ANNOUNCEMENT OF CONSOLIDATED PROFITS FOR THE 1ST HALF OF 2004

In the first half of 2004, the CIMPOR Group's Net Consolidated Profits, after Minority Interests, reached EUR 86.8 million, a slight drop of (3.8) compared with the results in the same period of the previous year

Group Consolidated Income
(EUR million)

	1st Half 2004	1st Half 2003	% Chg
Turnover	678.4	654.3	3.7
Operating Cash Cost	449.6	407.0	10.5
Operating Cash Flow (EBITDA)	228.8	247.3	(7.5)
Depreciation & Provisions	108.3	111.0	(2.4)
Operating Income	120.5	136.3	(11.6)
Financial Income	10.5	(17.1)	-
Current Income	131.0	119.2	9.9
Extraordinary Income	(4.5)	16.9	(126.8)
Income Tax	36.3	41.8	(13.1)
Minority Interests	3.4	4.0	(16.0)
Group's Net Income	86.8	90.3	(3.8)

The growing importance of exports in Portugal's Turnover (at prices inevitably lower than those in the domestic market and with substantial transportation costs), combined with lower sales prices in Brazil, the general rise in energy costs (particularly fuel) and the increase of the maritime freight caused the Operating Cash Flow to fall by about EUR 18.5 million, with the respective margin dropping from 37.8% in the first six months in the past year to 33.7% in the current year.

Operating Cash Flow (EBITDA)
(EUR million)

Business	1st Half 2004		1st Half 2003		Change	
Areas	Amount	Margin	Amount	Margin	Amount	%
Portugal	91.5	31.3 %	107.1	36.4 %	(15.5)	(14.5)
Spain	44.9	26.6 %	41.1	29.3 %	3.8	9.2
Morocco	11.8	45.4 %	11.2	42.9 %	0.6	5.0
Tunisia	7.3	27.3 %	6.5	23.8 %	0.8	12.2
Egypt	14.2	48.3 %	7.7	30.0 %	6.5	85.0
Brazil	39.8	41.2 %	56.1	52.8 %	(16.3)	(29.0)
Mozambique	5.4	24.2 %	4.7	25.9 %	0.7	15.6
South Africa	17.6	45.7 %	13.0	43.0 %	4.6	35.3
Other activities	(3.7)	-	(0.1)	-	(3.6)	-
Total	228.8	33.7 %	247.3	37.8 %	(18.5)	(7.5)

In those two countries, and because of the specified reasons, the decrease in the *EBITDA* reached together EUR 31.8 million (nearly EUR 15.5 million in Portugal and EUR 16.3 million in Brazil, with a drop of 14.5% and 29.0%, respectively). All the other Business Areas saw their respective Operating Cash Flows increase to a greater or lesser extent, particularly in Egypt, South Africa and Spain, with growth of EUR 6.5 million (85.0% more), EUR 4.6 million (35.3% more) and EUR 3.8 million (9.2% more), respectively.

As for EBITDA margins – besides the decreases in Portugal and, especially, in Brazil, due to the aforementioned reasons, and also the decrease in Spain's Business Area (due to its growing focus on the production and sales of concrete and the sale of imported or produced cement using purchased clinker) – it should be emphasised that these indicators have continued to improve in South Africa and in all the North African countries (mainly in Egypt, where the EBITDA margin is already close to 50%, due, not only to the higher sales prices, but also the start-up of a new production line last February).

With total Depreciation and Provisions decreasing by about EUR 2.6 million and Financial Income rising from a negative EUR 17.1 million to a positive EUR 10.5 million – essentially due to higher income of companies that are consolidated through the equity method and by the implementation, as of this year, of the IAS 39 (whose impact was of about EUR 16 million) – the Group's Current Income increased 9.9%, such that in this first half it reached about EUR 131 million.

Extraordinary Income, however, decreased from nearly EUR 17 million in the first six months in 2003 to the current negative figure of EUR 4.5 million. Therefore, despite the lower average income tax, the consolidated Net Profits, after Minority Interests, fell slightly (3.8%) to EUR 86.8 million.

Except for Portugal and Egypt, all the other markets where the CIMPOR Group operates improved their commercial operations in the first half of 2004.

From January to June of the current year, the Group's cement and clinker sales totalled over 9.3 million tons, for an increase of 3.8% over the same period in the previous year. In relative terms, the Business Areas in Portugal, South Africa and, particularly, Spain, with growths of 9.1%, 8.4% and 18.6%, respectively, contributed the most towards this growth, in contrast with the decrease of 7.0% in Egypt. In the specific case of Portugal, the change of the sales volume may be explained by the fact that cement exports and, mainly, clinker (including intra-Group sales to Spain) more than doubled, since domestic cement sales fell by about 2.1%.

