

## **BOARD APPROVAL OF 2004 FULL YEAR RESULTS**

2004 Group figures are as follows (2003 figures in brackets):

Net Profit: € 79,1 m (€60,4 m); Net Sales: € 395,1 m (€ 292,6 m); Ebitda: € 107,1 m (€ 87,7 m) including Aalborg Portland and Unicon results for the last two months of the year.

Dividend increase: € 0,07 (€ 0,06)

Rome, March 11<sup>th</sup> 2005

2004 Group Net Profit was € 79,1 m, Net Sales € 395,1 m Ebitda € 107,1 m.

Today Cementir Group Board of Directors approved 2004 full year results, which includes two months of Aalborg Portland and Unicon acquired for € 572 millions on October 29<sup>th</sup> 2004. Aalborg Portland is worldwide leader in white cement with plants in Denmark, Egypt, Malaysia, USA and China. Unicon is one of the major ready mix producer in Northern Europe and leader in Norway and Denmark.

The board of directors proposed a € 0,07 dividend per share subject to shareholders meeting approval on April 14<sup>th</sup> 2005. Dividend payment is expected on May 5<sup>th</sup> 2005.

### 2004 Full Year results including Aalborg Portland and Unicon

Full year figures include Aalborg Portland and Unicon results from October 31<sup>st</sup> 2004 and therefore are not comparable with 2003 figures.

2004 Group Net Sales reached € 395,1 millions from € 292,6 millions in 2003. Group Sales divisional breakdown highlights a 2% increase in Italy (€ 206,1 millions) and 26.1% in Turkey (€ 114,3 millions) on a full year basis; 2 months Sales contribution from Denmark was € 32,7 millions; Other Nordic Countries was € 26,4 millions and Rest of the World was € 15,6 millions.

Group Sales breakdown by product: white and grey cement sales reached € 317,9 millions, ready mix concrete sales reached € 77,2 millions.

Group Ebitda reached € 107,1 millions from € 87,7 millions in 2003; Group Ebit grew to €64,2 millions from €52,9 millions in 2003. All figures are effected by Aalborg Portland and Unicon's two months results (October 31<sup>st</sup> - December 31<sup>st</sup> 2004).

2004 Group Net Profit was € 79,1 m (€60,4 m in 2003).

### 2004 Full Year results at constant perimeter

Full year figures not including Aalborg Portland and Unicon were as follows: Sales up by 9.5% to € 320,3 millions (€ 292,6 millions in 2003), Ebitda up by 5% to € 92,2 millions, Ebit up by 9% to €57,8 millions. Operating margin improvement was due to strong results from Turkey; Italian operations profitability slightly declined due to higher energy and shipping costs.

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Group Net Financial Position as of December 31<sup>st</sup> 2004 was € (298,6) millions effected by the Aalborg Portland/Unicon acquisition and by cash inflow from ordinary activity and from non core asset disposals.

Thanks to its new diversified geographical structure Cementir will be able to pursue further expansion and growth.

For Cementir expects continued good trading in Denmark and strong trading in Turkey to underpin a further improvement in profitability; consumption level in the Italian market is expected to be in line with 2004 whereas a margin decline is possible due to higher raw material costs.

For further details on Group economic and financial results please find Balance Sheet and Profit and Loss account attached herewith. All Balance Sheets and Profit and Loss accounts are being examined by the Board of Auditors and the Audit Firm.

