

Cementir Holding: Board of Directors approves results for 2007

Revenues: EUR 1.15 billion (+9%)

EBITDA: EUR 274 million (+11%)

Group net profit : EUR 140 million (+23%)

Proposed dividend: EUR 0.12 per share (+20%)

Rome, 13 March 2008 – The Board of Directors of Cementir Holding, chaired by Francesco Caltagirone Jr., has examined and approved the draft financial statements for the year ended 31 December 2007.

Financial highlights

(millions of EUR)	2007	2006	% change
Revenues	1,152.1	1,053.3	+9.4%
EBITDA	274.1	247.3	+10.8%
EBIT	197.3	180.8	+9.1%
Profit before taxes	199.4	168.4	+18.4%
Group net profit	140.4	114.1	+23.1%

Sales volumes

('000)	2007	2006	% change
Grey and white cement (metric tons)	10,882	10,235	+6.3%
Ready-mixed concrete (m ³)	4,533	4,326	+4.8%
Aggregates (metric tons)	3,567	2,931	+21.7%

Group employees

	31-12-2007	31-12-2006
Number of employees	3,882	3,745

Cementir Holding closed 2007 on a positive note, with Group **net profit** totaling EUR 140.4 million, compared with EUR 114.1 million in 2006 (+23.1%). The year just ended is the ninth in a row in which the Group has improved its performance. Despite the continuing increase in energy and transport costs, Cementir Holding achieved efficiency gains thanks to the constant commitment to improving margins both in absolute terms and as a proportion of revenues.

The Board of Directors voted to recommend that the Shareholders' Meeting, convened for 16 April 2008 at first call and 18 April 2008 at second call, approve a dividend of EUR 0.12 per share (+20%). The proposed ex-dividend date is 19 May 2008 and the payment date is 22 May 2008.

Performance in 2007

Revenues rose by 9.4% to EUR 1.15 billion, compared with EUR 1.05 billion in 2006. **EBITDA** increased by 10.8% to EUR 274.1 million (EUR 247.3 million a year earlier) and **EBIT** rose 9.1% to EUR 197.3 million, compared with EUR 180.8 million in 2006. The improvement in earnings indicators is attributable to the good performance of sales and greater plant efficiency, mainly in Scandinavian and Turkey while in Italy there was a decline compared with the previous year.

Profit before taxes rose to EUR 199.4 million, up from EUR 168.4 million the previous year. This increase of 18.4% is also attributable to the good results of financial operations. The improvement of about EUR 14 million in the latter, despite the increase in average debt compared with 2006, was not attributable to extraordinary operations.

Net financial position

The net financial position improved by EUR 72.7 million, going from net debt of EUR 437.5 million on 31 December 2006 to EUR 364.8 million at the end of 2007. The net financial position is better than forecast in the budget.

Significant events during the year

- The re-start of the Arquata Scrivia kiln, which helped reduce operating costs in Italy;
- The 50% increase in clinker production capacity of the Elazig plant in Turkey.

Subsequent events

- On 1 January 2008 the Italian operations of the Group were transferred to Cementir Italia, thereby adjusting the Group's organization to take account of the multinational dimension acquired in recent years;
- On 15 January 2008 the Extraordinary Shareholders' Meeting approved the change in the name of the company from "Cementir – Cementerie del Tirreno SpA" to "**Cementir Holding SpA**" and approved a capital increase, equal to 2% of share capital, to back one or more stock incentive plans for employees of the company and its subsidiaries;
- On 11 February 2008 the Board of Directors, as part of the stock incentive plan, granted 1,225,000 options to directors with specific duties and managers with strategic responsibilities of the company;
- On 3 March 2008, the Group, acting through its subsidiary Unicon, acquired 100% of the Danish company Kudsk & Dahl, strengthening its position in Scandinavia, the overall value is equal to EUR 21 million.

Outlook

The extent and persistence of macroeconomic uncertainty prompts greater caution for the future, making reliable forecast difficult. In 2008, the company, as planned, will expand its cement production capacity by 10% in the emerging countries.