Cement and Clinker Sales

(thousand tonnes)

Business Areas	1st Half 2004	1st Half 2003	% Chg.
Portugal	3 120	2 860	9.1
Spain	2 068	1 743	18.6
Morocco	400	394	1.4
Tunisia	744	757	(1.7)
Egypt	1 019	1 095	(7.0)
Brazil	1 634	1 571	4.0
Mozambique	283	271	4.2
South Africa	518	478	8.4
(Intra-Group)	(510)	(235)	-
Consolidated total	9 277	8 937	3.8

Concrete sales increased significantly (18.6%), particularly in the Spanish Business Area where the increase reached nearly 50%, mainly due to the acquisition of new plants. On the contrary, and due to the slump in the Portuguese market, the Group's sales of aggregates fell about 2.5%. Mortar sales, which have been clearly expanding in Portugal and Spain, exceeded 240 thousand tons, for an increase of 11.2%.

Concrete, Aggregates and Dry Mortar Sales

Product / Business Area	1st Half 2004	1st Half 2003	% Chg
Concrete (1 000 m3)			
Portugal	1 844	1 749	5.4
Spain	1 209	814	48.6
Other Business Areas	236	211	11.8
Total	3 289	2 774	18,6
Aggregates (1 000 ton)			
Portugal	3 754	4 362	(13.9)
Spain	1 701	1 257	35.3
Morocco	120	99	20.9
Total	5 575	5 718	(2.5)
Dry Mortar (1 000 ton)	242	218	11.2

The Group's consolidated Turnover in this first half of 2004 reached EUR 678 million, an increase of 3.7% over the amount obtained in the same period in the previous year. Excluding intra-Group transactions, it should be noted note the significant increase of contributions for this indicator by the Business Areas of Spain and South Africa, which grew by EUR 25.6 million and EUR 8.3 million, respectively, along with the also favourable change in the Business Areas of Egypt and Mozambique, where sales surpassed those in the first six months of 2003 by 12.0% and 24.1%, respectively.

Contributions to Turnover
(EUR million)

Business	1st Half 2004		1st Half 2003		Change	
Areas	Amount	%	Amount	%	Amount	%
Portugal	267,9	39,5	277,7	42,4	(9,7)	(3,5)
Spain	165,7	24,4	140,0	21,4	25,6	18,3
Morocco	25,9	3,8	26,2	4,0	(0,2)	(0,9)
Tunisia	26,8	3,9	27,4	4,2	(0,6)	(2,3)
Egypt	28,6	4,2	25,5	3,9	3,1	12,0
Brazil	96,6	14,2	106,3	16,2	(9,7)	(9,2)
Mozambique	22,5	3,3	18,1	2,8	4,4	24,1
South Africa	38,5	5,7	30,2	4,6	8,3	27,5
Other activities *	6,0	0,9	2,9	0,4	3,1	107,2
Consolidated total	678,4	100,0	654,3	100,0	24,1	3,7

* Excluing Intra-Group transaccions

In the specific case of Egypt, the said increase, exclusively due to the recovering of the selling prices (the quantities sold fell about 7%, and the local currency, in terms of average exchange rate in the period, fell nearly 18% against the euro) was of particular importance since it makes it possible to expect a significant increase in the Turnover when the market recovers.

The decreases in contributions from Portugal and Brazil to the Group's Turnover (in both cases by about EUR 9.7 million) were mainly due to the lower quantity of products sold in the domestic market and to the aforementioned drop in sales prices in local currency, respectively.

In the first half of 2004, the Group's investments in tangible and intangible assets, including increases in fixed assets due to acquisitions, totalled nearly EUR 67.4 million. The most significant amounts were incurred from Portugal (EUR 17.8 million, essentially for the construction of a cement grinding plant in Sines), Spain (EUR EUR 17.3 million, essentially for the purchase of concrete plants), Tunisia and Egypt (6.2 and EUR 6.4 million, respectively, in the first case for completing a coal grinding plant and, in the second case, for a new production line).

Compared to the end of last year, total Net Assets increased by about EUR 150 million (4.9%), whereas Shareholders' Equity, due to the payment of dividends for the previous year and the adjustments arising from the implementation of IAS 39 (with a negative effect of about EUR 34 million), decreased nearly EUR 78 million (8.1%).

Summary of the Group's Consolidated Balance Sheet
(EUR million)

	June 30, 2004		Dec 31, 2003	
	Amount	%	Amount	%
NET ASSETS				
Fixed assets	2 230.2	68.9	2 237.4	72.4
Current assents	871.0	26.9	739.3	23.9
Accruals & deferrals	137.9	4.3	112.5	3.6
Total	3 239.1	100.0	3 089.2	100.0
SHAREHOLDERS' EQUITY	882.6	27.2	960.6	31.1
MINORITY INTERETS	75.8	2.3	78.3	2.5
LIABILITIES				
Provisions for contingencies & liabilities	138.6	4.3	127.9	4.1
Debt to third parties	1 901.5	58.7	1 784.5	57.8
Accruals & deferrals	240.6	7.4	137.8	4.5
Total	3 239.1	100.0	3 089.2	100.0

The Net Financial Debt, in the amount of EUR 1,245 million, remained practically unchanged from that of 31 December 2003.

Expectations for the distinct markets where the Group operates call for similar performance levels until the end of the year. Therefore, it is likely that Cash Flow and Operating Results will decrease slightly compared with amounts in 2003. However, the consolidated Net Profit, after Minority Interest, is expected to be very similar to that obtained in the past year.

Lisbon, 13 September 2004

The Board of Directors