ANNOUNCEMENT OF CONSOLIDATED PROFITS

1ST HALF 2005

In the first half of 2005, CIMPOR Group's Net Profits after minority interests, on an IFRS (International Financial Reporting Standards) basis, reached 120.4 million euros, down 3.9% when compared to the same period of last year. The referred decrease can be explained entirely by the approximate 7.5 million euros of non-recurring financial gains obtained in the latter period without which – and in spite of the marked decrease in cement sales prices in the Brazilian market, the increase in energy costs and the persistent climate of recession prevailing in the Portuguese market – the Group's Net Profits would have increased more than 2%.

Summary of Profit and Loss Statement
1st Half

(EUR million)	**2005** (IFRS)	**2004** (IFRS)	**Var.** **%**	**2004** (PGAAP)
Turnover	741.1	678.4	9.2	678.4
Operating *Cash Costs*	501.4	456.8	9.8	449.6
EBITDA	239.7	221.6	8.2	228.8
Depreciation & Provisions	71.3	64.2	11.1	108.3
EBIT	168.4	157.4	7.0	120.5
Financial Income	- 16.7	9.6	-	10.5
Extraordinary Income	0.0	0.0	-	- 4.5
Pre-tax Income	151.6	167.0	- 9.2	126.5
Income Tax	27.2	37.8	- 28.1	36.3
Net Income	124.4	129.2	- 3.7	90.2
Attributable to:				
Shareholders	120.4	125.3	- 3.9	86.8
Minority Interests	4.0	3.9	2.4	3.4

Despite the negative factors mentioned above, as a consequence of which the EBITDA margin showed a slight decrease (from 32.7% in the first six months of 2004 to 32.3% in the current year), the Group's Operating Cash Flow increased more than 18 million euros (8.2%). The performance in the second quarter, with an EBITDA of nearly 130 million euros, was particularly strong, leading to an approximate 17% growth compared to the previous quarter and 18% regarding the same period of last year.

In Portugal, after five consecutive semesters of more or less significant drops in Operating Cash Flow, in the first half of 2005 this indicator increased by more than 18% compared to the second half of 2004 and by nearly 8% regarding the same period of last year. Indeed, it was in this Business Area (also by its size) that we saw the largest growth in EBITDA in absolute terms and in relation to any of those periods.

With the exceptions of Brazil (due to a marked decrease in sales prices), Tunisia (due to the drop in the market and some operating problems) and Mozambique (also due to problems of an operating nature), all the remaining Business Areas saw their respective Operating Cash Flows increase to a greater or lesser extent. Particularly strong increases, in relative terms, were seen in Egypt (up by 48.0%) and Spain (increase of 16.0%).

Operating Cash Flow *(*EBITDA*)*

(EUR million)

Business	1st Half 2005		1st Half 2004		Change	
Areas	Amount	Margin	Amount	Margin	Amount	%
Portugal	99.4	33.4 %	92.2	31.8 %	7.2	7.8
Spain	50.8	27.4 %	43.8	25.8 %	7.0	16.0
Morocco	12.1	42.2 %	10.7	41.2 %	1.4	13.4
Tunisia	5.8	22.0 %	7.2	26.7 %	- 1.3	- 18.5
Egypt	19.8	43.5 %	13.4	45.3 %	6.4	48.0
Brazil	28.7	27.8 %	38.3	39.7 %	- 9.6	- 25.1
Mozambique	1.8	7.9 %	5.2	23.3 %	- 3.4	- 65.7
South Africa	19.5	41.1 %	17.3	45.0 %	2.2	12.4
Cape Verde	0.5	12.1 %	-	-	0.5	-
Trading / *Shipping*	3.2	6.3 %	0.1	0.4 %	3.0	-
Other Activities	- 1.8	-	- 6.5	-	4.7	-
Total	239.7	32.3 %	221.6	32.7 %	18.1	8.2

Also worthy of special mention, on account of their respective contributions towards improving the Group's EBITDA, was the increase seen in this indicator of the trading / shipping activity (from virtually zero to an amount of close to 3.2 million euros) and also the decrease in central services' structural costs, of about 2.7 million euros (corresponding to a reduction of more than 20%), resulting from continued efforts to contain costs

With Depreciation increasing by nearly 16% and Financial Results dropping from a profit of 9.6 million euros to a loss of 16.7 million euros, Net Results, before Minority Interests, showed a drop of 4.8 million euros (3.7%). Underlying this worsening of the Financial Results were not only the referred non-recurrent gains obtained in the first half of last year (7.5 million euros) but also, as a consequence of the application of IAS 39, the changes in the market values of the derivative instrument (positive by 15.5 million euros in the first half of 2004 and negative by 8.0 million euros in the first six months of this year).

If it were not for those gains and the volatility introduced by the referred accounting standard, the Group's Net Results would have increased by 18 million euros.

Except for Portugal and Tunisia, all the other markets in which the CIMPOR Group operates performed positively in the first half of 2005 and therefore the Group's sales, except for those in Mozambique, accompanied this trend.

From January to June of this year, the Group's cement and clinker sales totalled about 9.7 million tonnes (4.7% more than in the same period of last year). Special mention should be made of the Egypt Business Area where, in addition to a significant growth in exports, there was an increase in internal sales of close to 26%. In the Portugal Business Area, the drop in cement sales (of about 126 thousand tonnes, corresponding to a 4.6% decrease) was almost fully offset by the increase in clinker exports (not considering intra-group sales, these more than doubled in relation to the first half of last year).

