INTERIM CONSOLIDATED FINANCIAL REPORT

(translated from the original version in portuguese)

1st HALF 2017

Building sustainable partnerships

CIMPOR
a member of InterCement

CIMPOR - Cimentos de Portugal, SGPS, S. A.
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Deleveraging projects progress. Stabilized EBITDA.

EBITDA growth from Argentina, Paraguay and South Africa, and to a lesser extent Portugal, mitigated adversities in other geographies. EBITDA excluding non-recurring items remained stable vs. 1H'16 level.

Free Cash Flow generation recovered, benefiting from the unwinding of the derivative's portfolio (€209M), though still negative on the back of one-off inventory requirements on Q1'17.

Brazilian business unit struggled with local context, dropping EBITDA generation, but persisted with new efficiency initiatives to address short-term challenges. Even though, the delay on the recovery of the local market required an assets impairment registration (€192M), which led to a Net Loss.

The subsidiary Loma Negra, Argentina market leader, saw its volume back to 2015 levels, signalizing the local economy recovery. The new commercial approach of the subsidiary Yguazu Cementos, in Paraguay, boosted volume growth by 37% exulting local industrial efficiency.

Furthermore, the Portuguese market rose close to 20%, while exports continued to recover, and the South Africa business unit increased sales by 35% posting a two-digit EBITDA growth.

Business in Egypt mirrored the local on-going economic adjustment and exchange rate impact, while Mozambique contracted reflecting the economic instability.

Financial results benefited from USD favourable context and from the derivatives unwinding.

Net Debt remained stable vs. December 31st 2016, and decreased 4% vs. March 31st, 2017, profiting from the sale of a minority participation on the Estreito hydroelectric company in Brazil.

The sale of minority interests on Cimpor subsidiaries evolved in H1'17, targeting the company deleveraging process - which is also to benefit from the expected full year positive Free Cash Flow generation in 2017.

INCOME STATEMENT						
(€ million)	2nd Quarter			Jan - Jun		
	2017	2016	YoY	2017	2016	YoY
Sales	**468.0**	**443.2**	**5.6%**	**920.9**	**897.3**	**2.6%**
Net Operational Cash Costs	386.3	353.1	9.4%	755.2	727.1	3.9%
Operational Cash Flow (EBITDA)	**81.6**	**90.1**	**-9.4%**	**165.7**	**170.1**	**-2.6%**
Amortisations and Provisions	236.9	483.4	-51.0%	284.3	527.9	-46.2%
Operating Income (EBIT)	**-155.2**	**-393.3**	-60.5%	**-118.6**	**-357.7**	-66.9%
Financial Results	8.6	-106.3	n.m.	-53.5	-182.2	-70.6%
Pre-tax Income	**-146.6**	**-499.6**	-70.7%	**-172.1**	**-539.9**	-68.1%
Income Tax	6.9	-12.5	n.m.	11.1	-11.5	n.m.
Net Income	**-153.5**	**-487.2**	**-68.5%**	**-183.1**	**-528.4**	**-65.3%**
Attributable to:						
Shareholders	-164.2	-486.0	-66.2%	-198.6	-526.7	-62.3%
Minority Interests	10.6	-1.2	n.m.	15.4	-1.7	n.m.

1. H1’17 Performance

EBITDA contracted 2.6% vs H1’16, on the back of non-recurring costs, without which it would have been stable, contradicting lower cement volumes sold (2.7%) and cash costs increase (3.9%).

Commercial assertiveness allowed higher avg. price (+10%) driving sales up by 2.6%.

Argentina rise in the new growth cycle, expanding activity in Paraguay - which benchmarked in industrial efficiency-, strong Portuguese market recovery and South Africa operating excellence drivers, offset the Brazilian persistent unfavourable market conditions, the on-going adjustment of the Egyptian economy and the adverse context in Mozambique.

Financial Results improve but the asset impairment in Brazil (€192) determined Net Loss (€199M).

Q2 positive FCF (€76M), drives an H1’17 improvement on H1’16 though still cash burning. Set-up for short-term growth and inventory management to minimize variable costs required working capital investment back in Q1. Capex addressed energy upgrade, environmental requirements and concrete business cost efficiency real estate acquisitions in Brazil.

Net Debt improvement throughout the period

Volumes added up to 11.5M tons in H1, benefiting from the rising consumption in Argentina, increasing market share in Paraguay and South Africa and Portuguese operations recovery. Even so, consolidated cement and clinker volumes were down by 2.7% penalized by the Brazilian crisis, the Egyptian economic adjustments and the adverse Mozambican context.

Sales of €921M rose 2.6%. An average price adjustment of +10% offset lower volumes sold. Argentina incorporated price cost inflation, Paraguay rose on volume grounds and so did Portugal, while South African business unit outperformed the local market addressing new market segments.

EBITDA of €166M was below H1’16 (2.6%) on the back of non-recurring costs. Excluding the latter, it remained stable, and would have increased (+4%) if disregarding CO2 permits management.

Non-recurring costs on H1’16 amounted to €7.8M - indemnity and compensation expenses -, mostly registered in Egypt and Argentina regarding efficiency increase initiatives. CO2 allowances management registered a sale of €3M in H1’17 vs €10M in H1’16.

A reinforced commercial approach combined with the increasing efficiency initiatives pack undertook back in 2016 – adjustments on the industrial grid, optimization of energy matrix and redesigned support to operations – mitigated both the lower activity observed in H1’17 and the cost increase, namely observed on energy costs (petcock price increased 33%).

The delayed recovery of the Brazilian market required the recognition of an impairment on assets allocated to capacity increase projects, which currently lack of short-term demand expectations grounds to proceed. The referred impairment may be reversed if the profitability assumptions used are changed in the future. This asset impairment registered explains the total **Depreciations, Amortisations and Impairments** value. On H1’16 Cimpor registered an irreversible goodwill impairment.

Financial Results improved by 71% vs H1’16. Net costs were down to €54M on the back of the €95M positive exchange rate effect led by the impact the USD depreciation on debt - which benefit from the USD- Euro derivatives unwinding operation concluded in Q2’17.

Net Income, though still negative due to the asset impairment registration, improved vs H1’16 amounting to €-199M.

Free Cash Flow generation improved by €191M vs H1’16, although still negative. Q2’17 FCF positive of €76M partially compensated Q1’17 €-120M – affected by inventory management requirements to minimize variable costs. Q2’17 registered the unwinding of the derivative portfolio, which rose cash and cash equivalents of USD223M (circa €209M). H1’17 Capex addressed energy upgrade, environmental requirements together the concrete business cost efficiency real estate acquisition in Brazil.

On May 2017, Cimpor signed an agreement to sell part of its stake in the Estreito hydroeletric plant for circa €77M. The completion of this process in H2’17 will allow the correspondent funds to be transferred from the current escrow account in use and therefore to figure on the Free Cash Flow Statement.

CASH FLOW MAP		
(million euros)	1st Half	
	2017	2016
Adjusted EBITDA [1]	173	174
Working Capital	-167	-155
Others	-11	-19
Operating Activities	**-5**	**0**
Interests Paid	83	-126
Income taxes Paid	-19	-19
Cash Flow before investments	**59**	**-145**
CAPEX	-88	-76
Assets Sales / Others	4	4
Free Cash Flow to the company	**-26**	**-216**
Borrowings, financing and debentures	107	181
Repayment of borrowings, financ. and debent.	-268	-42
Other financing activities	24	-8
Changes in cash and cash equiv.	-162	-85
Exchange differences	-22	-4
Cash and cash equiv., EoP	343	618

* Adjusted for non-recurrent figures.

Total Assets stood at €4,209M, a 15% reduction from December 31, 2016. Following the depreciation of the booking currencies of the main assets (BRL and ARS), as well as the referred impairment (with a Balance Sheet effect of €176M) and usual assets depreciation and amortization.

Net Debt reached €3,771M, in line with December 31, 2016, whereas 4% below March 31, 2017. This follows the recent sale, by circa €77M, of the 19.2% stake in Estreito Participações, S.A. – a fully owned Cimpor subsidiary and the holder of a 4.44% stake in the share capital of the exploring consortium of the CESTE – Consórcio Estreito Energia Usina Hidreletrica Estreito hydroelectric plant (Rio Tocantins, Tocantins – Brazil).

This transaction, together with those concerning Cimpor stakes on Barra Grande (BAESA) and Machadinho (MAESA), completes the sale of energy assets, defined within the company's capital strengthening program.

Among the initiatives being undertaken by Cimpor to reduce its leverage, the company progressed on the projects to sell minority interest stakes in its subsidiaries, especially in what concerns Loma Negra, as disclosed on "6. Subsequent events" in this report.

CONSOLIDATED BALANCE SHEET SUMMARY			
(million euros)	Jun 30 '17	Dec 31 '16	Var. %
Assets			
Non-current Assets	3,045	3,723	-18.2%
Current Assets			
Cash, Banks and ST investments	441	576	-23.4%
Other Current Assets	723	678	6.6%
Total Assets	**4,209**	**4,977**	**-15.4%**
Shareholders' Equity attributable to:			
Equity Holders	(767)	(446)	72.1%
Minority Interests	49	37	35.1%
Total Shareholders' Equity	**(717)**	**(409)**	**75.5%**
Current Liabilities			
Loans & Obligations under finance leases	2,559	3,132	-18.3%
Provisions & Employee benefits	106	111	-4.7%
Other Current Liabilities	432	479	-9.6%
Non-current Liabilities			
Loans & Obligations under finance leases	1,263	1,063	18.9%
Provisions & Employee benefits	2	4	-49.0%
Other Non-current Liabilities	564	597	-5.6%
Total Liabilities	**4,926**	**5,386**	**-8.5%**
Total Liabilities & Shareholders Equity	**4,209**	**4,977**	**-15.4%**

2. Operations in-depth look – H1’17

Brazil

Economic constraints affect cement consumption – down by 8.8% - on a high idle capacity moment, penalizing pricing environment.

