Cementir Holding: Board of Directors approves results for first half of 2009

Revenues: EUR 419 million (EUR 575 million at 30 June 2008)
EBITDA: EUR 58 million (EUR 115 million at 30 June 2008)
Net profit: EUR 9.5 million (EUR 43 million at 30 June 2008)

Rome, 30 July 2009 – The Board of Directors, chaired by Francesco Caltagirone Jr., today approved Cementir Holding's results for the first half of 2009.

Financial highlights

(millions of euros)	1st Half 2009	1st Half 2008	% change
Revenues	419	575	-27%
EBITDA	58	115	-49%
EBIT	18	77	-77%
Net Group profit	9.5	43	-78%

Net financial position

(millions of euros)	30-06-2009	31-12-2008	30-06-2008
NFP	(418.3)	(416.4)	(482.7)

Sales volumes

(thousands)	1st Half 2009	1st Half 2008	% change
Grey and white cement (metric tons)	4,871	5,389	-9.6%
Ready-mixed concrete (m^3)	1,542	2,165	-28.8%
Aggregates (metric tons)	1,934	2,193	-11.8%

Group employees

	30-06-2009	31-12-2008	30-06-2008
Number of employees	3,522	3,847	4,006

Cementir Holding SpA
200, corso di Francia 00191 Roma, Italia
T +39 06 324931 **cementirholding.it**

Cementir Holding closed the first half of 2009 with performance in line with management forecasts. The drop in demand across all markets in which the Group operates was only partially offset by the reduction in commodities.
In this especially uncertain economic climate, the Group focused on measures to contain structural and contingent costs, by the company reorganization and temporary plant stoppages.

Specifically, **revenues** from sales fell by around 27% compared with 30 June 2008, due to lower sales volumes in the major geographical areas in which the Group operates (the Scandinavian countries, Turkey and Italy) and to strong price competition. In the first half of 2009, demand for cement and ready-mixed concrete was persistently weak, mainly due to the contraction in the real estate market. Given this environment, the Group companies took steps to strengthen their presence in their traditional markets while seeking out new markets in order to boost exports wherever possible.

Operating costs, which fell by around 25% compared with 30 June 2008, still do not fully reflect the impact of the drop in energy costs and the reduction in the work force. Specifically, the number of Group employees decreased from 3,847 at 31 December 2008 to 3,522 at present (4,006 at 30 June 2008). Despite the non-recurring charge of EUR 4.9 million relating to the reorganisation, personnel costs declined by EUR 7.3 million compared with the first half of 2008.

Therefore, **EBITDA** came to EUR 58.1 million (EUR 115 million at 30 June 2008). The impact of cost-cutting measures will become more apparent in the second half of 2009.

Financial management yielded a negative EUR 0.9 million (EUR –14.5 million at 30 June 2008), leaving debt of EUR 418.3 million at the end of the period. This result reflects the effectiveness of foreign exchange and commodity hedges and the Group's ability to manage its debt and the related financial expense during this time of crisis.

The **net financial position** at 30 June 2009, showing net debt of EUR 418.3 million, is substantially in line with the figure for 31 December 2008 (EUR 416.4 million). This result should be viewed as particularly positive given the problems in the market experienced in the period just ended, recurring plant maintenance, which is usually carried out in the first part of the year, current investments (increasing capacity in China) and investments completed at the end of 2008 but that required financial outlays in the first few months of 2009 (increasing capacity in Egypt), as well as the distribution of dividends. The net financial position improved by EUR 7.7 million in the second quarter of 2009.
Finally, the net financial position has improved by about EUR 64.6 million over the last 12 months, evidence of the Group's ability to generate a substantial cash flow, thereby permitting it to continue with

scheduled investments even during a period affected by a series of events that unforeseeably altered general market conditions. The net financial position at 30 June 2009 is better than forecast.

Performance in the second quarter of 2009

Highlights

(millions of euros)	2nd Quarter 2009	2nd Quarter 2008	% change
Revenues	230	330	-30%
EBITDA	36	76	-53%
EBIT	16	57	-72%
Profit before taxes	16	59	-72%

Revenues fell by 30% in the second quarter of 2009 compared with the same period of 2008, and were similar to the figure posted in the first quarter. Accordingly, there is currently no reason to believe that demand will improve in the short term. On the other hand, the considerable declines in the cost of raw materials (-26%) and personnel (-14%) reflect, respectively, the gradual drop in energy and transport costs and the initial impact of the corporate reorganisation that will be fully in place next year.