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BALANCE SHEET POSITION	€000				%			
	2004(*)	2003	2002	2001	2004	2003	2002	2001
<b>FIXED ASSETS</b>	<b>884.932</b>	<b>318.050</b>	<b>327.908</b>	<b>378.263</b>	<b>72,26</b>	<b>46,28</b>	<b>53,39</b>	<b>59,77</b>
NET INTANGIBLE FIXED ASSETS	361.956	113.882	120.701	128.359	29,55	16,57	19,65	20,28
NET TANGIBLE FIXED ASSETS	500.012	192.074	188.851	236.891	40,83	27,95	30,75	37,43
NET FINANCIAL ASSETS	22.964	12.094	18.356	13.013	1,88	1,76	2,99	2,06
<b>CURRENT ASSETS</b>	<b>339.775</b>	<b>369.274</b>	<b>286.310</b>	<b>254.584</b>	<b>27,74</b>	<b>53,72</b>	<b>46,61</b>	<b>40,23</b>
FINAL INVENTORY	73.777	33.265	31.444	34.922	6,02	4,84	5,12	5,52
TRADE RECEIVABLES	139.341	80.240	74.153	75.111	11,38	11,67	12,07	11,87
OTHER RECEIVABLES – SHORT TERM	66.683	66.234	31.931	48.124	5,44	9,63	5,20	7,60
LIQUID ASSETS	59.974	189.535	148.782	96.427	4,90	27,58	24,22	15,24
<b>TOTAL ASSETS</b>	<b>1.224.707</b>	<b>687.324</b>	<b>614.218</b>	<b>632.847</b>	<b>100,00</b>	<b>100,00</b>	<b>100,00</b>	<b>100,00</b>
<b>SHAREHOLDERS EQUITY</b>	<b>613.895</b>	<b>497.972</b>	<b>433.475</b>	<b>405.641</b>	<b>50,13</b>	<b>72,44</b>	<b>70,58</b>	<b>64,10</b>
SHARE CAPITAL	159.120	159.120	159.120	159.120	13,00	23,15	25,91	25,14
RESERVES	375.992	285.724	236.034	209.800	30,70	41,57	38,43	33,15
PROFIT (LOSS) FOR THE YEAR	78.783	60.243	45.308	43.708	6,43	8,76	7,38	6,91
TREASURY SHARES	0	(7.115)	(6.987)	(6.987)	0,00	(1,04)	(1,14)	(1,10)
<b>MINORITY INTERESTS</b>	<b>27.950</b>	<b>5.767</b>	<b>5.056</b>	<b>3.514</b>	<b>2,28</b>	<b>0,84</b>	<b>0,82</b>	<b>0,55</b>
<b>MEDIUM /LONG TERM LIABILITIES</b>	<b>116.069</b>	<b>59.837</b>	<b>62.169</b>	<b>44.255</b>	<b>9,48</b>	<b>8,71</b>	<b>10,12</b>	<b>7,00</b>
PROVISION FOR EMPLOYEE LEAVING INDEMNITY AND SIMILAR PROVISIONS	10.412	9.646	9.590	12.198	0,85	1,41	1,56	1,93
MEDIUM/LONG TERM LOANS	105.657	50.191	52.579	19.212	8,63	7,30	8,56	3,04
OTHER MEDIUM/LONG TERM PAYABLES	0	0	0	12.845	0	0	0	2,03
<b>SHORT TERM LIABILITIES</b>	<b>466.793</b>	<b>123.748</b>	<b>113.518</b>	<b>179.437</b>	<b>38,11</b>	<b>18,01</b>	<b>18,48</b>	<b>28,35</b>
SHORT TERM LOANS	247.676	26.614	19.420	83.047	20,22	3,87	3,16	13,12
TRADE PAYABLES	119.793	61.513	62.965	68.601	9,78	8,95	10,25	10,84
OTHER PAYABLES – SHORT TERM	99.324	35.621	31.133	27.789	8,11	5,19	5,07	4,39
<b>TOTAL LIABILITIES</b>	<b>1.224.707</b>	<b>687.324</b>	<b>614.218</b>	<b>632.847</b>	<b>100,00</b>	<b>100,00</b>	<b>100,00</b>	<b>100,00</b>

(\*) 2004 balance sheet includes the Danish companies Aalborg Portland and Unicon