Cimpor exposure to highly competitive regions drew down cement and clinker volumes by 11%. Recent implemented efficiency initiatives have mitigated EBITDA deterioration in presence of increasing electricity prices and lower fixed cost dilution.

In H1’17 Cimpor struggled to adjust to the current market context succeeding to lower its cash costs to €218, 4.3% lower than in H1’16

Even so, with the current rate of capacity utilization of the Brazilian cement industry, it is not expectable in the coming months to find the re-start the capacity increase investments. Therefore, the company registered an assets impairments related to projects under development.

Argentina & Paraguay

Argentina and Paraguay business unit increased EBITDA generation by 45% vs H1’16, sustaining EBITDA margin at 26.2%, reaffirming Cimpor presence in the region.

Argentina

The country appears to be initiating another healthy economic cycle continued to favour cement volumes sold, which revealed increasing growth pace month by the month. The improved cost structure together with the commercial reaction towards inflation adjustments requirements proved successful.

Argentina EBITDA grew 43% vs. H1'16, despite non-recurring costs relating to indemnities and compensation.

Paraguay

The reinforced commercial approach expanded sales reach and drove up cement and clinker volumes sold by 34%. Industrial operating excellence combined with higher activity reaffirmed EBITDA margin as an internal and external benchmark. Operations ramp-up completed, overcoming the recent installed integrated plant technical performance.

Africa

Political and economic instability in Egypt and Mozambique contracted EBITDA generation, despite the return from the new Cimpor business approach taken in South Africa.

Egypt

Current macro-economic dislocation justifies the 50% depreciation of the EGP and constrains cement consumption, despite its already proven resilience.

Cimpor reacted, redesigning its commercial strategy taking advantage of its premium brand profile to tackle market underperformance and, simultaneously, started exporting.

The operating flexibility and efficiency brought by the recently installed coal mill (energy matrix upgrade program), partially offset the steep increase of energy costs following the subsidies redraw (+44% fuel, +20% electricity) and indemnities and compensations from head count reduction.

Mozambique

Dealing with a challenging political and economic context since late 2016, local cement demand in Mozambique dropped more than 30% dragging sales down by 28%. Even so, Cimpor benefited from the local commercial policy, being able to repass partially cost increases and somehow containing local currency sales decrease to 13%.

Ongoing efficiency initiatives implementation were offset by energy price increases: Gcal tariff rose 50%, while Mwh prices registered a threefold increase vs 1H'16.

South Africa

The reinforced commercial approach stimulated volumes growth up to 15%, feeding the industrial excellence plan as urging further capacity utilization.

Though benefiting from a 20% appreciation of the local currency, EBITDA raised moderately, reflecting maintenance interventions in Q1’17.

Portugal & Cape Verde

Portuguese internal market and exports recovery combined with the recently implemented efficiency pack increased EBITDA generation. However, CO2 allowances management, namely €10M sales in H1’2016 compared to €3M sales in H1’2017, justify the €3M EBITDA decrease from this business unit. EBITDA performance ex-CO2 management reveals a 21% increase.

Portugal

Local demand continued to recover (estimated to be close to 20%) while company’s exports (mainly clinker) were triggered in the Q2, resulting in a 17% volumes sold increase in H1’17. Sales increased by 14%.

Cape Verde

Major new works delay start to come back online, being expected to result in a gradual recover.

CEMENT AND CLINKER VOLUMES SOLD						
(thousand tons)	2nd Quarter			Jan - Jun		
	2017	2016	YoY	2017	2016	YoY
Brazil	1,891	2,018	-6.3%	3,811	4,285	-11.1%
Argentina	1,495	1,364	9.6%	2,941	2,772	6.1%
Paraguay	129	112	15.5%	277	201	37.4%
Portugal	1,008	793	27.2%	1,780	1,523	16.8%
Cape Verde	50	55	-10.0%	93	104	-11.1%
Egypt	657	708	-7.3%	1,379	1,560	-11.6%
Mozambique	265	414	-36.0%	516	782	-34.0%
South Africa	400	336	18.9%	750	652	15.1%
Sub-Total	**5,895**	**5,801**	**1.6%**	**11,547**	**11,880**	**-2.8%**
Intra-Group Eliminations	-54	-48	13.2%	-86	-97	-11.4%
Consolidated Total	**5,841**	**5,753**	**1.5%**	**11,461**	**11,783**	**-2.7%**

SALES						
(€ million)	2nd Quarter			Jan - Jun		
	2017	2016	YoY	2017	2016	YoY
Brazil	109	122	-10.4%	230	257	-10.5%
Argentina	188	135	39.3%	360	269	34.0%
Paraguay	14	13	11.6%	31	23	33.8%
Portugal	69	61	13.6%	130	114	13.6%
Cape Verde	8	9	-12.9%	15	17	-14.1%
Egypt	21	43	-52.3%	45	96	-53.5%
Mozambique	25	30	-18.1%	46	64	-28.1%
South Africa	35	26	35.4%	67	49	35.4%
Trading / Shipping	49	35	40.6%	95	83	15.0%
Others	12	11	2.6%	23	22	1.2%
Sub-Total	**529.0**	**484.4**	**9.2%**	**1,041.4**	**995.2**	**4.6%**
Intra-Group Eliminations	-61	-41	48.1%	-121	-98	23.1%
Consolidated Total	**468.0**	**443.2**	**5.6%**	**920.9**	**897.3**	**2.6%**

EBITDA						
(€ million)	2nd Quarter			Jan - Jun		
	2017	2016	YoY	2017	2016	YoY
Brazil	3.8	12.1	-68.4%	12.5	29.2	-57.0%
Argentina & Paraguay	50.5	35.8	41.1%	102.5	70.9	44.6%
Portugal & Cape Verde	11.0	16.1	-31.6%	21.6	24.3	-11.3%
Africa	15.0	25.3	-40.7%	26.2	43.0	-38.9%
Trading / Shipping & Others	1.3	0.9	54.8%	2.9	2.8	1.9%
Consolidated Total	**81.6**	**90.1**	**-9.4%**	**165.7**	**170.1**	**-2.6%**
EBITDA margin	**17.4%**	**20.3%**	**-2.9 p.p.**	**18.0%**	**19.0%**	**-1.0 p.p.**

3. Outlook

Cimpor identifies a set of positive signs on the short-term markets outlook, which enable a positive perspective up to year-end and, therefore, enhances short-term results estimates. On the costs side, energy tariffs will be carefully monitored following the steep increase observed in H1'17, while general fixed costs are to be diluted as activity increases.

The combination of the estimates announced by the Brazilian Central Bank– which bring Brazil's economy out of recession in 2017 (estimated GDP growth of 0,41% and further 2,3% growth in 2018), the BOVESPA positive trend and the apparent pick up of the some economic sectors in H1, allow a better short term economic environment expectation. This could overall benefit the cement industry while enhancing medium/long term cement demand – as the sector traditionally has a lagging recovery pace – and increase capacity utilization currently at a 50% level.

On the short run its worth mentioning that, by June 2017, while cement demand was cumulative down by 9%, updated SNIC estimates pointed to a 5% to 9% for the full year, therefore signalling a potential start for demand picking.

Meanwhile Cimpor progresses with further efficiency initiatives to address the market constraints, positioning itself to embrace further market opportunities in a new efficiency level. Such initiatives comprehend – intensive CRM, further operating cost cutting, asset optimization and supply relationship management.

The prospects for Cimpor activity in Argentina and Paraguay are particularly positive. The Argentina economic restructuring is already fruitful and shows on macroeconomic figures, which consensually present steady growth for the years to come. Cement consumption has performed and should close 2017 with a circa 8% growth.

Loma Negra operations are to benefit from the market momentum, driving EBITDA generation further and reinforcing Loma Negra's local leadership. In order to accommodate further demand growth Cimpor is analyzing a capacity expansion in case the potential market growth becomes reality.

In Paraguay, industrial cruise speed is to leverage the recent market share expansion addressing favourable economic development.

African businesses will benefit from further political and economic stability in Mozambique – IMF intervention and coal exports recovery anticipate a better H2 vs H1-, while in Egypt the restructuring economic measures are to stimulate overall economy in the short term, allowing the start-up of the vaste project pipeline and feeding a robust structural demand for cement in 2018. Cimpor will continue to pursue the optimization of its energy matrix with a greater flexibility following the recent installation of its coal mill.

In South Africa the company will proceed with its current business approach addressing the new market segments with an emphasized commercial strategy.

Portugal residential and commercial sectors will further feed cement demand. Exports growth pattern is to progress throughout 2017 as the company expands its diversified international client base, benefiting from current industrial benchmarking units in Portugal.

Asset monetization progressed in H1'17 - completing the sale of Estreito hydropower - and the sale of minority interests evolved, targeting Cimpor deleveraging process - which is also to benefit from the expected full year positive Free Cash Flow generation. Meanwhile, minority stakes alienation projects developed, namely in Argentina (Loma Negra).

As so, together with the favourable evolution of the cash generation, following the company's main business activities, it is anticipated that the YE 2017 will illustrate the deleveraging progresses achieved.

4. Own shares

Own Shares

At 30th June 2017, the share capital of CIMPOR - Cimentos de Portugal, SGPS, SA, was represented by 672,000,000 shares without a nominal value, all of them admitted to trading on Euronext Lisbon.

On 31st December of last year, Cimpor held a portfolio of 5,906,098 of its own shares. It neither sold nor purchased shares in the first half of 2017, so the number of own shares remains unchanged at 30th June 2017.

