Cementir Holding: Board of Directors approves results for the first half of 2008

Revenues: EUR 575 million (EUR 553 million at 30 June 2007)
EBITDA: EUR 115 million (EUR 124 million at 30 June 2007)
Net profit: EUR 43 million (EUR 63 million at 30 June 2007)

Rome, 30 July 2008 – The Board of Directors, chaired by Francesco Caltagirone Jr., today approved Cementir Holding's results for the first half of 2008.

Financial highlights

(millions of euros)	1st half 2008	1st half 2007	% change
Revenues	575	553	+4%
EBITDA	115	124	-7%
EBIT	77	88	-13%
Group net profit	43	63	-32%

Sales volumes

(thousands)	1st half 2008	1st half 2007	% change
Grey and white cement (metric tons)	5,364	5,284	+1.5%
Ready-mixed concrete (m^3)	2,165	2,299	-5.8%
Aggregates (metric tons)	2,193	1,669	+31.4%

Group employees

	30-06-2008	30-06-2007
Number of employees	4,006	3,869

The figures, despite a complex economic environment marked by a decline in demand for durable goods and the rapid rise in commodity prices, show the resilience of the Group's operations even in difficult conditions. More specifically, the margins for the first six months reflect an expense of EUR 3 million in respect of the one-off costs of the reorganisation of the Aalborg Portland Group, which are expected to generate structural savings on the order of EUR 15 million in 2009.

EBITDA and EBIT excluding those costs amounted to EUR 118 million and EUR 80 million, respectively, decreasing by 5% and 10% rather than 7% and 13%.

The Group's performance in the first half of the year was affected by increased operating costs: oil prices were about 80% higher than in the first half of 2007, with an impact on spending on fuel, electricity and transportation, all essential components of the production cycle.

Despite the global economic crisis, revenues from sales increased by about 4%. This performance was achieved thanks in part to the fact that the broad decline in markets was offset by exports to Russia through the Black Sea from Turkey and the Baltic Sea from Denmark.

As regards the main countries in which the Group operates, business in Denmark decreased slightly, while that in Turkey was affected by the increase in operating costs and the depreciation of the Turkish lira. The Group performed well in Italy, as for to the structural cost reduction as for the re-start of the Arquata Scrivia kiln.

The companies of the Cementir Holding Group undertook cost-cutting measures. In addition to initiatives already under way in Denmark, in Turkey and Italy plans to use alternative fuels in the production process were accelerated, while feasibility studies to investigate the use of renewables were begun.

During the period the expansion of the white cement plant in Egypt continued. Work also began on the construction of the new white cement plant in China, while in April work to increase grey cement capacity at the Edirne plant in Turkey was finished.

The net financial position at 30 June 2008 showed net debt of EUR 482 million (EUR 440 million at 31 March 2008 and EUR 365 million at 31 December 2007). The increase in net debt is attributable to industrial investments at the plants at Edirne in Turkey and the Sinai in Egypt for planned increases in capacity and the acquisition of the Danish company Kudsk & Dahl (EUR 22 million). More generally, in the first half of the year the Group's cash flows were also affected by cyclical plant maintenance.

Developments in the second quarter of 2008

Financial highlights

(millions of euros)	2nd quarter 2008	2nd quarter 2008	% change
Revenues	330	316	+4%
EBITDA	76	79	-4%
EBIT	57	61	-7%
Profit before taxes	59	63	-7%

In the second quarter, EBITDA, EBIT and profit before taxes were again affected by the one-off reorganisation costs incurred by the Aalborg Portland Group, as EUR 3 million were recognised in June. Accordingly, the figures for the quarter show EBITDA in line with the same period of the previous year, while EBIT and profit before taxes decreased by just 2%

Performance in the second quarter of 2008 was in line with that in the same period of the previous year, improving on performance in the first quarter. The performance of financial operations was positive in the second quarter, despite the increase in debt with respect to the corresponding period of 2007 as a result of the investments carried out.

Outlook

The spread and persistence of the uncertainty in the current macroeconomic situation prompt greater prudence for the future, making it difficult to develop a market forecast. Management is focused on cost cutting, seeking to achieve efficiency gains, while developing penetration initiatives for new markets. As regards the consumption of cement and ready-mixed concrete in the Group's main markets, current trends are expected to continue in the second half of the year.

