



Cementir: The Board of Directors approves the results for 2006

- Revenues at Euro 1.05 billion, +23%
- Ebitda of Euro 247.4 million, +34%
- Net profit at Euro 114.3 million, +5%
- Dividend proposed: Euro 0.10 per share, +18%

Rome, March 14th, 2007 – The Board of Directors of Cementir, chaired by Francesco Caltagirone jr., reviewed and approved the draft consolidated financial statements for the year ended December 31st, 2006.

Financial highlights (millions of Euro)

	2006	2005	Changes
Revenues	1,053.3	857.4	+22.85 %
Ebitda	247.3	184.4	+34.12 %
Group net profit	114.3	109.3	+ 4.54%

Cementir achieved the financial objectives set out in the 2006/2008 three-year plan two years in advance. Group **net profit** reached Euro 114.3 million compared to Euro 109.3 million in the same period of the previous year. It is necessary to bear in mind that in 2005, the company benefited from a one off deferred tax income of Euro 30.6 million thanks to the plants revaluation made by Cementir S.p.A., in accordance with law 266/2005. Adjusting for such extraordinary income 2006 net profit would have increased by 45%.

The Board of Directors resolved to propose to the Annual Shareholders' Meeting, called on April 18th and May 2nd, the distribution of a **dividend** of Euro 0.10 per share, an increase of 18% compared to the previous year. The dividend coupon is proposed for May 14th, 2007 with the payment date of May 17th, 2007.

Performance of 2006

In addition to the net profit increase, 2006 reports **revenues** increased by 23% reaching Euro 1.53 billion (compared to Euro 857.3 million in 2005), **Ebitda** grew by 34% reaching Euro 247.4 million (Euro 184.4 million in the same period of the previous year) and **Ebit** grew by 52% reaching Euro 180.9 million compared to Euro 119.2 million in 2005. **Pre-tax profit** increased by 47% reaching Euro 168.9 million from Euro 114.9 million in 2005.

Net debt position

Net debt position was Euro 437.5 million, improved by Euro 46.6 million, compared to September 30th , 2006 (Euro 484.2 million). The net debt compared to December 31st , 2005 (Euro 403.5 million) increased by Euro 34 million, due to several operations carried out in the year. These include:

- acquisition of the Danish company 4k Beton and the simultaneous sale of the RMC activities in Poland for a net payment of Euro 9.5 million
- increase in the stake from 45.7% to 57.1% in the Egyptian company Sinai White Portland Cement Company for Euro 6.6 million
- acquisition of the Turkish company Elazig Cimento for Euro 96 million
- a once-off payment of tax on the revaluation of assets for Euro 15.1 million
- industrial investments including the construction of the terminal for white cement at Tampa in Florida

The net debt position as of December 31st , 2006 was, excluding the payment for the acquisition of the Turkish company Elazig Cimento, the only operation not planned at the beginning of the year, better than budgeted by over Euro 30 million.

Subsequent events and outlook

Starting from next 19th March the Cementir Group, by virtue of a market capitalization of Euro 1.4 billion, will enter in the Blue Chip segment of the Midex index of Borsa Italiana.

The results for 2006 have confirmed an increase in margins and provides for the forecast, where conditions remain favourable, of a positive performance also in 2007 for both sales and margins.

Attached are the balance sheets and income statements of the parent company and consolidated providing greater information in relation to the financial position and performance of the Company and of the entire Group. The draft financial statements are currently being examined by the independent audit firm and by the Board of Statutory Auditors.

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Cementir Group

Consolidated Balance Sheet

(euro thousands)

	December, 31 2006	December, 31 2005
ASSETS		
NON-CURRENT ASSETS		
Intangible assets	457,547	474,847
Property, plant and equipment	804,933	695,982
Investment property	23,000	23,000
Equity investments valued at equità method	22,747	25,267
Other equity investments	2,778	2,563
Non-current financial assets	431	379
Deferred tax assets	26,399	40,496
Other non-current assets	288	133
TOTAL NON-CURRENT ASSETS	1,338,123	1,262,667
CURRENT ASSETS		
Inventories	103,937	95,410
Trade receivables	195,233	168,047
Current financial assets	858	2,284
Current tax assets	2,458	6,379
Other current assets	14,353	8,393
Cash and cash equivalents	31,226	41,750
TOTAL CURRENT ASSETS	348,065	322,263
TOTAL ASSETS	1,686,188	1,584,930
SHAREHOLDERS' EQUITY AND LIABILITIES		
SHAREHOLDERS' EQUITY		
Share capital	159,120	159,120
Share premium reserve	35,710	22,710
Other reserves	570,508	542,827
Group net profit	114,366	109,397
GROUP SHAREHOLDERS' EQUITY	879,704	834,054
Net profit of minority interest	8,735	6,347
Minority interest reserves	33,028	29,406
MINORITY INTEREST SHAREHOLDERS' EQUITY	41,763	35,753
TOTAL SHAREHOLDERS' EQUITY	921,467	869,807
LIABILITIES		
NON-CURRENT LIABILITIES		
Employee benefit provisions	17,143	16,296
Non-current provisions	12,330	11,608
Non-current financial liabilities	174,317	167,085
Deferred tax liabilities	67,664	68,015
TOTAL NON-CURRENT LIABILITIES	271,454	263,004
CURRENT LIABILITIES		
Current provisions	54	1,235
Trade payables	152,116	134,226
Current financial liabilities	295,307	280,781
Liabilities current taxes	7,725	4,946
Other current liabilities	38,065	30,931
TOTAL CURRENT LIABILITIES	493,267	452,761
TOTAL LIABILITIES	764,721	715,123
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	1,686,188	1,584,930