Cimpor Delisting Process

On June 21, 2017, following a proposal presented by InterCement Austria Holding GmbH, Cimpor's shareholders meeting approved the loss of public company status pursuant to article 27 no.1B, no. 3 and no.4of the Portuguese Securities Code.

On June 28, 2017, the Board of Directors of Cimpor presented to CMVM the Requirement for loss of public company status (*Requerimento de Perda de Qualidade de Sociedade Aberta*).

5. H1 2017 Corporate Highlights

Date	Summary
March 14	Publishing of 2016 Consolidated Annual financial results
March 14	Cimpor publishes Preparatory Information for the AGM April 5 2017
April 5	2017 Annual General Meeting deliberated the approval of the accounts' reporting documents regarding the financial year of 2016, providing for the non-distribution of dividends; all the remaining proposals were approved.
May 24	Presentation of 2017 First Quarter Results
May 26	Cimpor publishes Preparatory Information for the EGM June 21 2017
June 7	Privileged Information regarding its subsidiary Loma Negra
June 21	Extraordinary General Meeting approved the Sole Item proposed in the Notice of Meeting.
June 28	Board of Directors presents the Requirement for loss of public company status

6. Subsequent Events

Loma Negra - Argentina

On September 5, 2017, Cimpor turned public that among the initiatives being undertaken by the company to reduce its leverage, the board of directors of its subsidiary in Argentina, Loma Negra, C.I.A.S.A. ("Loma Negra"), continued to promote initiatives to enable Loma Negra to be in a position to pursue an equity offering in the domestic and international capital markets, having filled on that same date with the U.S. Securities and Exchange Commission ("SEC") a Form F-1 (Registration Statement Under the Securities Act of 1933).

Yguazu Cementos - Paraguay

On August 8, 2017, the subsidiary Yguazu Cementos, in Paraguay, has contracted two new loans in Guarani, in the total amount of PYG 423,000M, equivalent to approximately €65M. In the first year, interest rates vary between 8.5% and 9% per year, and for the remaining years, interest will be calculated according to the average rate published by the Central Bank of Paraguay, plus spread. The interests are payable in a semi-annually basis from February 2018, and the principal will be paid in fifteen semi-annual tranches, starting in August 2018. The funds will be used for the advance payment of all the loans of the subsidiary Yguazu Cementos. The mentioned loans are guaranteed by a mortgage on the plant in Paraguay and pledge of its assets.

7. Declaration of Conformity

(Pursuant to subparagraph c) of paragraph 1 of article 246 of the Portuguese Securities Code)

To the best of our knowledge: the information specified in paragraph a) of paragraph 1 of article 246 of the Portuguese Securities Code was drawn up in accordance with applicable accounting standards, gives a true and fair view of the assets and liabilities, financial position and results of CIMPOR - Cimentos de Portugal, SGPS, SA and the companies included in its consolidation perimeter (CIMPOR Group); and the interim management report faithfully describes the information required under paragraph 2 of the same article.

Lisbon, 13th September 2017

The Board of Directors

Daniel Proença de Carvalho

Armando Sérgio Antunes da Silva

Paulo Sérgio de Oliveira Diniz

Ricardo Fonseca de Mendonça Lima

José Édison Barros Franco

António Henriques de Pinho Cardão

António Soares Pinto Barbosa

Pedro Miguel Duarte Rebelo de Sousa

INTERIM CONSOLIDATED REPORT

1st HALF 2017

CIMPOR

a member of InterCement

Building sustainable partnerships

Condensed Consolidated Statement

of Profit and Loss and Other Comprehensive Income for the Semesters and Quarters ended June 30, 2017 and 2016

(Amounts stated on thousand euros)

(Translation from the Portuguese original – Note 24)

	Notes	1st Semester 2017	1st Semester 2016	2nd quarter 2017	2nd quarter 2016
Operating income:					
Sales and services rendered	6	920,854	897,294	467,983	443,161
Other operating income		17,185	22,947	8,650	17,690
Total operating income		938,039	920,241	476,633	460,850
Operating expenses:					
Cost of goods sold and material used in production		(178,063)	(197,703)	(98,287)	(95,819)
Outside supplies and services		(421,498)	(409,515)	(207,931)	(202,445)
Payroll costs		(150,785)	(129,318)	(74,365)	(66,186)
Depreciation, amortisation and impairment losses on goodwill, tangible and intangible assets	6	(283,780)	(526,973)	(236,302)	(482,994)
Provisions	6 and 17	(475)	(923)	(552)	(399)
Other operating expenses		(22,003)	(13,556)	(14,415)	(6,311)
Total operating expenses		(1,056,603)	(1,277,989)	(631,852)	(854,154)
Net operating income	6	(118,565)	(357,748)	(155,220)	(393,304)
Net financial expenses	6 and 7	(53,520)	(182,486)	8,833	(106,721)
Share of profits of associates	6 and 7	67	230	(111)	160
Other investment income	6 and 7	(34)	86	(131)	215
Profit before income tax	6	(172,052)	(539,917)	(146,629)	(499,649)
Income tax	6 and 8	(11,090)	11,505	(6,917)	12,463
Net profit/(loss) for the period	6	(183,142)	(528,412)	(153,546)	(487,186)
Other comprehensive income:					
That will not be subsequently reclassified to expenses and income:					
Actuarial gain and loss on employee's responsabilities	8	367	(1,506)	367	(1,512)
That might be subsequently reclassified to espenses and income:					
Derivative financial instruments	8	10,942	(5,076)	4,915	(633)
Currency translation adjustments (Variation)		(135,000)	93,100	(154,627)	139,262
Results recognize directly in equity		(123,690)	86,518	(149,345)	137,117
Total comprehensive income for the period		(306,832)	(441,894)	(302,891)	(350,069)
Net profit for the period attributable to:					
Equity holders of the parent	10	(198,567)	(526,714)	(164,169)	(485,974)
Non-controlling interests	6	15,425	(1,698)	10,623	(1,212)
		(183,142)	(528,412)	(153,546)	(487,186)
Total comprehensive income for the period attributable to:					
Equity holders of the parent		(320,233)	(438,660)	(311,297)	(348,592)
Non-controlling interests		13,401	(3,234)	8,406	(1,477)
		(306,832)	(441,894)	(302,891)	(350,069)
Earnings per share of operations:					
Basic	10	(0.30)	(0.79)	(0.25)	(0.73)
Diluted	10	(0.30)	(0.79)	(0.25)	(0.73)

The accompanying notes form an integral part of the financial statements for the semester ended June 30, 2017.

Condensed Consolidated Statement
of Financial Position at June 30, 2017 and December 31, 2016

(Amounts stated on thousand euros)

(Translation from the Portuguese original – Note 24)

	Notes	2017	2016
Non-current assets:			
Goodwill	11	971,191	1,061,409
Intangible assets		28,059	29,803
Tangible assets	12	1,782,273	2,135,141
Investment properties		6,529	7,442
Investments in associates	6	7,889	8,582
Other investments		5,187	8,292
Accounts receivable-other		34,959	36,756
Taxes recoverable		26,880	49,634
Other non-current assets	19	1,624	215,450
Deferred tax assets	8	179,986	170,365
Total non-current assets		3,044,577	3,722,873
Current assets:			
Inventories		443,877	409,321
Accounts receivable-trade		178,052	157,279
Accounts receivable-other		38,833	39,004
Taxes recoverable		48,324	40,567
Cash, banks and securities	20	441,467	575,965
Other current assets	19	13,527	31,905
Total current assets		1,164,080	1,254,042
Total assets	6	4,208,657	4,976,915
Shareholders' equity:			
Share Capital	13	672,000	672,000
Treasury shares	14	(27,216)	(27,216)
Currency translation adjustments	15	(1,177,476)	(1,044,500)
Reserves		344,368	334,206
Retained Earnings		(380,017)	407,608
Net profit for the period	10	(198,567)	(787,625)
Equity before non-controlling interests		(766,907)	(445,527)
Non-controlling interests		49,428	36,595
Total shareholders' equity	6	(717,480)	(408,932)
Non-current liabilities			
Deferred tax liabilities	8	397,703	434,879
Employee benefits		21,453	21,825
Provisions	17	84,351	89,143
Loans	18	2,558,563	3,131,847
Account payable - other		16,890	22,299
Taxes payable		16,453	13,138
Other non-current liabilities	19	1,352	8,199
Total non-current liabilities		3,096,764	3,721,330
Current liabilities			
Employee benefits		748	903
Provisions	17	1,389	3,284
Loans	18	1,263,324	1,062,912
Accounts payable - trade		229,340	276,074
Accounts payable - others	2	126,505	88,158
Taxes payable		68,977	67,393
Other current liabilities	19	139,088	165,792
Total current liabilities		1,829,372	1,664,517
Total liabilities	6	4,926,136	5,385,847
Total liabilities and shareholders' equity		4,208,657	4,976,915

The accompanying notes form na integral part of the financial statements for the semesters ended at 30 June, 2017.

