



RESULTS FOR THE FIRST HALF ENDED JUNE 30th 2005

Main highlights for the first six months of 2005 (% increase from last year):

Group Net Profit: € 27,9 millions (+ 85%)

Net Revenues: € 402,9millions (+166.7%)

Group Ebitda: € 82,8 millions (+114%)

Group Ebit: € 49,4 millions (+100%)

Rome, September 12th 2005

Today Cementir Group board of directors, gathered under the chairmanship of Francesco Caltagirone jr., approved H1 results ended June 30th 2005.

In the first six months of 2005, Net Revenues increased by 166.7% to € 402,9 m from € 151,1 m reported in the comparable period of last year; Ebitda increased by 114% reaching € 82,8 m (€ 38,7 m in H1 2004), Ebit increased by 100% to €49,4 m (€ 24,7 m in H1 2004), Net Profit increased by 85% to € 27,9 m.

Figures include the € 572 m acquisition of Aalborg Portland and Unicon closed on October 29th 2004. Aalborg Portland is worldwide leader in white cement with plants in Denmark, Egypt, Malaysia, USA and China. Unicon is the leading readymix producer in Northern Europe with strong positions in Norway and Denmark.

Cementir Group Net Sales geographical breakdown highlights a 209.9% increase in Europe, which reported € 308,4 m sales for the first half of 2005 (€ 99,5 m in the same period of 2004); 27.7% increase in Asia which reached € 65,9 m sales (€ 51,6 m in H1 2004), North America and North Africa divisions reported Net Sales of € 16,3 m and € 12,3 m, respectively (no comparable 2004 figures are available).

Group Sales breakdown by product: grey and white cement sales reached € 251,6 m (€ 132,2m in H1 2004); ready mix concrete sales reached € 151,3 m (€ 18,9 in H1 2004).

2005 First Half results at constant perimeter

First half figures excluding Aalborg Portland and Unicon were as follows: Net Sales up by 5.2% to € 159 m (€ 151 m in H1 2004), Ebitda reached € 33 m (€ 39,8 in H1 2004), Ebit reached €16,5 m (€ 24,7 m in H1 2004).

Net Financial Position

Group Net Debt as of June 30th 2005 was € (329,5) m from € (330,9) m net debt on March 31st 2005. Good operating cash flow allowed Group Net Financial Position to improve slightly despite € 11,1m dividends distributed, € 34,2 m price adjustment for the Danish acquisition, as well as maintenance and repair work undertaken in the quarter. Net Financial Position exceeded internal forecasts and is expected to improve in the second half.

Forecast

Cementir Group expects the Danish operations to meet or, as in the readymix concrete segment, to probably exceed budgeted figures. The Turkish market should keep growing and improve profitability; for the Italian market Cementir expects an improvement in the second half of the year after a somewhat weak start.

Cementir Group informs that 2005 H1 Report will be made available according to domestic Stock Exchange provisions together with IFRS reconciliation tables pursuant to art. 82-bis Reg. Consob n. 11971.

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CONSOLIDATED BALANCE SHEETS AND
INCOME STATEMENTS AS AT
30/06/2005, 31/12/2004 AND
30/06/2004

CEMENTIR GROUP
ASSETS

CONSOLIDATED BALANCE SHEET

(in Euro thousands)

