



Cementir: Board of Directors approves results for the first half of 2007

- Revenues: EUR 549.6 million, +9 %
- EBITDA: EUR 124.3 million, +5 %
- EBIT: EUR 88.7 million, +5.8 %
- Group net profit: EUR 63.4 million, +24.3 %

Rome, 10 September 2007 – The Board of Directors, chaired by Francesco Caltagirone jr., today approved Cementir's results for the first half of 2007.

Consolidated financial highlights

<i>(EUR millions)</i>	1st half 2007	1st half 2006	% change
Revenues	549.6	504.2	+9 %
EBITDA	124.3	118.3	+5 %
EBIT	88.7	83.9	+5.8 %
Group net profit	63.4	51	+24.3 %

Sales volumes

<i>(thousands)</i>	1st half 2007	1st half 2006	% change
Grey and white cement (metric tons)	5,284	4,797	+10.14%
Ready-mixed concrete (m ³)	2,299	2,118	+8.5 %
Aggregates (m ³)	1,669	1,323	+26.15%

Group employees

	30.06.2007	31.12.2006
Number of employees	3,869	3,745

The first six months of the year saw Cementir grow in line with forecasts. The increase of 9% in **revenues** (EUR 549.6 million compared with EUR 504.2 million in the first half of 2006) reflects the strong performance of all the sectors in which the Group operates. Sales volumes rose for white and grey cement (+10.14%), ready-mixed concrete (+8.56%) and aggregates (+26.15%).

EBITDA rose by +5% (EUR 124.3 million compared with EUR 118.3 million in the first half of 2006), while **EBIT** increased by 5.8% (EUR 88.7 million compared with EUR 83.9 million in the year-earlier period). Although the absolute amounts rose, operating margins narrowed slightly as a percentage of revenues compared with the first half of last year owing to the continuation of the rise in energy and logistics costs. Operations in Italy were affected by a decline in revenues that was not offset by a proportionate decrease in production costs, causing operating profitability to decline with respect to the previous year.

Group **net profit** rose by 24.3% (EUR 63.4 million compared with EUR 51 million in the corresponding period of 2006) thanks to the result of financial operations, which despite increased debt compared with the year-earlier period improved by EUR 19 million owing, in particular, to the good performance of the Turkish lira and the weakness of the dollar, the currency in which part of the debt is denominated.

Net financial position

The **net financial position** showed net debt of EUR 439.6 million compared with EUR 448.4 million at 31 March 2007 and EUR 437.5 million at 31 December 2006. The figure reflects the payment of dividends totalling EUR 15.9 million and outlays for the annual investment program.

Significant events in the first half of the year

The first six months of the year saw a consolidation of activities. More specifically, our most recent acquisition, the Turkish company Elazig, was integrated into the Group, with an upgrading of its plant. In addition, revamping works at the Arquata Scrivia kiln in Italy were completed, which will contribute to reducing the operating costs of Italian operations as from the second half of the year.

Outlook

The good results achieved to date make it possible to forecast improved performance for the year as a whole. The spread and persistence of the uncertainty linked to developments in the US real estate market, lead to an higher prudence for the future.

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The Board of Directors also appointed Mr. Oprandino Arrivabene, with Cementir since 2005 as head of administration, finance and control, as the manager responsible for the preparation of company accounting documentation pursuant to Article 16 of the company Bylaws and Article 154-bis of the Law n. 58 of February 24, 1998.

The balance sheet and income statement are included as attachments.

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CEMENTIR GROUP

Consolidated Balance Sheet

(EUR '000)

	June 30, 2007	December 31, 2006
ASSETS		
NON-CURRENT ASSETS		
Intangible assets	472,302	457,547
Property, plant and equipment	844,544	804,933
Investment property	23,000	23,000
Equity investments valued at equity method	23,457	22,747
Other equity investments	2,556	2,778
Non-current financial assets	541	431
Deferred tax assets	18,676	26,399
Other non-current assets	322	288
TOTAL NON-CURRENT ASSETS	1,385,398	1,338,123
CURRENT ASSETS		
Inventories	105,048	103,937
Trade receivables	239,144	195,233
Current financial assets	3,317	858
Current tax assets	2,326	2,458
Other current assets	12,197	14,353
Cash and cash equivalents	30,211	31,226
TOTAL CURRENT ASSETS	392,243	348,065
TOTAL ASSETS	1,777,641	1,686,188
SHAREHOLDERS' EQUITY AND LIABILITIES		
SHAREHOLDERS' EQUITY		
Share capital	159,120	159,120
Share premium reserve	35,710	35,710
Other reserves	688,178	570,800
Group net profit	63,439	114,074
GROUP SHAREHOLDERS' EQUITY	946,447	879,704
Net profit of minority interest	5,150	8,735
Minority interest reserves	39,055	33,028
MINORITY INTEREST SHAREHOLDERS' EQUITY	44,205	41,763
TOTAL SHAREHOLDERS' EQUITY	990,652	921,467
LIABILITIES		
NON-CURRENT LIABILITIES		
Employee benefit provisions	17,632	17,143
Non-current provisions	9,388	12,330
Non-current financial liabilities	209,398	174,317
Deferred tax liabilities	70,688	67,664
TOTAL NON-CURRENT LIABILITIES	307,106	271,454
CURRENT LIABILITIES		
Current provisions	54	54
Trade payables	170,724	152,116
Current financial liabilities	263,785	295,307
Liabilities current taxes	8,977	7,725
Other current liabilities	36,343	38,065
TOTAL CURRENT LIABILITIES	479,883	493,267
TOTAL LIABILITIES	786,989	764,721
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	1,777,641	1,686,188

Consolidated Income Statement

(EUR '000)	1 st half-year 2007	1 st half-year 2006
REVENUES	553,374	504,150
Change in inventories	(3,726)	94
Increases for internal work	2,942	978
Other operating revenues	5,447	9,374
TOTAL OPERATING REVENUES	558,037	514,596
Raw material costs	(218,007)	(203,131)
Personnel costs	(81,236)	(68,803)
Other operating charges	(134,500)	(124,353)
TOTAL OPERATING COSTS	(433,743)	(396,287)
EBITDA	124,294	118,309
Amortisation, depreciation, write-downs and provisions	(35,596)	(34,458)
EBIT	88,698	83,851
Net result of equity investments valued at equity method	2,282	2,891
Net result of financial costs	(1,689)	(21,477)
NET RESULT OF FINANCIAL COSTS AND EQUITY INVESTMENTS VALUED AT EQUITY METHOD	593	(18,586)
PROFIT BEFORE TAX	89,291	65,265
Income taxes	(20,702)	(10,478)
NET PROFIT FOR THE PERIOD	68,589	54,787
Net profit of minority interest	5,150	3,760
GROUP NET PROFIT	63,439	51,027