



## Cementir: Board of Directors approves results at June 30, 2006

- Revenues: Euro 504.2 millions, (+25.3%)
- Ebitda: Euro 118.6 millions, (+44.4%)
- Ebit: Euro 84.1 millions, (+64.3%)

Rome, July 27<sup>th</sup>, 2006 - Cementir Board of Directors, chaired by Francesco Caltagirone jr. today approved 2006 second quarter results .

### Financial highlights (millions of Euros)

	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 %

<i>Ebitda/Revenues %</i>	<i>23.5%</i>	<i>20.4%</i>
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Cementir kept its growth path in the first half-year, building upon the international expansion started in 2001. The 25.3% increase in **Revenues** (Euro 504.2 millions compared to Euro 402.4 millions in the first half-year of 2005) reflects the 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 millions compared to Euro 51.2 millions in the first-half year of 2005). An increase in margins (Ebitda/Revenues), which improved 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 30<sup>th</sup> 2005) were Euro 458.3 millions (+13.9%) compared to Euro 402.3 millions in the first half of 2005 and an Ebitda of Euro 109.3 millions (+33%) compared to Euro 82.1 millions 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%.

### Results in the second quarter of 2006

Results were positive in the second quarter of 2006. **Revenues** reached Euro 287 millions compared to Euro 231 millions in the second quarter of 2005 (+24.2%); **Ebitda** reached Euro 82.5 millions compared to Euro 57.1 millions in 2005 (+44.5%) and **Ebit** reached Euro 64.1 millions compared to Euro 41.1 millions in the second quarter of 2005 (+55.9%). The margin (Ebitda/Revenues) was 28.7% - growth compared to 24.7% in the second quarter of 2005.

### Net Debt Position

**Net debt position** was Euro 428.6 millions compared to Euro 424.9 millions at March 31<sup>st</sup> 2006. This figure takes into account the payment of dividends of Euro 13.5 millions, the payment of a one-off substitute tax on the revaluation of fixed assets of Euro 15.1 millions and the annual capital expenditure programme. 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 30<sup>th</sup>, 2006 is better than budgeted.

### Significant events

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

- On March 2<sup>nd</sup>, 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.

## Outlook

The performance in the first half-year, where confirmed in the second half of the year, will permit results ahead of the objectives set.

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## Performance in the 1° half year and in the 2<sup>nd</sup> quarter 2006

Table A

<i>(Euro thousands)</i>	Jan-Jun 2006	Jan-Jun 2005	Δ %	2 <sup>nd</sup> Quarter 2006	2 <sup>nd</sup> Quarter 2005	Δ %
<b>NET REVENUES FROM SALES AND SERVICES</b>	<b>504,244</b>	<b>402,378</b>	<b>25.32</b>	<b>287,001</b>	<b>231,076</b>	<b>24.20</b>
OTHER REVENUES	10,449	4,752	119.89	5,143	3,048	68.73
RAW MATERIAL COSTS	(203,131)	(155,928)	30.27	(106,125)	(87,727)	20.97
SERVICES COSTS	(117,383)	(103,863)	13.02	(63,108)	(56,181)	12.33
PERSONNEL COSTS	(68,509)	(58,184)	17.75	(36,938)	(29,606)	24.77
OTHER OPERATING COSTS	(7,067)	(7,003)	0.91	(3,379)	(3,452)	(2.11)
<b>EBITDA</b>	<b>118,603</b>	<b>82,152</b>	<b>44.37</b>	<b>82,594</b>	<b>57,158</b>	<b>44.50</b>
<i>EBITDA/SALES %</i>	23.52%	20.42%		28.78%	24.74%	
AMORTISATION, DEPRECIATION AND PROVISIONS	(34,458)	(30,942)	11.36	(18,428)	(16,018)	15.05
<b>EBIT</b>	<b>84,145</b>	<b>51,210</b>	<b>64.31</b>	<b>64,166</b>	<b>41,140</b>	<b>55.97</b>
<i>EBIT/SALES %</i>	16.69%	12.73%		22.36%	17.80%	
<b>FINANCIAL RESULT</b>	<b>(18,460)</b>	<b>(2,889)</b>		<b>(13,527)</b>	<b>458</b>	
<b>PROFIT BEFORE TAX</b>	<b>65,685</b>	<b>48,321</b>	<b>35.93</b>	<b>50,639</b>	<b>41,598</b>	<b>21.73</b>



## Net Financial Position

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Table B

<i>(Euro thousands)</i>	<b>06/30/2006</b>	<b>03/31/2006</b>	<b>12/31/2005</b>
CASH AND CASH EQUIVALENTS	127,202	120,895	129,969
FINANCIAL LIABILITIES NON CURRENT	(243,811)	(246,236)	(252,085)
FINANCIAL LIABILITIES CURRENT	(312,022)	(299,627)	(281,423)
<b>NET FINANCIAL POSITION</b>	<b>(428,631)</b>	<b>(424,968)</b>	<b>(403,539)</b>