	30/06/2005		31/12/2004		30/06/2004	
	Sub-total	Total	Sub-total	Total	Sub-total	Total
A) UNPAID SHARE CAPITAL		0		0		0
B) FIXED ASSETS						
I. Intangible assets						
1. Formation, start-up and similar costs		70		85		22
2. Concessions, licences and brands		2.059		1.997		0
3. Goodwill		9		24		38
4. Other intangible assets		1.663		1.156		232
5. Assets in progress and payments on account		2.855		929		0
6. Consolidation difference		358.111		357.765		110.422
Total intangible fixed assets		364.767		361.956		110.714
II. Tangible assets						
1. Land and buildings		174.378		168.942		91.748
2. Plant and machinery		310.945		307.704		91.937
3. Industrial and commercial equipment		502		525		525
4. Other assets		11.060		11.780		4.039
5. Assets in progress and payments on account		21.198		11.061		6.766
Total tangible fixed assets		518.083		500.012		195.015
III. Financial assets						
1. Equity investments in:		25.484		22.272		11.678
a) associated companies	22.922		19.717		2.193	
b) other companies	2.562		2.555		9.485	
2. Receivables:		723		619		380
a) from others	723		619		380	
3. Other assets		56		73		
4. Treasury shares		0		0		7.115
Total financial assets		26.263		22.964		19.173
TOTAL B) FIXED ASSETS		909.113		884.932		324.902
C) CURRENT ASSETS						
I Inventory						
1. Raw materials, supplies and consumables		48.830		45.064		19.749
2. Semi-finished products		11.889		12.610		5.744
3. Finished goods		15.409		14.576		5.806
4. Payments on account		2.211		1.527		510
Total inventory		78.339		73.777		31.809
II. Receivables						
1. Trade receivables		180.029		137.847		89.128
a) due within one year	178.808		134.979		89.128	
b) due beyond one year	1.221		2.868		0	
2. Associated and other companies		3.160		2.730		373
3. Tax receivables (1)		8.345		6.132		1.847
4. Deferred tax asset (1)		42.910		47.641		53.571
5. Others		7.320		7.277		1.010
a) due within one year	7.172		7.231		1.010	
b) due beyond one year	148		46		0	
Total Receivables		241.764		201.627		145.929
III. Current financial assets		0		1.706		3.060
IV. Cash in banks and on hand						
1. Bank and postal accounts		143.343		57.843		190.902
2. Cash-in-hand and cash equivalents		224		425		374
Total cash in bank and on hand		143.567		58.268		191.276
TOTAL C) CURRENT ASSETS		463.670		335.378		372.074
D) PREPAYMENTS AND ACC. INCOME		5.131		2.903		2.394
TOTAL ASSETS (A+B+C+D)		1.377.914		1.223.213		699.370

(1) Due within one year

LIABILITIES & EQUITY

	30/06/2005		31/12/2004		30/06/2004	
	Sub-total	Total	Sub-total	Sub-total	Total	Sub-total
A) NET EQUITY						
I. Share capital		159.120		159.120		159.120
II. Share premium reserve		22.710		15.052		15.052
III. Revaluation reserve		0		0		0
IV. Legal reserve		31.824		7.859		7.859
V. Reserve for own shares in portfolio						7.115
VI. Statutory reserves						
VII. Other reserves		250.252		353.081		314.146
a) Capital grants	13.207		13.207		13.207	
b) Reserve art. 15 Law 113/88 no. 67	138		138		138	
c) Consolidation reserve (badwill)	24.744		25.855		0	
d) Extraordinary reserve					0	
e) Reserve for acq. of treasury shares	13.000		13.000		5.885	
f) Reserve Law 349/95 art. 11	13		13		9	
g) Other reserves	199.150		300.868		294.907	
VIII. Retained earnings/losses carr. forward		161.535		0		0
IX Net profit for the period		27.868		78.783		15.148
GROUP SHARE OF NET EQUITY		653.309		613.895		518.440
Minority interest:						
I. Capital, reserves and retained earnings		26.108		27.660		5.952
II. Profit for the period		2.791		290		187
TOTAL MINORITY INTEREST		28.899		27.950		6.139
TOTAL A) CONSOLIDATED NET EQUITY		682.208		641.845		524.579
B) PROVISIONS RISKS AND CHARGES						
1. Taxation		30.086		22.856		2.505
2. Other provisions		11.498		12.453		539
TOTAL B) PROVISIONS FOR CONTINGENCIES AND CHARGES		41.584		35.309		3.044
C) EMPLOYEE LEAVING INDEMNITY		10.915		10.412		9.974
D) PAYABLES						
1. Payables for shareholder loans		6.403		5.290		0
2. Due to banks		427.687		314.325		43.712
a) due within one year	293.133		247.676		33.002	
b) due beyond one year	134.554		66.649		10.710	
3. Due to other lenders		39.008		39.008		39.008
a) due within one year	3.901					
b) due beyond one year	35.107		39.008		39.008	
4. Advances (1)		446		208		208
5. Trade payables (1)		125.375		119.793		64.998
6. Associated companies (1)		0		60		0
7. Tax payables (1)		10.281		10.856		4.882
8. Payables to pension and social security (1)		1.475		1.870		1.287
9. Other payables		29.446		40.834		4.964
TOTAL D) PAYABLES		640.121		532.244		159.059
E) ACCRUALS AND DEFERRED INCOME		3.086		3.403		2.714
TOTAL LIAB. & EQUITY (A+B+C+D+E)		1.377.914		1.223.213		699.370