Condensed Consolidated Statement

of Changes in Shareholders' Equity for the Semesters ended June 30, 2017 and 2016

(Amounts stated on thousand euros)

(Translation from the Portuguese original – Note 24)

	Notes	Share capital	Treasury shares	Currency translation adjustments	Reserves	Retained earnings	Net profit	Shareholder's equity attributable to equity holders	Non-controlling interest	Shareholder's equity
Balances at December 31, 2015		672,000	(27,216)	(1,084,050)	299,256	478,849	(71,231)	267,609	41,046	308,655
Consolidated net profit for the period	6	-	-	-	-	-	(526,714)	(526,714)	(1,698)	(528,412)
Results recognized directly in equity		-	-	94,649	(6,595)	-	-	88,054	(1,536)	86,518
Total comprehensive income for the period		-	-	94,649	(6,595)	-	(526,714)	(438,660)	(3,234)	(441,894)
Appropriation of consolidated profit of 2015:										
Transfer to legal reserves and retained earnings		-	-	-	-	(71,231)	71,231	-	-	-
Dividends		-	-	-	-	-	-	-	(512)	(512)
Variation in financial investments and other		-	-	-	-	1	-	1	-	1
Balances at June 30, 2016		672,000	(27,216)	(989,401)	292,661	407,620	(526,714)	(171,050)	37,299	(133,751)
Balances at December 31, 2016		672,000	(27,216)	(1,044,500)	334,206	407,608	(787,625)	(445,527)	36,595	(408,932)
Consolidated net profit for the period	6	-	-	-	-	-	(198,567)	(198,567)	15,425	(183,142)
Results recognized directly in equity		-	-	(132,976)	11,309	-	-	(121,667)	(2,024)	(123,690)
Total comprehensive income for the period		-	-	(132,976)	11,309	-	(198,567)	(320,233)	13,401	(306,832)
Appropriation of consolidated profit of 2016:										
Transfer to legal reserves and retained earnings		-	-	-	-	(787,625)	787,625	-	-	-
Dividends		-	-	-	-	-	-	-	(349)	(349)
Variation in financial investments and other		-	-	-	(1,147)	-	-	(1,147)	(219)	(1,366)
Balances at June 30, 2017		672,000	(27,216)	(1,177,476)	344,368	(380,017)	(198,567)	(766,907)	49,428	(717,480)

The accompanying notes form an integral part of the financial statements for the semester ended June 30, 2017.

Condensed Consolidated Statement

of Cash Flows for the Semesters and Quarters ended June 30, 2017 and 2016

(Amounts stated on thousand euros)

(Translation from the Portuguese original – Note 24)

	Notes	1st Semester 2017	1st Semester 2016	2nd quarter 2017	2nd quarter 2016
Operating activities					
Cash Flows from operating activities (1)		(23,842)	(18,924)	9,956	(743)
Investing activities					
Receipts relating to:					
Financial investments		33,349	12,647	1,450	12,224
Tangible assets		2,941	1,627	1,265	995
Interest and similar income		1,963	3,370	1,055	656
Dividends		839	869	713	727
		39,092	18,513	4,482	14,602
Payments relating to:					
Changes in consolidation perimeter	4 and 21	(14,642)	-	(14,642)	-
Financial investments		(5,016)	(17,702)	(5,016)	(758)
Tangible assets		(73,023)	(75,394)	(29,633)	(47,113)
Intagible assets		(831)	(174)	(122)	(77)
Others		-	-	-	35
		(93,513)	(93,270)	(49,413)	(47,913)
Cash flow from investing activities (2)		(54,421)	(74,758)	(44,931)	(33,310)
Financing activities:					
Receipts relating to:					
Loans obtained	20	107,296	181,429	84,865	157,453
Others	19 and 20	209,201	-	209,201	-
		316,496	181,429	294,065	157,453
Payments related to:					
Loans obtained	20	(267,607)	(42,034)	(215,540)	(3,687)
Interest and similar costs		(128,320)	(129,441)	(106,171)	(76,159)
Others	20	(4,673)	(1,199)	(3)	(162)
		(400,600)	(172,674)	(321,714)	(80,008)
Cash flows from financing activities (3)		(84,104)	8,755	(27,649)	77,445
Variation in cash and cash equivalents (4)=(1)+(2)+(3)		(162,367)	(84,926)	(62,623)	43,392
Effect of currency translation and other non monetary transactions		(21,985)	(4,183)	(23,493)	8,194
Cash and cash equivalents at the beginning of the period		527,002	707,198	527,002	566,503
Cash and cash equivalents at the end of the period	20	342,650	618,089	440,886	618,089

The accompanying notes form na integral part of the financial statements for the semester ended at June 30, 2017.

Notes to the consolidated financial statements

At June 30, 2017

(Amounts stated in thousands of euros)
(Translation of notes originally issued in Portuguese – Note 24)

1. Introductory note

Cimpor - Cimentos de Portugal, SGPS, S.A. ("Cimpor" or the "Company") was incorporated on 26 March 1976, with the name Cimpor - Cimentos de Portugal, E.P.. The Company has undergone several structural and legal changes, which have resulted in it becoming the parent company of a Business Group which, in June 30, 2017 held operations in 8 countries: Portugal, Egypt, Paraguay, Brazil, Mozambique, South Africa, Argentina and Cape Verde (the "Cimpor Group" or "Group").

Cimpor Group's core business is the production and sale of cement. The Group also produces and sells aggregates and mortar in a vertical integration of its businesses.

The Cimpor Group investments are held essentially through two sub-holding companies; (i) Cimpor Portugal, SGPS, S.A., which holds the investments in companies dedicated to the production of cement, concrete, aggregates, mortar, and related activities in Portugal; and (ii) Cimpor Trading e Inversiones, S.A., which holds the investments in companies operating abroad.

Approval of the half-year consolidated financial statements

These consolidated financial statements were approved by the Board of Directors at the meeting held on September 13, 2017. It is the opinion of the Board of Directors that these consolidated financial statements reflect in a true and appropriate manner the financial position of all the companies included in the consolidation, the consolidated results of its operations, the consolidated comprehensive income, the changes in its consolidated equity and its consolidated cash flows, in accordance with the International Financial Reporting Standards, as adopted by the European Union, for interim financial reporting purposes (IAS 34).

2. Basis of presentation

The accompanying financial statements as of June 30, 2017 were prepared in accordance with IAS 34 – Interim Financial Reporting on a going concern basis from the books and accounting records of the companies included in the consolidation, restated in the consolidation process to the International Financial Reporting Standards as endorsed by the European Union, effective for the year beginning January 1, 2017, for the interim financial reporting.

The Board of Directors undertook the evaluation of Group's ability to operate on a continuous basis, based on all relevant information, facts and circumstances of a financial, commercial or other nature, including subsequent events to the reference date of the financial statements. In particular, as of June 30, 2017, shareholders' equity is negative at €766,907 thousand and current liabilities in the amount of €1,829,372 thousand are higher than current assets, in a total amount of €1,164,080 thousands. However, the Board of Directors has a set of measures underway, both at the operational level, as well as at of its financing policy level, increasing this way its levels of efficiency and productivity and, at the same time, reducing the level of leverage.

Under these measures, on May 15, 2017, is included the signing of a promissory agreement by InterCement Brasil for the purchase and sale of the 34,828,317 preferred shares that compose the share capital of the subsidiary Estreito Participações S.A., representing 19.2%, for the amount of BRL 290 million (about €77 million). The counterpart of the amount received was recorded in "Current accounts payable - others", pending to guarantee compliance with the contractual terms and conditions for the sale to take place.

It should also be mentioned that in the context of the initiatives being taken by the Group to reduce its financial leverage, the Board of Directors of its subsidiary in Argentina Loma Negra, CIASA. ("Loma Negra"), has a process underway that may culminate in an initial public offering ("IPO") of part of the capital of Loma Negra, both in the domestic capital market and in United States. Accordingly, the registration with the Securities and Exchange Commission of the referred offer was made on September 5, 2017 (Note 23).

As a result of the evaluation, the Board of Directors has concluded that the Group has appropriate resources to maintain its activities, with no intention to cease activities in the short term, and therefore considered it appropriate to prepare the financial statements on the going concern assumption.

3. Summary of significant accounting policies

The accounting policies adopted are consistent with those considered in the consolidated financial statements for the year ended as of December 31, 2016 and disclosed in the corresponding notes, which should be read together for that purpose.

4. Changes in the consolidation perimeter

In the semester ended in June 30, 2017, occurred, in the Brazilian business area, the acquisition of 100% of the share capital of CECC Incorporadora e Administradora de Bens, Ltda. amounting of €14,642 thousand (Notes 12 and 21).

5. Exchange rates used

The exchange rates used to translate, to euros, the foreign currency assets and liabilities at June 30, 2017 and December 31, 2016, as well the results for the semesters ended at June 30, 2017 and 2016 were as follows:

		Closing exchange rate (EUR / Currency)			Average exchange rate (EUR / Currency)		
Currency		June 2017	December 2016	Var.% (a)	June 2017	June 2016	Var.% (a)
USD	US Dollar	1.1411	1.0550	(7.5)	1.0835	1.1151	2.9
BRL	Brazilian Real	3.7750	3.4384	(8.9)	3.4514	4.1121	19.1
MZN	Mozambique Metical	67.3266	75.2056	11.7	70.6058	58.4694	(17.2)
CVE	Cape Verde Escudo	110.265	110.265	-	110.265	110.265	-
EGP	Egyptian Pound	20.6171	18.9862	(7.9)	19.5921	9.7111	(50.4)
ZAR	South African Rand	14.9387	14.4531	(3.3)	14.2689	17.2085	20.6
ARS	Argentinian Peso	18.9766	16.7642	(11.7)	17.0344	15.8992	(6.7)
PYG	Paraguayan Guaraní	6,346.26	6,092.32	(4.0)	6,115.42	6,373.31	4.2

a) The variation is calculated using the exchange rate converting local currency to euros.

