Investment Research

## Industry Analysis<sup>(1)</sup> Zacks Industry Rank: Top 28% (67 out of 243)



## Top Peers<sup>(1)</sup>

Company (Ticker)	Rec	Rank
Kaiser Aluminum Corp...(KALU)	Outperform	1
Micron Technology, I...(MU)	Outperform	1
Constellium SE (CSTM)	Neutral	3
Norsk Hydro ASA (NHYDY)	Neutral	3
NWPX Infrastructure,...(NWPX)	Neutral	2
South32 Ltd. (SOUHY)	Neutral	3
Timken Company (The) (TKR)	Neutral	3
TriMas Corporation (TRS)	Neutral	2

## Industry Comparison<sup>(1)</sup>

Industry: Metal Products - Procurement And Fabrication

Industry Peers

	CENX	X Industry	S&P 500	CSTM	KALU	MU
<b>Zacks Recommendation (Long Term)</b>	Neutral	-	-	Neutral	Outperform	Outperform
<b>Zacks Rank (Short Term)</b>	3	-	-	3	1	1
<b>VGM Score</b>	B	-	-	A	A	A
Market Cap	2.95 B	145.16 M	39.38 B	2.53 B	1.76 B	271.07 B
# of Analysts	1	2	22	2	1	10
Dividend Yield	0.00%	0.00%	1.41%	0.00%	2.83%	0.19%
<b>Value Score</b>	B	-	-	A	B	C
Cash/Price	0.05	0.15	0.04	0.05	0.01	0.04
EV/EBITDA	7.29	8.81	14.60	7.96	12.35	14.87
PEG Ratio	0.95	2.25	2.23	NA	NA	0.38
Price/Book (P/B)	4.22	1.60	3.35	2.93	2.19	5.00
Price/Cash Flow (P/CF)	6.95	10.63	15.20	7.32	10.95	15.90
P/E (F1)	18.90	18.72	19.78	12.55	18.53	13.31
Price/Sales (P/S)	1.17	1.17	3.06	0.32	0.55	7.25
Earnings Yield	5.29%	4.92%	4.99%	7.96%	5.40%	7.51%
Debt/Equity	0.69	0.07	0.57	2.29	1.29	0.26
Cash Flow (\$/share)	4.54	0.95	8.99	2.51	9.94	15.16
<b>Growth Score</b>	B	-	-	A	A	A
Hist. EPS Growth (3-5 yrs)	NA%	-3.34%	8.16%	-17.82%	17.36%	-6.62%
Proj. EPS Growth (F1/F0)	-49.24%	57.88%	8.57%	284.21%	133.86%	118.46%
Curr. Cash Flow Growth	1,232.91%	2.26%	6.75%	-17.29%	3.09%	101.87%
Hist. Cash Flow Growth (3-5 yrs)	62.00%	1.82%	7.43%	0.34%	-0.17%	14.74%
Current Ratio	1.71	2.48	1.19	1.28	2.48	2.52
Debt/Capital	40.73%	15.60%	38.01%	69.58%	56.40%	20.56%
Net Margin	3.47%	0.97%	12.78%	1.42%	2.85%	22.84%
Return on Equity	12.83%	6.85%	17.00%	14.33%	10.67%	17.21%
Sales/Assets	1.27	0.80	0.53	1.54	1.30	0.49
Proj. Sales Growth (F1/F0)	18.60%	0.00%	5.77%	13.10%	14.10%	52.00%
<b>Momentum Score</b>	F	-	-	B	C	A
Daily Price Chg	-2.35%	0.38%	-1.07%	-0.97%	-0.68%	-6.70%
1 Week Price Chg	1.54%	1.73%	-0.63%	3.26%	3.99%	1.65%
4 Week Price Chg	9.66%	3.93%	1.39%	19.00%	19.26%	-2.31%
12 Week Price Chg	14.47%	-4.32%	2.45%	18.92%	40.92%	48.18%
52 Week Price Chg	51.22%	29.42%	12.83%	64.43%	42.66%	135.26%
20 Day Average Volume	1,814,511	168,647	2,728,366	1,226,422	160,633	23,466,332
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.00%	0.00%	2.80%
(F1) EPS Est 4 week change	0.00%	0.00%	0.00%	0.00%	0.00%	8.29%
(F1) EPS Est 12 week change	-27.39%	0.80%	0.69%	25.81%	26.51%	38.14%
(Q1) EPS Est Mthly Chg	0.00%	0.00%	0.00%	0.00%	0.00%	6.23%



## 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.

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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	<b>B</b>
Growth Score	<b>B</b>
Momentum Score	<b>F</b>
VGM Score	<b>B</b>

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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