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Oprandino Arrivabene, as the manager responsible for preparing the Company's financial reports, 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 consolidated balance sheet, and income statement are attached in order to provide investors with additional information on the performance and financial position of the Group. The half-year financial report is currently being examined by the Board of Auditors and the independent auditors within the scope of their responsibilities.

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Consolidated Balance Sheet

(EUR '000)	30 June 2008	31 December 2007	30 June 2007
ASSETS			
Intangible assets	467,937	479,804	472,302
Property, plant and equipment	904,394	871,791	844,544
Investment property	27,950	27,950	23,000
Equity investments measured using equity method	21,262	21,693	23,457
Other equity investments	26,359	2,558	2,556
Non-current financial assets	203	445	541
Deferred tax assets	9,447	12,583	18,676
Other non-current assets	286	258	322
TOTAL NON–CURRENT ASSETS	**1,457,838**	**1,417,082**	**1,385,398**
Inventories	134,906	117,114	105,048
Trade receivables	240,202	208,110	239,144
Current financial assets	1,464	5,742	3,317
Current tax assets	2,956	3,571	2,326
Other current assets	25,175	16,970	12,197
Cash and cash equivalents	20,020	59,511	30,211
TOTAL CURRENT ASSETS	**424,723**	**411,018**	**392,243**
TOTAL ASSETS	**1,882,561**	**1,828,100**	**1,777,641**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Share capital	159,120	159,120	159,120
Share premium reserve	35,710	35,710	35,710
Other reserves	759,179	698,141	688,178
Group net profit	42,800	140,399	63,439
GROUP SHAREHOLDERS' EQUITY	**996,809**	**1,033,370**	**946,447**
Net profit of minority interest	4,574	11,373	5,150
Minority interest reserves	50,739	41,186	39,055
MINORITY INTEREST SHAREHOLDERS' EQUITY	**55,313**	**52,559**	**44,205**
TOTAL SHAREHOLDERS' EQUITY	**1,052,122**	**1,085,929**	**990,652**
Employee benefit provisions	17,696	18,498	17,632
Non-current provisions	11,085	9,300	9,388
Non-current financial liabilities	236,474	197,553	307,998
Deferred tax liabilities	78,507	78,275	70,688
TOTAL NON-CURRENT LIABILITIES	**343,762**	**303,626**	**405,706**
Current provisions	1,671	2,901	54
Trade payables	166,458	155,462	170,724
Current financial liabilities	267,672	232,548	165,185
Liabilities current taxes	8,653	6,787	8,977
Other current liabilities	42,223	40,847	36,343
TOTAL CURRENT LIABILITIES	**486,677**	**438,545**	**381,283**
TOTAL LIABILITIES	**830,439**	**742,171**	**786,989**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**1,882,561**	**1,828,100**	**1,777,641**

Consolidated Income Statement

(EUR '000)	1st half 2008	1st half 2007
REVENUES	**575,468**	**553,374**
Change in inventories	6,346	(3,726)
Increases for internal work	2,820	2,942
Other operating revenues	4,459	5,447
TOTAL OPERATING REVENUES	**589,093**	**558,037**
Raw material costs	(244,184)	(218,007)
Personnel costs	(87,169)	(81,236)
Other operating costs	(142,740)	(134,500)
TOTAL OPERATING COSTS	**(474,093)**	**(433,743)**
EBITDA	**115,000**	**124,294**
Depreciation, amortisation, impairment losses and provisions	(37,974)	(35,596)
EBIT	**77,026**	**88,698**
Net result on equity investments measured using equity method	1,545	2,282
Net financial result	(16,047)	(1,689)
NET RESULT ON FINANCIAL ITEMS AND EQUITY INVESTMENTS MEASURED USING EQUITY METHOD	**(14,502)**	**593**
PROFIT BEFORE TAX	**62,524**	**89,291**
Income taxes	(15,150)	(20,702)
NET PROFIT FOR THE YEAR	**47,374**	**68,589**
NET PROFIT OF MINORITY INTEREST	4,574	5,150
GROUP NET PROFIT	**42,800**	**63,439**