6. Operating segments

The main profit and loss information for the semesters ended June 30, 2017 and 2016, of the several operating segments, being those, the geographical areas where Group operates, is as follows:

	June 2017				June 2016			
	Sales and services rendered			Operating results	Sales and services rendered			Operating results
	External sales	Inter segment sales	Total		External sales	Inter segment sales	Total	
Operating segments:								
Brazil	229,602	531	230,133	(219,317)	256,902	288	257,190	(439,606)
Argentina and Paraguay	391,413	-	391,413	76,418	292,083	-	292,083	46,732
Portugal and Cape Verde	113,217	31,378	144,595	5,720	97,008	34,208	131,216	7,645
Egypt	44,585	-	44,585	(527)	95,901	-	95,901	10,606
Mozambique	46,000	-	46,000	3,384	64,020	-	64,020	9,245
South Africa	65,583	1,200	66,783	13,770	47,884	1,454	49,338	11,494
Total	890,401	33,109	923,510	(120,553)	853,798	35,950	889,748	(353,884)
Unallocated (a)	30,453	87,415	117,868	1,989	43,496	61,685	105,181	(3,863)
Eliminations	-	(120,524)	(120,524)	-	-	(97,635)	(97,635)	-
	920,854	**-**	**920,854**	**(118,565)**	**897,294**	**-**	**897,294**	**(357,748)**
Net financial expenses				(53,520)				(182,486)
Share of results of associates				67				230
Other investment income				(34)				86
Result before income tax				(172,052)				(539,917)
Income tax				(11,090)				11,505
Net result for the period				**(183,142)**				**(528,412)**

(a) This caption includes assets and liabilities of companies not attributable to specific segments.

In the semester ended June 30, 2017, operating results in the segment "Portugal and Cape Verde" are positively influenced by a net gain of €2,913 thousand (€9,753 thousand in the semester ended June 30, 2016), as a result of the sale of 600,000 tonnes of CO_2 emissions (2,250,000 tonnes of CO_2 emissions thousand in the semester ended June 30, 2016).

Note also that, in this semester the purchase of 2,000,000 of CO_2 emissions allowances was also contracted, by the amount of €9,503 thousand. In April 2017, 2,106,622 licenses were returned, relating to emissions in the year 2016 (2,927,472 licences were returned, relating to emissions in the year 2015).

It should also be notice that, as a result of restructuring processes in progress in Group, especially in the Egyptian and Argentinian business areas, in the semester ended June 30, 2017, nonrecurring costs with indemnities and others amounted to around €7,800 thousand (around €4,600 thousand in the semester ended June 30, 2016).

In Note 11 an analysis of the variations occurring in some of the geographical segments is performed.

The above net result includes the full amount of the segments, without considering the following amounts attributable to non-controlling interests:

	June 2017	June 2016
Operating segments:		
Brazil	8,011	-
Argentina and Paraguay	3,627	1,970
Portugal and Cape Verde	177	145
Egypt	(54)	16
Mozambique	3,569	(4,206)
South Africa	94	377
	15,425	(1,698)

Other information:

	June 2017			June 2016		
	Fixed capital expenditure	Depreciation, amortisation and impairment losses a)	Provisions	Fixed capital expenditure	Depreciation, amortisation and impairment losses a)	Provisions
Operating segments:						
Brazil	20,251	231,846	-	15,363	468,644	130
Argentina and Paraguay	28,421	25,567	499	21,811	23,872	269
Portugal and Cape Verde	2,542	15,832	-	2,204	17,464	(816)
Egypt	1,240	3,833	-	18,490	5,929	321
Mozambique	2,799	3,149	-	3,154	3,210	-
South Africa	3,063	2,638	1	1,729	2,184	1
Unallocated	1,117	914	(25)	695	5,670	1,018
	59,434	283,780	475	63,445	526,973	923

a) The impairment losses, when it occurs, respects to impairment losses on goodwill, tangible and intangible assets. In the semester ended June 30, 2017, impairment losses were recorded, in tangibles assets, in the Brazilian business area, in the amount of BRL 663,085 thousand (€192,120 thousand) (Note 12). Additionally, in the semester ended June 30, 2016, impairment losses were recorded in goodwill, in the Brazilian business area, in the amount of BRL 1,782,163 thousand (€433,393 thousand), and in tangible assets unallocated to operating segments, in the amount of about €4,300 thousand (Notes 11 and 12).

In addition, assets and liabilities, by reportable segment, reconciled to the total consolidated amounts as at June 30, 2017 and December 31, 2016, are as follows:

	June 2017			December 2016		
	Assets	Liabilities	Net assets	Assets	Liabilities	Net assets
Operating segments:						
Brazil	2,282,772	1,385,441	897,330	2,741,520	1,529,515	1,212,005
Argentina and Paraguay	780,044	482,627	297,416	856,972	532,166	324,807
Portugal and Cape Verde	381,959	365,723	16,236	397,753	381,288	16,465
Egypt	201,863	117,546	84,318	207,590	98,219	109,371
Mozambique	207,096	183,410	23,686	182,822	179,583	3,239
South Africa	245,827	116,849	128,978	256,380	127,988	128,393
	4,099,561	2,651,597	1,447,964	4,643,038	2,848,758	1,794,280
Unallocated	724,983	2,898,315	(2,173,332)	944,183	3,155,976	(2,211,794)
Eliminations	(623,776)	(623,776)	-	(618,888)	(618,888)	-
Investments in associates	7,889	-	7,889	8,582	-	8,582
Consolidated total	**4,208,657**	**4,926,136**	**(717,480)**	**4,976,915**	**5,385,847**	**(408,932)**

The assets and liabilities not attributed to reportable segments include assets and liabilities of companies not attributable to specific segments.

7. Net financial expenses

Net financial expenses for the semesters ended June 30, 2017 and 2016 were as follows:

	June 2017	June 2016
Financial expenses:		
Interest expense	136,646	124,991
Foreign exchange loss (a)	22,247	110,004
Changes in fair-value:		
Trading derivative financial instruments (b)	1,673	-
	1,673	-
Other financial expenses (c)	24,602	33,205
	185,168	268,200
Financial income:		
Interest income	8,323	15,101
Foreign exchange gain (a)	116,845	58,706
Changes in fair-value:		
Trading derivative financial instruments (b)	2,023	-
	2,023	-
Other financial income (c)	4,456	11,907
	131,648	85,714
Net financial expenses	(53,520)	(182,486)
Share of profits of associates:		
From equity method:		
Loss in associated companies	(161)	-
Gain in associated companies	228	230
	67	230
Other investment income:		
Gains on holdings	5	1
Gains/(Losses) on investments	(39)	86
	(34)	86

(a) In the semesters ended June 30, 2017 and 2016, the exchange differences are mainly influenced by the effect, respectively, of the valuation and devaluation of functional currencies in Group against USD in the conversion of assets and liabilities registered in that currency, which includes, in the course of semester ended June 30, 2017 and due to the settlement of the derivative instruments occurred in March and April (Note 19), positive exchange differences of around €75 million due to the favourable exchange rate of the euro against USD.

(b) These captions are composed by fair value variation of derivative financial instruments, which weren't qualified for hedge accounting.

(c) In Other financial income and expenses, are included income and costs related to the financial adjustments of assets and liabilities, including the effect of the financial adjustment of provisions (Note 17), prompt payment discounts granted and obtained and the costs related to commissions, guarantees and other bank charges in general.

In the semester ended June 30, 2016, this caption is also influenced by the repurchase of bonds issued by Cimpor Financial Operations, B.V. with a nominal value of USD 25,236 thousand which has generated a financial income in the amount of €7,145 thousand (Note 18).

8. Income tax

The Group companies are taxed, when possible, under group's special income tax schemes allowed by tax legislation from each jurisdiction in which the Group operates.

Tax on income relating to the other geographic segments is calculated at respective rates in force, as follows:

Country	Basis of the income tax	Rate	Fiscal losses		Rate
		June 2017	Deadline for reporting	Limitations to the annual deduction	June 2016
South Africa	The income tax focuses on the profits of corporations, given by the algebraic sum of the net profit or loss for the period and of equity variations both positive and negative in the same period and not reflected in the result, determined on the basis of accounts and corrected if appropriate in accordance with the applicable legislation. Additionally, there may be tax benefits, such as investment benefits and R & D expenses.	28.00%	N/A	N/A	28.00%
Argentina		35.00%	5 years	N/A	35.00%
Austria		25.00%	N/A	75% of taxable income	25.00%
Brazil		34.00%	N/A	30% of taxable income	34.00%
Cape Verde		25.50%	7 years	50% of taxable income	25.50%
Egypt		22.50%	5 years	N/A	22.50%
Espanha		25.00%	N/A	25% of taxable income	28.00%
Holand		25.00%	Previous year and 9 years after clearance	N/A	25.00%
Luxemburg		29.22%	N/A	N/A	29.25%
Mozambique		32.00%	5 years	N/A	32.00%
Paraguay (a)		10.00%	N/A		10.00%
Portugal (b)		22.50%	5 years	70% of taxable income	22.50%

N/A - Not applicable

(a) In Paraguay there is no report for fiscal losses.

(b) Includes municipal surcharge at the maximum rate of 1.5%. Additionally, taxable income in excess of €1,500,000 are subject to a state surcharge in accordance with article 87 - A of the Corporation Income Tax Code, at the following rates:

- 3% for taxable income from €1,500,000 to €7,500,000;
- 5% on taxable income from €7,500,000 and €35,000,000;
- 7% on taxable income exceeding €35,000,000.

Income tax expense for the semesters ended June 30, 2017 and 2016 is as follows:

	June 2017	June 2016
Current tax	33,683	32,502
Deferred tax	(22,593)	(44,468)
Increases / (Decreases) in tax provisions (Note 17)	-	460
Charge / (Income) for the period	11,090	(11,505)

Temporary differences between the book value of assets and liabilities and their corresponding value for tax purposes are recognised in accordance with IAS 12 - Income taxes.