PROFIT AND LOSS ACCOUNT	€000				Δ %		
	2004(§)	2003	2002	2001	2004/2003	2003/2002	2002/2001
<b>NET TURNOVER</b>	<b>395.108</b>	<b>292.603</b>	<b>283.029</b>	<b>224.761</b>	<b>35,03</b>	<b>3,38</b>	<b>25,92</b>
PURCHASES FOR THE PERIOD	159.402	121.360	118.962	89.556	31,35	2,02	32,84
EXTERNAL COSTS	84.037	52.937	47.323	39.310	58,75	11,86	20,38
CAPITALISED COSTS	900	510	85	117	76,47	500,00	(27,35)
<b>VALUE ADDED</b>	<b>152.569</b>	<b>118.816</b>	<b>116.829</b>	<b>96.012</b>	<b>28,41</b>	<b>1,70</b>	<b>21,68</b>
<i>AV/NET TURNOVER %</i>	<i>38,61</i>	<i>40,61</i>	<i>41,28</i>	<i>42,72</i>			
PERSONNEL COSTS	47.668	31.042	32.112	27.387	53,56	(3,33)	17,25
OTHER REVENUES	3.270	0	0	0	n/a	n/a	n/a
OTHER COSTS	1.069	0	0	0	n/a	n/a	n/a
<b>EBITDA</b>	<b>107.102</b>	<b>87.774</b>	<b>84.717</b>	<b>68.625</b>	<b>22,02</b>	<b>3,61</b>	<b>23,45</b>
<i>EBITDA/NET TURNOVER %</i>	<i>27,11</i>	<i>30,00</i>	<i>29,93</i>	<i>30,53</i>			
AMORTIZATION AND DEPRECIATION	39.683	28.882	28.517	17.601	37,40	1,28	62,02
INDIRECT TAXES	3.220	0	0	0	n/a	n/a	n/a
OTHER (COSTS) INCOME	0	(6.034)	(6.076)	(2.384)	n/a	(0,69)	154,87
<b>EBIT</b>	<b>64.199</b>	<b>52.858</b>	<b>50.124</b>	<b>48.640</b>	<b>21,46</b>	<b>5,45</b>	<b>3,05</b>
<i>EBIT/NET TURNOVER %</i>	<i>16,25</i>	<i>18,06</i>	<i>17,71</i>	<i>21,64</i>			
FINANCIAL INCOME	55.963	10.688	25.776	28.740	423,61	(58,54)	(10,31)
FINANCIAL CHARGES	8.109	8.424	9.142	11.298	(3,74)	(7,85)	(19,08)
<b>FINANCIAL RESULT</b>	<b>47.854</b>	<b>2.264</b>	<b>16.634</b>	<b>17.442</b>	<b>2.013,69</b>	<b>(86,39)</b>	<b>(4,63)</b>
<b>GROSS RESULT</b>	<b>112.053</b>	<b>55.122</b>	<b>66.758</b>	<b>66.082</b>	<b>103,28</b>	<b>(17,43)</b>	<b>1,02</b>
BALANCE OF EXTRAORDINARY ITEMS	(2.435)	(15.237)	(6.248)	213	84,02	143,87	(3.033,33)
<b>PRE-TAX RESULT</b>	<b>109.618</b>	<b>39.885</b>	<b>60.510</b>	<b>66.295</b>	<b>174,84</b>	<b>(34,09)</b>	<b>(8,73)</b>
INCOME TAXES	(7.389)	(14.309)	(5.583)	(3.702)	(48,36)	156,30	50,81
DEFERRED TAX INCOME AND CHARGE	(23.155)	34.786	(10.323)	(19.645)	(166,56)	436,98	47,45
<b>ATTIBUTABLE PROFIT</b>	<b>79.073</b>	<b>60.362</b>	<b>44.604</b>	<b>42.948</b>	<b>31,00</b>	<b>35,33</b>	<b>3,86</b>
MINORITIES SHARE	(290)	(119)	704	760	143,53	(116,90)	(7,37)
<b>GROUP NET INCOME</b>	<b>78.783</b>	<b>60.243</b>	<b>45.308</b>	<b>43.708</b>	<b>30,78</b>	<b>32,96</b>	<b>3,66</b>
<i>NR/NET TURNOVER %</i>	<i>19,94</i>	<i>20,59</i>	<i>16,01</i>	<i>19,44</i>			
<b>EMPLOYEES AS AT 31 DECEMBER (n.)</b>	<b>3.071</b>	<b>1.233</b>	<b>1.274</b>	<b>1.681</b>			

(§) 2004 Profit & Loss includes the Danish companies Aalborg Portland and Unicon for the last two months of the year