Consolidated Income Statement

(euro thousands)	2006	2005
REVENUES	1,049,661	857,780
Change in inventories	3,682	(391)
Increases for internal work	2,434	1,495
Other operating revenues	11,615	15,176
TOTAL OPERATING REVENUES	1,067,392	874,060
Raw material costs	(411,834)	(333,431)
Personnel costs	(148,218)	(120,979)
Other operating charges	(259,973)	(235,219)
TOTAL OPERATING COSTS	(820,025)	(689,629)
EBITDA	247,367	184,431
Amortisation, depreciation, write-downs and provisions	(66,486)	(65,182)
EBIT	180,881	119,249
Net result of equity investments valued at equity method	5,654	5,545
Net result of financial costs	(17,627)	(9,843)
NET RESULT OF FINANCIAL COSTS AND EQUITY INVESTMENTS VALUED AT EQUITY METHOD	(11,973)	(4,298)
PROFIT BEFORE TAX	168,908	114,951
Income taxes	(45,807)	793
NET PROFIT FOR THE YEAR	123,101	115,744
Net profit of minority interest	8,735	6,347
GROUP NET PROFIT	114,366	109,397

Cementir S.p.A.

Balance Sheet

(euro)	December, 31 2006	December, 31 2005
ASSETS		
NON-CURRENT ASSETS		
Intangible assets	355,055	323,008
Property, plant and equipment	196,651,789	183,181,010
Investment property	23,000,000	23,000,000
Equity investments valued at equity method	0	0
Other equity investments	254,243,623	210,334,469
Non-current financial assets	308,367	309,110
Deferred tax assets	17,797,405	36,702,096
Other non-current assets		
TOTAL NON-CURRENT ASSETS	492,356,239	453,849,693
CURRENT ASSETS		
Inventories	30,583,807	28,968,557
Trade receivables:	87,022,818	77,321,370
- <i>Trade receivables thirds parties</i>	81,904,522	72,370,193
- <i>Trade receivables related parties</i>	5,118,296	4,951,177
Equity investments and current securities	0	0
Current financial assets:	289,029,538	341,263,367
- <i>Current financial assets thirds parties</i>	857,791	518,390
- <i>Current financial assets related parties</i>	288,171,747	340,744,977
Current tax assets	626,351	267,812
Other current assets	732,560	423,750
Cash and cash equivalents	663,706	7,654,734
TOTAL CURRENT ASSETS	408,658,780	455,899,590
TOTAL ASSETS	901,015,019	909,749,283
SHAREHOLDERS' EQUITY AND LIABILITIES		
SHAREHOLDERS' EQUITY		
Share capital	159,120,000	159,120,000
Share premium reserve	35,710,275	22,710,275
Other reserves	412,811,852	416,097,183
Group net profit (loss)	21,290,883	23,232,899
TOTAL SHAREHOLDERS' EQUITY	628,933,010	621,160,357
LIABILITIES		
NON-CURRENT LIABILITIES		
Employee benefits provisions	7,321,159	7,648,650
Non-current provisions	2,266,832	4,250,809
Non-current financial liabilities	77,317,842	46,049,142
Deferred tax liabilities	16,508,046	17,883,501
Other non-current liabilities	0	0
TOTAL NON-CURRENT LIABILITIES	103,413,879	75,832,102
CURRENT LIABILITIES		
Current provisions	0	0
Trade payables:	71,694,189	59,669,548
- <i>Payables thirds parties</i>	70,375,069	59,513,326
- <i>Payables related parties</i>	1,319,120	156,222
Current financial liabilities:	86,948,411	131,391,453
- <i>Current financial liabilities thirds parties</i>	86,948,411	127,795,165
- <i>Current financial liabilities related parties</i>	0	3,596,288
Liabilities current taxes	2,165,836	14,694,204
Other current liabilities	7,859,694	7,001,619
TOTAL CURRENT LIABILITIES	168,668,130	212,756,824
TOTAL LIABILITIES	272,082,009	288,588,926
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	901,015,019	909,749,283

Income Statement

(in euro)	2006	2005
REVENUES:	236,411,973	198,816,168
- Revenues thirds parties	230,716,544	192,783,965
- Revenues related parties	5,695,429	6,032,203
Change in inventories	338,304	746,702
Increases for internal work	95,571	87,135
Other operating revenues :	1,700,259	618,496
- Other operating revenues thirds parties	1,209,331	191,484
- Other operating revenues related parties	490,928	427,012
TOTAL OPERATING REVENUES	238,546,107	200,268,501
Raw material costs:	(101,575,073)	(93,055,183)
- Raw material costs thirds parties	(100,450,745)	(91,933,467)
- Raw material costs related parties	(1,124,328)	(1,121,716)
Personnel costs	(28,253,713)	(25,637,762)
Other operating costs:	(48,996,457)	(44,501,353)
- Other operating costs thirds parties	(48,941,839)	(44,138,108)
- Other operating costs related parties	(54,618)	(363,245)
TOTAL OPERATING COSTS	(178,825,243)	(163,194,298)
EBITDA	59,720,864	37,074,203
Amortisation, depreciation, write-downs and provisions	(12,306,419)	(15,897,979)
EBIT	47,414,445	21,176,224
Net result of equity investments valued at equity method	-	-
Net result of financial costs:	(4,465,149)	5,252,471
- Net result of financial costs thirds parties	(4,422,356)	(260,387)
- Net result of financial costs related parties	(42,793)	5,512,858
NET RESULT OF FINANCIAL COSTS AND EQUITY INVESTMENTS VALUED AT EQUITY METHOD	(4,465,149)	5,252,471
PROFIT BEFORE TAX	42,949,296	26,428,695
Income taxes	(21,658,413)	(3,195,796)
NET PROFIT FOR THE PERIOD	21,290,883	23,232,899