The reconciliation between the tax rate applicable in Portugal and the effective tax rate in the Group in the semesters ended June 30, 2017 and 2016, without considering the positive results of around €22 million and the negative results of around €30 million, respectively, of entities with debt on which the corresponding tax effects were not recognized since at present there are no projections that enable them to be expected to be recovered, is as follows:

	June 2017	June 2016
Profit before income tax	(172,052)	(539,917)
Profit from financial entities	(21,693)	30,456
Adjusted profit for income tax reconciliation	(193,745)	(509,461)
Tax rate applicable in Portugal	22.50%	22.50%
Theorical income tax	(43,593)	(114,629)
Non-taxable operational and financial results	6,216	1,765
Impairment losses	43,227	97,513
Adjustments on deferred taxes	(1,118)	(3,972)
Tax rate differences	(857)	(10,670)
Other	7,215	18,487
Charge for the period	11,090	(11,505)

The change in the caption tax rate differences reflect the grater (positive or negative) contribution of taxable results in jurisdictions with higher tax rates.

In the six months periods ended June 30, 2017, the caption "Impairment losses", relates to the impairment on tangible assets (Note 12). Due to uncertainty to recover it no deferred tax was booked. In the six months periods ended June 30, 2016 it relates to impairment loss on goodwill which is not deductible for income taxes purposes (Note 11).

In "Other" are included, in the semesters ended June 30, 2017 and 2016, the registration of a tax income charges of around €7 and €12 million, respectively, related to additional tax assessments made by tax authority to one of our companies in Egypt, referring to the years 2008 and 2000 to 2004. The Board of Directors has judicially appealed and, supported by the counsellors opinion, understands that the tax authorities have no grounds regarding the maintenance of the substantial of those assessments.

However, the alternative found to avoid penalties, was to formalize a staged payment agreement until 2021, which does not imply the recognition of the reasons that led to such assessments, not even prevent the maintenance of the judicial proceedings to enforce that the reason is on the side of the company, and which expressly provides for the compensation of those values, now agreed to be paid, after the judicial decision in favour of the company, moment that the settled amounts will be recognized in the assets of that company (Note 16).

The changes in deferred taxes in the semesters ended June 30, 2017 and 2016 were as follows:

Deferred tax assets:	
Balances at December 31, 2015	135,572
Currency translation adjustments	14,303
Income tax	25,026
Shareholders' equity	2,271
Balances at June 30, 2016	177,172
Balances at December 31, 2016	170,365
Currency translation adjustments	(8,867)
Income tax	17,561
Shareholders' equity	928
Balances at June 30, 2017	179,986
Deferred tax liabilities:	
Balances at December 31, 2015	418,515
Currency translation adjustments	25,439
Income tax	(19,442)
Shareholders' equity	753
Balances at June 30, 2016	425,265
Balances at December 31, 2016	434,879
Currency translation adjustments	(33,772)
Income tax	(5,032)
Shareholders' equity	434
Transfers	1,194
Balances at June 30, 2017	397,703
Carrying amount at June 30, 2016	(248,093)
Carrying amount at June 30, 2017	(217,717)

The deferred tax assets are recorded directly on shareholders' equity when the situations that have originated them have similar impact. Of these, in the semesters ended June 30, 2017 and 2016, those who were recorded in "Other income and expenses" are as follows:

	June 2017					June 2016				
	Gross value	Deferred tax	Shareholder's equity attributable to equity holders	Non-controlling interests	Total shareholders' equity	Gross value	Deferred tax	Shareholder's equity attributable to equity holders	Non-controlling interests	Total shareholders' equity
Other comprehensive income:										
That will not be subsequently reclassified to expenses and income:										
Actuarial gain and loss on employee's responsabilities	489	(122)	367	-	367	(2,008)	503	(1,506)	-	(1,506)
That might be subsequently reclassified to espenses and income:										
Derivative financial instruments	11,377	(434)	10,942	-	10,942	(6,104)	1,015	(5,089)	13	(5,076)

9. Dividends

In the Shareholders' General Meeting held on April 5, 2017 it was proposed not to distribute dividends for the year 2016. The same decision was taken in the Shareholders' General Meeting held on March 30, 2016 for the year 2015.

10. Earnings per share

Basic and diluted earnings per share for the semesters and quarters ended June 30, 2017 and 2016 were computed as follows:

	1º semestre		2º trimestre	
	2017	2016	2017	2016
Resultado por ação básico				
Resultado para efeito de cálculo do resultado líquido por ação básico (resultado líquido do período)	(198,567)	(526,714)	(164,169)	(485,974)
Número médio ponderado de ações para efeito de cálculo do resultado líquido por ação básico (milhares) (a)	666,094	666,094	666,094	666,094
	(0.30)	(0.79)	(0.25)	(0.73)

(a) The average number of shares is weighted by the average number of treasury shares in each of the corresponding financial period.

By the fact there were no dilution effects during the semesters and quarters ended June 30, 2017 and 2016, basic and diluted earnings per share are equal.

11. Goodwill

The changes in goodwill and related accumulated impairment losses in the semesters ended June 30, 2017 and 2016 were as follows:

	Total
Gross assets:	
Balances at December 31, 2015	1,549,292
Currency translation adjustments	166,644
Balances at June 30, 2016	1,715,935
Balances at December 31, 2016	1,729,691
Currency translation adjustments	(148,200)
Balances at June 30, 2017	1,581,491
Accumulated impairment losses:	
Balances at December 31, 2015	18,001
Currency translation adjustments	69,844
Increases	433,393
Balances at June 30, 2016	521,238
Balances at December 31, 2016	668,283
Currency translation adjustments	(57,983)
Increases	-
Balances at June 30, 2017	610,300
Carrying amount:	
As at June 30, 2016	1,194,698
As at June 30, 2017	971,191

Impairment on assets

Goodwill is subject to impairment tests annually and whenever there are indications of possible impairment, which are made based on the recoverable amounts of each of the corresponding business segments.

Attending to business model and considering the financial statement structure adopted for management purposes, goodwill is attributed generally to each operating segment, due to the existence of synergies between the units of each segment in a perspective of vertical integration of business.

The recoverable value of each group of cash-generating units is compared, in the tests performed, with the respective recognized value of assets and liabilities ("book value"). An impairment loss is only recognized when the book value exceeds the higher of the value in use and transaction value, based on cash flow projections under medium and long term business plans approved by the Board of Directors, plus perpetuity.

In the first half of 2017, given the visible deterioration of business activity and profits, a new impairment test was conducted for the Brazil segment, with business projections that take into account the downward revision of business activity with a market discount rate of 10.5% similar to the one used in December 31 2016.

As a result of this test, it was determined that the recoverable value of the Brazilian segment is greater than the recognized value of the assets and liabilities of that segment. Therefore, no increase of the previously recognized impairment of the corresponding goodwill is needed.

Due to the recognition of impairment losses at December 31, 2016, the update of the impairment analysis of goodwill was accompanied by a sensitivity analysis of the main variables considered in the projections.

	+50 BP	-50 BP
"WACC" rate	(180,761)	214,663
EBITDA margin	69,545	(69,545)

Considering the book value of the net assets of the Brazilian segment and taking into account the devaluation of the book value of the assets, due to the recorded impairment on investments underway (Notes 6 and 12), in any of the above scenarios there would be no recognition of additional impairment losses.

In addition to the Brazilian business area, first-half results in the Egypt and Mozambique business areas also fell short of expectations (and in relation to the same period the previous year).

The results in Egypt in the first half of 2017 were adversely affected by specific events, namely market reaction (shrinkage) resulting from the macroeconomic adjustment that took place in Egypt at the end of 2016, when the Egyptian pound was devalued by over 100% and organizational restructuring led to compensation payments to workers make redundant.

Although the macroeconomic adjustment in the country initially resulted in market retraction, it is believed that this situation will reverse itself in the short/medium term, supported by sustainable economic growth. In addition, seasonal variations are more marked here than in other geographical areas, especially this year when the Ramadan occurred during the first half of the year (unlike recent years).

In Mozambique, the market was also affected by a non-recurrent event - the country's default on its foreign debt, which resulted in a short-lived currency exchange shock (The exchange rate climbed to over MZN 100/USD) and brought construction works to a standstill. The situation led to joint action by the government and the IMF to reorganize the country's finances and establish conditions for economic growth. Since that intervention, there have already been signs of recovery in the country, as the IMF itself highlighted during a visit at the end of July. This favorable opinion on the part of the IMF along with the resumption of coal exports (dollar revenue) and the resulting recovery of the value of the metical (returning to the MZN 60/USD level) enable a second-half of recovery to be predicted.

Therefore, taking into account the special sets of circumstances in both these cases, and also because tests conducted with reference to 31 December 2016 showed significant margin in the respective book values, we believe there is insufficient evidence to warrant performing such impairment tests.

In the semester ended June 30, 2016, it was performed an impairment test only in the Brazilian business area, due to the deterioration of the economic and political scene of the country, as a result, impairments were recorded in the amount of €503 million (BRL 1,782,163 thousand), entirely affected to Goodwill.