* * *

Oprandino Arrivabene, as the manager responsible for the preparation of company accounting documentation, certifies, pursuant to Article 154-bis (2) of the Consolidated Law on Financial Intermediation, that the accounting information contained in this press release corresponds with that contained in company documents, books and accounting records.

The statutory and consolidated balance sheets and income statements are attached in order to provide additional information on the performance and financial position of the Company and the Group. The financial statements are being examined by the Boards of Auditors and the independent auditors within the scope of their respective responsibilities.

Media Relations
Tel. +39 06 45412211
Fax +39 06 45412300
c.raiola@cementirholding.it

Investor Relations
Tel. +39 06 32493227
Fax +39 06 32493277
invrel@cementirholding.it



Consolidated Balance Sheet

(EUR '000)	31 December 2007	31 December 2006
ASSETS		
Intangible assets	479,804	457,547
Property, plant and equipment	871,791	804,933
Investment property	27,950	23,000
Equity investments measured using equity method	21,693	22,747
Other equity investments	2,558	2,778
Non-current financial assets	445	431
Deferred tax assets	12,583	26,399
Other non-current assets	258	288
TOTAL NON-CURRENT ASSETS	1,417,082	1,338,123
Inventories	117,114	103,937
Trade receivables	208,110	195,233
Current financial assets	5,742	858
Current tax assets	3,571	2,458
Other current assets	16,970	14,353
Cash and cash equivalents	59,511	31,226
TOTAL CURRENT ASSETS	411,018	348,065
TOTAL ASSETS	1,828,100	1,686,188
SHAREHOLDERS' EQUITY AND LIABILITIES		
Share capital	159,120	159,120
Share premium reserve	35,710	35,710
Other reserves	698,141	570,800
Group net profit	140,399	114,074
GROUP SHAREHOLDERS' EQUITY	1,033,370	879,704
Net profit of minority interest	11,373	8,735
Minority interest reserves	41,186	33,028
MINORITY INTEREST SHAREHOLDERS' EQUITY	52,559	41,763
TOTAL SHAREHOLDERS' EQUITY	1,085,929	921,467
Employee benefit provisions	18,498	17,143
Non-current provisions	9,300	12,330
Non-current financial liabilities	197,553	272,917
Deferred tax liabilities	78,275	67,664
TOTAL NON-CURRENT LIABILITIES	303,626	370,054
Current provisions	2,901	54
Trade payables	155,462	152,116
Current financial liabilities	232,548	196,707
Liabilities current taxes	6,787	7,725
Other current liabilities	40,847	38,065
TOTAL CURRENT LIABILITIES	438,545	394,667
TOTAL LIABILITIES	742,171	764,721
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	1,828,100	1,686,188



Consolidated Income Statement

(EUR '000)	2007	2006
REVENUES	1,147,085	1,049,661
Change in inventories	5,053	3,682
Increases for internal work	4,688	2,434
Other operating revenues	10,187	11,615
TOTAL OPERATING REVENUES	1,167,013	1,067,392
Raw material costs	(462,116)	(411,834)
Personnel costs	(161,961)	(148,255)
Other operating costs	(268,825)	(259,973)
TOTAL OPERATING COSTS	(892,902)	(820,062)
EBITDA	274,111	247,330
Depreciation, amortisation, impairment losses and provisions	(76,797)	(66,486)
EBIT	197,314	180,844
Net result on equity investments measured using equity method	4,669	5,654
Net financial result	(2,556)	(18,068)
NET RESULT ON FINANCIAL ITEMS AND EQUITY INVESTMENTS MEASURED USING EQUITY METHOD	2,113	(12,414)
PROFIT BEFORE TAX	199,427	168,430
Income taxes	(47,655)	(45,621)
NET PROFIT FOR THE YEAR	151,772	122,809
Net profit of minority interest	11,373	8,735
GROUP NET PROFIT	140,399	114,074