Also worthy of mention was the start of the Group's activities in the Cape Verde archipelago where, in just three months, about 39 thousand tonnes of cement were sold. It is estimated this corresponds to a market share of more than 60%.

Cement and Clinker Sales

(thousand tons)

Business Area	1st Half 2005	1st Half 2004	% Change
Portugal	3,113	3,120	- 0.2
Spain	2,118	2,068	2.4
Morocco	443	400	10.9
Tunisia	704	744	- 5.4
Egypt	1,429	1,019	40.3
Brazil	1,699	1,634	4.0
Mozambique	270	283	- 4.5
South Africa	533	518	2.7
Cape Verde	39	-	-
(Intragroup)	(632)	(510)	-
Total (consolidated)	9,716	9,277	4.7

With the increase of the number of concrete plants in the Spain and Brazil Business Areas, the extension of this activity to South Africa and the growth seen in the Portugal Business Area, sales of ready-mix concrete in the first half of 2005 exceeded 3.5 million cubic metres (7.5% more than in the same period of last year). The two latter factors also explain the increase of aggregate sales of about 300 thousand tonnes (5.0%). If it had not been for a temporary stoppage in one of the Spain Business Area's main quarries this increase would have been even greater. Mortar sales remained at approximately the same level as those of last year.

Concrete, Aggregates and Mortar Sales

Prodct /Business Area	1st Half 2005	1st Half 2004	% Change
Concrete (1,000 m3)			
Portugal	1,908	1,844	3.4
Spain	1,294	1,211	6.9
Other Business Areas	336	236	42.6
Total	3,538	3,291	7.5
Aggregates (1,000 ton)			
Portugal	4,206	3,941	6.7
Spain	1,844	1,984	- 7.1
Other Business Areas	297	120	148.4
Total	6,347	6,045	5.0
Mortar (1,000 ton)	241	242	- 0.6

The Group's Consolidated Turnover in the first six months of 2005 was 741 million euros, an increase of 9.2% over the same period of last year. Excluding intra-Group transactions, special mention should be made of the significant contributions to this indicator of the Spain, Egypt and South Africa Business Areas, the trading / shipping operations, and the favourable change in the Morocco Business Area. In Brazil, the appreciation of the local currency by nearly 10% with regard to the euro (in average exchange rate terms over the period) more than offset the drop in sales prices, allowing the respective contribution to the Group's Turnover, when measured in euros, to increase by 6.5% regarding the first half of last year.

Contributions to Turnover *

(EUR million)

Business Areas	1st Half 2005		1st Half 2004		Change	
	Amount	%	Amount	%	Amount	%
Portugal	264.9	35.7	264.0	38.9	0.9	0.3
Spain	184.3	24.9	168.4	24.8	15.9	9.5
Morocco	28.6	3.9	25.9	3.8	2.7	10.5
Tunisia	26.6	3.6	26.8	3.9	- 0.2	- 0.8
Egypt	40.6	5.5	28.6	4.2	12.0	41.8
Brazil	102.9	13.9	96.6	14.2	6.3	6.5
Mozambique	22.9	3.1	22.5	3.3	0.5	2.0
South Africa	49.0	6.6	38.5	5.7	10.6	27.4
Cape Verde	4.4	0.6	-	-	4.4	-
Trading / Shipping	16.9	2.3	7.2	1.1	9.7	134.3
Total (consolidated)	741.1	100.0	678.4	100.0	62.7	9.2

* Excluding Intra-Group transactions

Compared to the situation at the end of 2004, total Net Assets increased by about 280 million euros (8.2%). Shareholders' Equity increased by close to 167 million euros (13.6%), mainly due to the appreciation of the Egyptian and Brazilian currencies, since the results for the period were essentially identical to the amount of dividends distributed in the meantime. Due to this distribution and the investments made in these six months, Net Financial Debt increased by 8.5% and now stands at 1,420 million euros.

Summary of the Group's Consolidated Balance Sheet

(EUR million)	**30 Jun 05** (IFRS)	**31 Dec 04** (IFRS)	**Var. %**	**31 Dec 04** (PGAAP)
ASSETS				
Non-Current Assets	2,942.4	2,726.4	7.9	2,485.4
Current Assets				
Cash and its Equivalents	238.7	239.5	- 0.3	239.5
Other Current Assets	512.5	447.9	14.4	449.6
Total Assets	3,693.6	3,413.7	8.2	3,174.5
EQUITY				
Shareholders' Equity	1,335.2	1,164.3	14.7	970.4
Minority Interests	59.3	63.4	- 6.4	76.3
Total Equity	1,394.6	1,227.7	13.6	1,046.7
LIABILITIES				
Loans	1,596.1	1,464.6	9.0	1,469.1
Provisions	174.7	163.1	7.1	145.0
Other Liabilities	528.3	558.3	- 5.4	513.8
Total Liabilities	2,299.0	2,186.0	5.2	2,127.8
Total Equity & Liabilities	3,693.6	3,413.7	8.2	3,174.5

The outlook for the different markets where the Group operates, as well as for the changes in exchange rates, point towards year-end percentage increases in CIMPOR's Turnover and Operating Cash Flow of at least the same order as those seen in the first half. The forecast changes in interest rates should annul, if only partially, the negative market value changes in the financial derivatives seen this period. However, the combined effect of these improvements may , not be sufficient to allow an increase in the Group's Net Profits, since, last year, these benefited, from about 30 million euros, of non-recurrent gains obtained by consolidated companies through the patrimonial equivalence procedure.

Lisbon, 26 August 2005

The Board of Directors