12. Tangible assets

The changes in tangible assets and corresponding accumulated depreciation and impairment losses in the semesters ended June 30, 2017 and 2016 were as follows:

	Terrenos e recursos naturais	Edifícios e outras construções	Equipamento básico	Equipamento de transporte	Equipamento administrativo	Ferramentas e utensílios	Outros ativos tangíveis	Ativos tangíveis em curso	Adiantamentos por conta de ativos tangíveis	Total
Ativo bruto:										
Saldo em 31 de dezembro de 2015	546,653	841,515	2,586,312	108,850	35,540	10,325	6,018	258,583	30,990	4,424,787
Efeito da conversão cambial	9,201	47,351	70,559	28	(466)	(430)	(407)	27,221	2,003	155,060
Adições	9,493	58	1,558	27	123	-	90	50,231	1,243	62,823
Alienações	(16)	(63)	(3,659)	(601)	(126)	(6)	(35)	(2)	-	(4,509)
Abates	(32)	-	-	-	-	-	-	(51)	-	(83)
Transferências	1,060	10,886	9,928	(35,378)	76	160	299	(27,866)	(2,800)	(43,635)
Saldo em 30 de junho de 2016	566,359	899,747	2,664,698	72,927	35,147	10,049	5,965	308,116	31,436	4,594,443
Saldo em 31 de dezembro de 2016	557,416	919,528	2,635,026	66,208	34,702	11,655	6,389	260,354	26,556	4,517,833
Alterações de perímetro (Nota 4)	14,642	-	-	-	-	-	-	-	-	14,642
Efeito da conversão cambial	(43,336)	(46,777)	(124,977)	(5,086)	(699)	(397)	(58)	(22,476)	(2,192)	(246,000)
Adições	11,988	48	3,300	2,926	294	162	2	38,490	517	57,726
Alienações	(1,871)	(741)	(802)	(1,090)	(16)	(5)	-	-	-	(4,524)
Abates	-	-	-	-	(197)	-	(1)	-	-	(198)
Transferências	2,185	2,956	19,875	6,638	4	6	(3,380)	(31,575)	(140)	(3,431)
Saldo em 30 de junho de 2017	541,025	875,013	2,532,421	69,595	34,087	11,421	2,952	244,793	24,741	4,336,049
Depreciações e perdas por imparidade acumuladas:										
Saldo em 31 de dezembro de 2015	88,640	417,070	1,640,123	66,110	30,981	8,666	4,322	2,733	-	2,258,646
Efeito da conversão cambial	1,569	16,672	39,897	884	(324)	(359)	(127)	-	-	58,213
Reforços	14,296	15,781	49,489	9,811	635	174	775	-	-	90,961
Reduções	(16)	-	(2,197)	(309)	(106)	(6)	(8)	-	-	(2,642)
Transferências	(50)	(608)	(2,060)	(29,540)	(57)	-	(144)	-	-	(32,461)
Saldo em 30 de junho de 2016	104,438	448,915	1,725,251	46,957	31,129	8,476	4,817	2,733	-	2,372,717
Saldo em 31 de dezembro de 2016	125,284	461,965	1,708,374	38,461	31,284	9,295	5,296	2,733	-	2,382,692
Efeito da conversão cambial	(8,266)	(14,861)	(62,549)	(1,550)	(547)	(210)	(117)	(16,418)	-	(104,517)
Reforços	17,186	17,318	49,635	3,166	577	293	372	191,529	-	280,075
Reduções	-	(538)	(748)	(1,008)	(15)	(5)	-	-	-	(2,315)
Abates	-	-	-	-	(197)	-	(1)	-	-	(198)
Transferências	(605)	858	(348)	(8)	(15)	(3)	(1,842)	-	-	(1,962)
Saldo em 30 de junho de 2017	133,599	464,743	1,694,363	39,061	31,086	9,370	3,709	177,845	-	2,553,776
Valor líquido a 30 de junho de 2016	461,921	450,831	939,448	25,970	4,018	1,573	1,148	305,383	31,436	2,221,727
Valor líquido a 30 de junho de 2017	407,426	410,270	838,057	30,535	3,001	2,051	(757)	66,948	24,741	1,782,273

Given the macroeconomic context in Brazil, which is reflected in levels of cement consumption, the Group decided to paralyse certain investments that were underway in cement production lines, which will be re-invested again when economy returns in the future. During the first half of 2017, there was further deterioration of business activity. Considering this context, it is impossible to reliably predict the time when these investments may be resumed and to what extent the respective returns will materialise. Therefore, on 30 June 2017, an impairment totalling R$ 663.085 thousand. This record is reversible if and when the profitability assumptions of these projects change. In the semester ended June 30, 2016, impairment loss was registered in tangible assets unallocated to operating segments of about €4,300 thousand.

Tangible assets in progress and advance to suppliers of tangible assets, in the semester ended June 30, 2017, include the construction and improvement of installations and equipment of the cement sector of several production units, essentially in the Brazil, Argentina and Egypt business areas.

In the semester ended June 30, 2016, in Transportation equipment transfers is included the reclassification of the ships owned by Cimpship – Transportes Marítimos, S.A. to the caption “Non-current assets held for sale” in the liquid amount of €7,873 thousand. This company was alienated on July 26, 2016 by the amount of €7,245 thousand.

13. Share capital

The Company's fully subscribed and paid up capital at June 30, 2017 and December 31, 2016, consisted of 672,000,000 shares, listed on Euronext Lisbon market, with a nominal value of one euro each.

Preferred Shares – Special Purpose Entities

The preferred shares of Barra Grande Participações and Machadinho Participações have certain specific characteristics, in particular, in terms of:

• Right to priority dividends of the profit and/or reserves distributed in each year;
• Absence of voting rights (except for specific matters established in the corresponding statutes);
• Priority relating to the common shares in case of liquidation;
• Be converted into common shares (conversion rights);
• Non-participation in future capital increases.

There is also contracts clauses establish a set of assumptions which regulate terms of an eventual divestment by the holders, including rights to receive minimum dividends, as well as rights to convert preferred shares into common shares. The Company is not required or obligated to repurchase these preferred shares any time.

Considering all contract characteristics, attending to the disposals of IAS 32, the referred instruments (either Barra Grande or Machadinho) acquire characteristics of equity and financial instruments components, taking into account that those instruments simultaneously incorporate components that can be classified as an equity instrument and a financial instrument (financial asset or liability). Consequently, these components were measured and recognized separately in the financial statements, as follows:

a) The initial contribution received as a consideration of such preferred shared was classified as an equity instrument, taking into consideration that, under the terms established, there is no obligation to repurchase those shares (obligation to deliver cash or other financial assets), as well as convertibility clauses in common shares (by option of the shareholders) and their respective dividends;

b) There are also contractual clauses regards to options of minimum return and possible coverage of significant devaluation of these investments, for a period up to seven years or by the holders during that period, respectively. Such options generated gain or loss for the Company and such instruments were classified as derivative financial instruments and measured at fair value at the date of the financial statements.

14. Treasury shares

At June 30, 2017 and December 31, 2016 Cimpor had 5,906,098 treasury shares.

Commercial legislation relating to treasury shares requires that a free reserve equal to the cost of those treasury shares be unavailable while the shares are not sold. In addition, the applicable accounting rules require that gains and losses on the sale of treasury shares be recorded in reserves.

15. Currency translation adjustments

The changes in this caption in the semesters ended June 30, 2017 and 2016, are a result of converting financial statements of Group entities into euros, with the following functional currencies:

	Egyptian Pound	Brazilian Real	Mozambique Metical	South African Rand	Argentinian Peso	Others	Total
Balances at December 31, 2015	(40,395)	(428,663)	(19,163)	(145,405)	(452,019)	1,596	(1,084,050)
Currency translation adjustments	(36,824)	194,925	(10,356)	4,809	(57,433)	(472)	94,649
Balances at June 30, 2016	(77,219)	(233,738)	(29,519)	(140,597)	(509,452)	1,124	(989,401)
Balances at December 31, 2016	(189,827)	(191,786)	(32,730)	(125,023)	(507,371)	2,236	(1,044,500)
Currency translation adjustments	(7,663)	(86,018)	776	(4,109)	(32,482)	(3,481)	(132,976)
Balances at June 30, 2017	(197,490)	(277,804)	(31,953)	(129,132)	(539,853)	(1,245)	(1,177,476)

The negative change in the semester ended June 30, 2017 results from the devaluation of the majority of the functional currencies of subsidiaries against Euro.

16. Contingent liabilities, guarantees and commitments

Contingent liabilities

In the normal course of its business the Group is involved in several legal cases and complaints relating to its products and services as well for environmental, labor and regulatory cases. Facing to those natures, valuation and recorded provisions, there is an existing expectation that there are no relevant effects on the developed activity, equity and operating results.

On June 30, 2017, the Group has an exposure to contingent liabilities of €861 million (€932 million in December 31, 2016), being €8 million of contingent liabilities related to labor (€7 million in December 31, 2016), €618 million of tax contingent liabilities (€674 million as of December 31, 2016), €235 million of civil contingent liabilities and administrative processes of other natures (€251 million in December 31, 2016), whose likelihood of loss was considered possible, according to the opinion of our legal counsellors.

The reduction in contingent liabilities occurred in the six months period ended June 30, 2017, is due mainly to the effect of BRL conversion in to euros, amounting to €73 million.

Included in the above is the “CADE” process in Brazil, and no development occurred during the six-month period ended June 30, 2017.The Group and other companies in the industry were parties to administrative proceedings related to antitrust regulation in progress at the Administrative Council for Economic Defence (“CADE”). In July, 2015, CADE's tribunal judged the administrative appeal presented by the Group under the process initiated in 2007 by the competition authorities in Brazil (as well by other involved companies), maintaining the condemnation decision as regards cartel formation and the imposition of a pecuniary fine and other accessory penalties**.** On June 30, 2017 the contingent for the Group reach to R$671 million (€178 million) (originally amounted to R$241,700 thousand to InterCement and R$297,820 thousand to CCB, meanwhile merged), besides the obligation to sell 20% of its concrete´s assets in Brazil, among other accessory penalties

After the referred administrative CADE’s decision become final, the Group appealed judicially, having obtained, on 22 October 2015, the grant of the preliminary injunction to suspend all penalties imposed by CADE, by the presentation of real guarantees (two plants), until the judgment decision. Such preliminary injunction decision was judicially appealed by CADE, which was rejected. Based on the opinion of its legal advisors, that the risk of loss before the court is considered as possible, no provision was recorded for this contingent liability as of June 30, 2017 and December 31, 2016.