Significant events occurring after the close of the period

The subsidiary Cimentas A.S. signed an agreement to purchase 70% of Serhat Atik A.S., a Turkish company active in that country's industrial waste disposal market and in the alternative fuels production, for EUR 10.7 million. Closing is subject to the results of the due diligence process now being performed. The agreement is part of the Group's plan increase its use of alternative energy sources in order to contain costs and to minimize its environmental impact by reducing CO_2 emissions.

Outlook

There are currently no signs of a recovery in demand by the short period. However, the Group is expected to regain efficiency in the second half of the year with the manifestation of the full effects of the drop in energy prices and cost-containment actions in the income statement.

cementirholding

* * *

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 statement of financial position 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.

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

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

Consolidated Statement of Financial Position

(EUR ‘000)	30 June 2009	31 December 2008	30 June 2008
ASSETS			
Intangible assets	445,267	442,589	467,937
Property, plant and equipment	908,649	909,534	904,394
Investment property	27,950	27,950	27,950
Equity investments measured using equity method	19,538	20,338	21,262
Other equity investments	5,793	2,580	26,359
Non-current financial assets	234	234	203
Deferred tax assets	19,780	17,249	9,447
Other non-current assets	863	813	286
TOTAL NON–CURRENT ASSETS	**1,428,074**	**1,421,287**	**1,457,838**
Inventories	126,278	147,493	134,906
Trade receivables	179,106	169,654	240,202
Current financial assets	2,701	3,262	1,464
Current tax assets	6,455	2,540	2,956
Other current assets	14,512	16,139	25,175
Cash and cash equivalents	108,532	38,377	20,020
TOTAL CURRENT ASSETS	**437,584**	**377,465**	**424,723**
TOTAL ASSETS	**1,865,658**	**1,798,752**	**1,882,561**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Share capital	159,120	159,120	159,120
Share premium reserve	35,710	35,710	35,710
Other reserves	770,921	719,893	759,179
Group net profit	9,500	65,273	42,800
GROUP SHAREHOLDERS' EQUITY	**975,251**	**979,996**	**996,809**
Net profit of minority interest	2,176	8,205	4,574
Minority interest reserves	57,627	50,922	50,739
MINORITY INTEREST SHAREHOLDERS' EQUITY	**59,803**	**59,127**	**55,313**
TOTAL SHAREHOLDERS’ EQUITY	**1,035,054**	**1,039,123**	**1,052,122**
Employee benefit provisions	16,488	16,090	17,696
Non-current provisions	12,021	12,480	11,085
Non-current financial liabilities	208,076	206,586	236,474
Deferred tax liabilities	84,366	81,279	78,507
TOTAL NON-CURRENT LIABILITIES	**320,951**	**316,435**	**343,762**
Current provisions	1,337	2,460	1,671
Trade payables	134,034	147,614	166,458
Current financial liabilities	321,433	251,485	267,672
Liabilities current taxes	4,634	7,273	8,653
Other current liabilities	48,215	34,362	42,223
TOTAL CURRENT LIABILITIES	**509,653**	**443,194**	**486,677**
TOTAL LIABILITIES	**830,604**	**759,629**	**830,439**
TOTAL SHAREHOLDERS’ EQUITY AND LIABILITIES	**1,865,658**	**1,798,752**	**1,882,561**

Consolidated Income Statement

(EUR '000)	1st half 2009	1st half 2008
REVENUES	**419,175**	**575,468**
Change in inventories	(8,997)	6,346
Increases for internal work	3,247	2,820
Other operating revenues	2,652	4,459
TOTAL OPERATING REVENUES	**416,077**	**589,093**
Raw material costs	(187,485)	(244,184)
Personnel costs	(79,893)	(87,169)
Other operating costs	(90,586)	(142,740)
TOTAL OPERATING COSTS	**(357,964)**	**(474,093)**
EBITDA	**58,113**	**115,000**
Depreciation, amortisation, impairment losses and provisions	(40,379)	(37,974)
EBIT	**17,734**	**77,026**
Net result on equity investments measured using equity method	149	1,545
Net financial result	(1,030)	(16,047)
NET RESULT ON FINANCIAL ITEMS AND EQUITY INVESTMENTS MEASURED USING EQUITY METHOD	**(881)**	**(14,502)**
PROFIT BEFORE TAX	**16,853**	**62,524**
Income taxes	(5,177)	(15,150)
NET PROFIT (LOSS) FOR THE PERIOD	**11,676**	**47,374**
Attributable to:		
MINORITY INTERESTS	**2,176**	**4,574**
GROUP	**9,500**	**42,800**