(1) Due within one year

CONSOLIDATED PROFIT & LOSS

(in thousands Euros)

	30/06/2005		31/12/2004		30/06/2004	
	Sub-total	Total	Sub-total	Total	Sub-total	Total
A) VALUE OF PRODUCTION						
1. Revenues from Sales and services		406.926		391.255		154.075
2. Change inventories semi finished and finished products and work in progress		(4.001)		3.854		(3.000)
3. Change in contract work in progress		0		0		0
4. Increases in work capitalised under fixed assets		611		900		182
5. Other revenues and income		4.000		3.269		885
TOTAL A) VALUE OF PRODUCTION		407.536		399.278		152.142
B) PRODUCTION COST						
6. Raw materials, consumables and supplies		(158.499)		(157.389)		(64.555)
7. Services		(100.179)		(82.350)		(31.297)
8. Use of third party assets		(3.688)		(1.687)		(255)
9. Personnel costs		(58.198)		(47.958)		(16.592)
a) wages and salaries		(47.668)		(35.601)		(11.405)
b) social security costs		(6.057)		(7.965)		(3.532)
c) employee leaving indemnity		(1.112)		(1.756)		(908)
d) other costs		(3.361)		(2.636)		(747)
10. Amortisation, depreciation and write-downs		(32.942)		(39.030)		(13.946)
a) amortisation of intangible fixed assets		(3.601)		(6.985)		(3.259)
b) depreciation of tangible fixed assets		(28.820)		(30.702)		(10.252)
c) write-downs of current assets		(521)		(1.343)		(435)
11. Changes in inventories or raw materials, ancillary and consumables		2.419		(2.013)		445
12. Provisions for risks		(442)		(299)		(70)
13. Other provisions				(355)		0
14. Other operating expenses		(6.626)		(5.314)		(1.560)
TOTAL B) PRODUCTION COST		(358.155)		(336.395)		(127.830)
Difference bet. value and costs of production (A-B)		49.381		62.883		24.312
C) FINANCIAL INCOME AND CHARGES						
15. Income from equity investments		0		45.527		1.080
a) other companies		0		1.080		1.080
b) gains on sale of holdings		0		44.447		
16. Other financial income		2.024		6.320		3.341
a) from securities included under fixed assets not constituting equity investments				41		
b) other income than above:						
from others		2.024		6.279		3.341
17. Interest and other financial charges		(8.303)		(8.107)		(2.679)
a) from others		(8.303)		(8.032)		(2.679)
b) loss from sale of financial holdings				(75)		
17 bis. Profit / (Loss) on Foreign exchange		919		3.074		3.873
TOTAL C) FINANCIAL INCOME AND CHARGES		(5.360)		46.814		5.615
D) ADJUSTMENT TO FIN. ASSET VALUES.						
18. Revaluations: of equity investments		2.887		1.041		0
19. Write-downs : of equity investments		(19)		(2)		0
TOTAL D) ADJUST. TO FIN. ASSET VALUES		2.868		1.039		0
E) EXTRA. INCOME AND CHARGES						
20. . Income		141		11.519		229
a) gains on asset sales		57		10.685		38
b) other income		84		834		191
21. Charges		(374)		(12.637)		(489)
a) losses on asset sales		(10)		(242)		(2)
b) other charges		(364)		(12.395)		(487)
TOTAL E) EXTRA. INCOME AND CHARGES		(233)		(1.118)		(260)
PRE-TAX RESULT		46.656		109.618		29.667
22. Income tax		(15.997)		(30.545)		(14.332)
a) current taxes		(11.625)		(7.389)		(4.698)
b) deferred taxes		2.726		(6.174)		(103)
c) taxes paid in advance		(7.098)		(16.982)		(9.531)
RESULT INCLUDING MINORITY INTEREST		30.659		79.073		15.335
MINORITIES SHARE OF LOSS (PROFIT)		(2.791)		(290)		(187)
GROUPS SHARE OF NET PROFIT		27.868		78.783		15.148