



Cementir: Board of Directors approves results for the first half year 2006

- Revenues: Euro 504.2 million, +25.3%
- Ebitda: Euro 118.6 million, +44.4%
- Ebit: Euro 84.1 million, +64.3%
- Group net profit: Euro 51,3 million, + 66,2%

Rome, September 8, 2006 – Cementir Board of Directors, chaired by Francesco Caltagirone jr. today approved 2006 second quarter results .

Financial highlights (million of Euro)

	1st Half-Year 2006	1st Half-Year 2005	Change
Revenues	504,2	402,3	+25,3 %
Ebitda	118,6	82,1	+44,4 %
Ebit	84,1	51,2	+64,3 %
Group net profit	51,3	30,9	+66,2%

<i>Ebitda/Revenues %</i>	<i>23,5%</i>	<i>20,4%</i>
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In the first half-year Cementir continued its growth path and further consolidated its international expansion started in 2001. Revenues increased by 25.3% (Euro 504.2 million compared to Euro 402.4 million in the first half-year of 2005) thanks to good market performance in all of the macro geographic areas in which the Group operates: in fact sales growth has improved significantly in Denmark, Italy and Turkey. **Ebitda** improved by +44.4% (Euro 118.6 millions compared to Euro 82.1 millions in the first-half year of 2005). **Ebit** increased by 64.3% (Euro 84.1 million compared to Euro 51.2 million in the first-half year of 2005). **Net Profit** increased by 66,2% (Euro 51,3 million compared to Euro 30,9 million in the first half-year of 2005). Ebitda margin also increased from 20.4% to 23.5%, thanks to greater industrial efficiencies despite the negative effects of energy and transport costs.

Results at constant perimeter, excluding Vianini Pipe, 4K-Beton and the Cimentas factory at Edirne (not part of the Group on June 30th 2005) were Euro 458.3 millions (+13.9%) compared to Euro 402.3 million in the first half of 2005

and an Ebitda of Euro 109.3 million (+33%) compared to Euro 82.1 million in the same period of the previous year. There was also an improvement in margins at constant perimeter (Ebitda/Revenues): from 20.4% in the first-half year of 2005 to 23.9%.

Net Debt Position

Net debt position was Euro 428.6 millions compared to Euro 424.9 millions at March 31st 2006. This figure takes into account the payment of dividends of Euro 13.5 million, the payment of a one-off substitute tax on the revaluation of fixed assets of Euro 15.1 million and the annual capital expenditure program. In addition, account should be taken of the seasonality of the business, especially in the Scandinavian countries, and also of the fact that plant maintenance is normally carried out in the first part of the year. The financial position as of June 30th, 2006 is better than budgeted.

Significant events in the first half year

The first half of the year saw similar conditions to those evident in 2005:

- On March 2nd, Unicon completed the acquisition of the Danish company 4K-Beton, the second largest ready-mix producer in the country. As part of the same transaction, Unicon sold two Polish companies. This acquisition significantly strengthens the Cementir Group presence in the Scandinavian ready-mix market.
- Aalborg Portland increased its holding in the Egyptian company Sinai White Portland Cement Company, from 45.7% to 54.1%, and thus increasing its investments in Egypt.

Significant events happened after the closing of the first half year

On August 1st Cementir signed an agreement with Oyak Group to acquire Elazig Cimento, a Turkish cement company. The deal has a total value of USD 110 million and the closing is subject to the approval of Anti-trust Authorities, which is expected by the end of September 2006. With the acquisition of Elazig Cimento, Cementir will reach 5 million tons per annum of cement production capacity in Turkey.

Outlook

The Group's good operating performance in each business segment and in every geography increases the likelihood of reaching the three-year Business plan targets ahead of schedule.

Attached are the balance sheets and income statements.

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Cementir Group

CONSOLIDATED BALANCE SHEET

(Euro thousands)

June 30, 2006 **December 31, 2005****ASSETS****NON-CURRENT ASSETS**

Intangible assets	438,890	474,847
Property, plant and equipment	681,382	695,982
Investment property	23,000	23,000
Equity investments valued at equity method	23,358	25,267
Other equity investments	2,549	2,563
Non-current financial assets	320	379
Deferred tax assets	36,968	40,496
Other non-current assets	271	133

TOTAL NON-CURRENT ASSETS**1,206,738** **1,262,667****CURRENT ASSETS**

Inventories	94,366	95,410
Trade receivables	206,229	168,047
Current financial assets	86,177	87,926
Current tax assets	3,407	6,379
Other current assets	15,658	8,393
Cash and cash equivalents	40,705	41,750

TOTAL CURRENT ASSETS**446,542** **407,905****TOTAL ASSETS****1,653,280** **1,670,572****SHAREHOLDERS' EQUITY AND LIABILITIES****SHAREHOLDERS' EQUITY**

Share capital	159,120	159,120
Share premium reserve	22,710	22,710
Other Reserves	560,865	542,827
Group net profit (loss)	51,308	109,397

GROUP SHAREHOLDERS' EQUITY**794,003** **834,054**

Net profit (loss) of minority interests

3,760 6,347

Minority interest reserves

32,022 29,406

MINORITY INTERESTS SHAREHOLDERS' EQUITY**35,782** **35,753****TOTAL SHAREHOLDERS' EQUITY****829,785** **869,807****LIABILITIES****NON-CURRENT LIABILITIES**

Employee benefits provisions	15,624	16,296
Non current provisions	11,722	11,608
Non-current financial liabilities	243,811	252,085
Deferred tax liabilities	56,770	68,015

TOTAL NON-CURRENT LIABILITIES**327,927** **348,004****CURRENT LIABILITIES**

Current provisions	54	1,235
Trade payables	136,244	134,226
Current financial liabilities	312,022	281,423
Liabilities current taxes	4,203	4,946
Other current liabilities	43,045	30,931

TOTAL CURRENT LIABILITIES**495,568** **452,761****TOTAL LIABILITIES****823,495** **800,765****TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES****1,653,280** **1,670,572**

Cementir Group

CONSOLIDATED INCOME STATEMENT

(Euro thousands)	1st half-year 2006	1st half-year 2005
REVENUES	504,150	406,928
Change in inventories	94	(4,550)
Increases for internal work	978	611
Other operating revenues	9,374	4,141
TOTAL OPERATING REVENUES	514,596	407,130
Raw material costs	(203,131)	(155,928)
Personnel costs	(68,509)	(58,184)
Other operating costs	(124,353)	(110,866)
TOTAL OPERATING COSTS	(395,993)	(324,978)
EBITDA	118,603	82,152
Amortisation, depreciation, write-downs and provisions	(34,458)	(30,942)
EBIT	84,145	51,210
Net result of equity investments valued at equity method	2,891	2,887
Net result of financial costs	(21,351)	(5,776)
NET RESULT OF FINANCIAL COSTS AND EQUITY INVESTMENTS VALUED AT EQUITY METHOD	(18,460)	(2,889)
PROFIT BEFORE TAX	65,685	48,321
Income taxes	(10,617)	(14,666)
NET PROFIT (LOSS) FOR THE YEAR	55,068	33,655
Net profit (loss) of minority interests	3,760	2,790
GROUP NET PROFIT (LOSS)	51,308	30,865