Balance Sheet

(EUR)	31 December 2007	31 December 2006
ASSETS		
Intangible assets	406,975	355,055
Property, plant and equipment	210,071,011	196,651,789
Investment property	23,000,000	23,000,000
Equity investments measured using equity method	-	-
Other equity investments	249,364,190	254,243,623
Non-current financial assets	128,929	308,367
Deferred tax assets	6,316,310	17,797,405
Other non-current assets	-	-
TOTAL NON-CURRENT ASSETS	489,287,415	492,356,239
Inventories	29,882,427	30,583,807
Trade receivables	93,910,518	87,022,818
<i>Trade receivables thirds parties</i>	89,058,010	81,904,522
<i>Trade receivables related parties</i>	4,852,508	5,118,296
Current financial assets	299,259,522	289,029,538
<i>Current financial assets thirds parties</i>	760,147	857,791
<i>Current financial assets related parties</i>	298,499,375	288,171,747
Current tax assets	918,775	626,351
Other current assets	716,131	732,560
Cash and cash equivalents	6,968,038	663,706
TOTAL CURRENT ASSETS	431,655,411	408,658,780
TOTAL ASSETS	920,942,826	901,015,019
SHAREHOLDERS' EQUITY AND LIABILITIES		
Share capital	159,120,000	159,120,000
Share premium reserve	35,710,275	35,710,275
Other reserves	418,419,910	412,811,852
Net profit (loss)	19,360,788	21,290,883
TOTAL SHAREHOLDERS' EQUITY	632,610,973	628,933,010
Employee benefit provisions	6,957,546	7,321,159
Non-current provisions	4,285,761	2,266,832
Non-current financial liabilities	68,864,949	77,317,842
Deferred tax liabilities	14,675,679	16,508,046
TOTAL NON-CURRENT LIABILITIES	94,783,935	103,413,879
Trade payables	70,703,182	71,694,189
<i>Trade payables thirds parties</i>	70,487,653	70,375,069
<i>Trade payables related parties</i>	215,529	1,319,120
Current financial liabilities	115,853,505	86,948,411
<i>Current financial liabilities thirds parties</i>	108,155,063	86,948,411
<i>Current financial liabilities related parties</i>	7,698,442	-
Liabilities current taxes	-	2,165,836
Other current liabilities	6,991,231	7,859,694
TOTAL CURRENT LIABILITIES	193,547,918	168,668,130
TOTAL LIABILITIES	288,331,853	272,082,009
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	920,942,826	901,015,019



Income Statement

(EUR)	2007	2006
REVENUES	232,613,900	236,411,973
<i>Revenues third parties</i>	222,558,736	230,716,544
<i>Revenues related parties</i>	10,055,164	5,695,429
Change in inventories	(2,586,082)	338,304
Increase for internal work	362,064	95,571
Other operative revenues	7,218,905	1,700,259
<i>Other revenues third parties</i>	1,926,715	1,209,331
<i>Other revenues related parties</i>	5,292,190	490,928
TOTAL OPERATING REVENUES	237,608,787	238,546,107
Raw material costs	(100,196,482)	(101,575,073)
<i>Raw material costs third parties</i>	(100,196,482)	(100,259,249)
<i>Raw material costs related parties</i>	-	(1,315,824)
Personnel costs	(29,762,800)	(28,611,439)
Other operating costs	(51,074,121)	(48,996,457)
<i>Other operating costs third parties</i>	(48,654,928)	(45,915,590)
<i>Other operating costs related parties</i>	(2,419,193)	(3,080,867)
TOTAL OPERATING COSTS	(181,033,403)	(179,182,969)
EBITDA	59,575,384	59,363,138
Depreciation, amortisation, impairment losses and provisions	(16,924,330)	(12,306,419)
EBIT	39,651,054	47,056,719
Net result on equity investments measured using equity method	-	-
Net financial result	(7,413,792)	(4,671,300)
<i>Net financial result third parties</i>	(7,906,378)	(4,628,504)
<i>Net financial result related parties</i>	492,586	(42,796)
NET RESULT ON FINANCIAL ITEMS AND EQUITY INVESTMENTS MEASURED USING EQUITY METHOD	(7,413,792)	(4,471,300)
PROFIT BEFORE TAX	32,237,262	42,385,419
Income taxes	(12,876,474)	(21,472,333)
NET PROFIT FOR THE YEAR	19,360,788	20,913,086