Moreover, during the first half of 2017, we were notified of the ruling handed down by the Audiência Nacional court in Spain regarding judicial proceedings related to tax inspections of the 2005-2008 financial years. The ruling was almost entirely favorable to us, but an appeal of the ruling to the Supreme Court is also possible. Guarantees of approximately €120 million are provided for these proceedings. These continue to be in force until the final decision is handed down.

Contingent assets

In the financial statements for the years ended December 31, 2016 and 2015, it was mentioned a contingent liability for a tax dispute related to tax assessments that were made to a company in Egypt, referring to the years 2000 to 2004 and 2008, which were subject to a judicial appeal.

In the first semesters of 2017 and 2016, to avoid penalties, staged payment agreements until 2021 of those taxes were signed with the competent tax authorities. Because the conditions of such agreements do not meet the conditions for such payments being recognized as an asset of the company, until the court decision becomes effective, in those periods a tax charge corresponding to the total responsibility inherent to the agreement, amounting to around €7 and €12 million (Note 8) has been already recognized.

Guarantees

At June 30, 2017 and December 31, 2016, Group companies had requested guarantees totalling €466,292 thousand euros and €473,268 thousand, respectively, given to third parties, are as follows:

	June 2017	December 2016
Guarantees given:		
For tax processes in progress	316,835	323,190
Financing entities	117,408	125,731
To suppliers	3,103	3,453
Other	28,946	20,894
	466,292	473,268

Additionally, as it was reported in December 31, 2016, under CADE's process, two real guarantees were conceded over two concrete plants in the Brazilian business area, aiming at the suspension of the penalties imposed until the merits of the case, no developments in relation to the disclosed at December, 31 , 2016.

Other commitments

In the normal course of its business, the Group assumes commitments related essentially to the acquisition of equipment, under its investment operations in progress and for the purchase and sale of investments.

As of June 30, 2017 and December 31, 2016, the most significant commitments are related to contracts for the acquisition of tangible fixed assets and stocks as well as for the operation of facilities located on the property of third parties, as follows:

	June 2017	December 2016
Business area:		
Argentina	112,777	34,096
Brazil	37,734	50,405
Mozambique	19,096	26,100
Portugal	16,465	19,246
Egypt	10,202	7,896
South Africa	1,578	177
	197,852	137,921

The increase in commitments is due to an energy contract in the Argentinian business area, in the amount of USD 92.4 million (€81 million), starting in 2018 and for a period of 20 years.

Additionally, at June 30, 2017 and December 31, 2016, future commitments under the current operating lease contracts, relating essentially to transport and office equipment, were as follows:

	June 2017	December 2016
Up to 1 year	7,448	1,681
From 1 to 5 years	9,458	1,867
More than 5 years	30	-
	16,936	3,548

In accordance with the Commercial Company Code ("Código das Sociedades Comerciais"), the parent company Cimpor – Cimentos de Portugal, SGPS, S.A. is jointly responsible for the obligations of its subsidiaries.

17. Provisions

At June 30, 2017 and December 31, 2016, the classification of provisions was as follows:

	June 2017	December 2016
Non-current provisions:		
Provisions for tax risks	18,113	18,822
Provisions for environmental rehabilitation	38,737	39,954
Provisions for employees	22,894	24,418
Other provisions for risks and charges	8,294	8,825
Legal deposits	(3,686)	(2,876)
	84,351	89,143
Current provisions:		
Provisions for employees	1,389	3,284
	85,740	92,428

The changes in the provisions in the semesters ended June 30, 2017 and 2016 were as follows:

	Provisions for tax risks	Environmental rehabilitation	Provisions for employees	Other provisions for risks and charges	Legal deposits	Total
Balances at December 31, 2015	35,235	36,612	29,174	22,681	(3,246)	120,457
Currency translation adjustments	(123)	1,566	1,563	(461)	(628)	1,916
Increases	1,764	588	644	1,387	-	4,382
Decreases	(625)	-	(117)	(1,097)	-	(1,838)
Utilisations	(626)	(330)	(1,988)	(11,796)	137	(14,603)
Balances at June 30, 2016	35,624	38,436	29,277	10,714	(3,737)	110,314
Balances at December 31, 2016	18,822	39,954	27,703	8,825	(2,876)	92,428
Currency translation adjustments	(772)	(1,807)	(1,019)	(703)	356	(3,944)
Increases	106	792	689	883	-	2,470
Decreases	(18)	-	(157)	(121)	-	(295)
Utilisations	(26)	(202)	(2,934)	(590)	(1,167)	(4,918)
Balances at June 30, 2017	18,113	38,737	24,283	8,294	(3,686)	85,740

The increases and decreases in the provisions in the semesters ended June 30, 2017 and 2016 were recorded by corresponding entry to the following accounts:

	June 2017	June 2016
Net result for the period:		
Operating costs	73	6
Payroll costs	(104)	17
Operating Income	-	(182)
Provisions	475	923
Financial expenses	1,658	1,319
Share of profits of associates	73	-
Income tax (Note 8)	-	460
	2,175	2,544

The caption financial expenses include the effect of financial actualization of provisions.

18. Loans

Loans at June 30, 2017 and December 31, 2016 were as follows:

	June 2017	December 2016
Non-currents liabilities:		
Notes	1,004,811	1,157,415
Bank loans	1,553,751	1,932,590
Other loans	-	41,843
	2,558,563	3,131,847
Currents liabilities:		
Notes	111,090	121,926
Bank loans	383,492	214,086
Other loans	768,743	726,900
	1,263,324	1,062,912
	3,821,887	4,194,759

<u>Notes</u>

Non-convertible Notes at June 30, 2017 and December 31, 2016 were as follows:

						June 2017		December 2016	
Business unit	Financial instrument	Currency	Emission date	Coupon (b)	Final maturity	Current	Non-current	Current	Non-current
Brazil	Debênture - Brazil (a)	BRL	Mar.12	Floating rate indexed to CDI	Apr.22	58,250	233,354	63,920	320,168
Brazil	Debênture - Brazil	BRL	Aug.12	Floating rate indexed to CDI	Aug.22	52,841	264,606	58,006	290,484
Holdings and Financial Vehicles	Senior Notes (a) (c)	USD	Jul.14	5.75%	Jul.24	-	506,851	-	546,764
						111,090	1,004,811	121,926	1,157,415

(a) Guaranteed by the controlling entity InterCement Participações, S.A.,

(b) The contractual variable rates include spreads till 15% over the index;

(c) On July 17, 2014, Cimpor Financial Operations, B.V. (Cimpor B.V.), issued Senior Notes ("Notes") in the amount of USD 750 million, with a payment maturity of 10 years. The Notes were launched with coupon of 5.75% per annum and are listed on the Singapure Stock Exchange. Following this operation, shorter maturity debt were paid in advance. In the years ended December 31, 2016 and 2015 the Group purchased bonds in the nominal value of USD 108,378 thousand and 54,290 thousand, respectively. During the semester ended June 30, 2017 no bonds were acquired.

Bank loans

Bank loans as at June 30, 2017 and December 31, 2016 were as follows:

							June 2017		December 2016	
Business unit	Type	Currency	Interest rate (b)	Contract date	Maturity	Notes	Current	Non-Current	Current	Non-Current
Holdings and Financial Vehicles (*)	Bilateral	USD	Floating rate indexed to US Libor	May-12	Jan-22	(a)	-	288,967	-	396,651
Holdings and Financial Vehicles (*)	Bilateral	EUR	Floating rate indexed to Euribor	Feb-12	Feb-22	(a)	-	304,706	-	306,796
Holdings and Financial Vehicles (*)	Bilateral	EUR	Floating rate indexed to Euribor	Feb-14	Feb-19	(a)	15,093	39,078	6,037	54,041
Holdings and Financial Vehicles (*)	Bilateral	USD	Floating rate indexed to US Libor	Feb-14	Feb-19	(a)	47,651	122,978	20,616	183,992
Holdings and Financial Vehicles (*)	Bilateral	EUR	Floating rate indexed to Euribor	Feb-14	Feb-19	(a)	-	60,120	-	60,078
Holdings and Financial Vehicles (*)	Bilateral	USD	Floating rate indexed to US Libor	Feb-14	Feb-19	(a)	-	189,198	-	204,605
Holdings and Financial Vehicles (*)	Bilateral	USD	Floating rate indexed to US Libor	Feb-14	Feb-21	(a)	-	207,900	-	224,536
Holdings and Financial Vehicles (*)	Bilateral	USD	Floating rate indexed to US Libor	May-14	May-19		-	43,494	-	46,974
Holdings and Financial Vehicles (*)	Bilateral	EUR	Fixed rate	Dec-14	Dec-18		-	23,309	-	22,949
Company (*)	Commercial paper	EUR	Floating rate	Mar-16	Mar-20	(a)	5,000	45,000	-	50,000
Argentina and Paraguay	Bilaterals	ARS	Fixed and floating rates	Several	Several		30,012	27,276	30,702	25,989
Argentina and Paraguay	Bilaterals	USD	Floating rates indexed to US Libor	Several	Several		44,805	62,409	53,934	45,746
Brazil	Bilaterals	BRL	Fixed and floating rates	Several	Several	(c)	91,902	51,623	12,716	151,819
Argentina and Paraguay	Bilaterals	USD	Fixed and floating rates	Several	Several	(d)	69,953	1,358	21,224	62,782
Argentina and Paraguay	Bilaterals	PYG	Fixed rates	Oct-15	Aug-17		13,297	-	13,751	-
South Africa	Bilaterals	ZAR	Floating rate indexed to Jibar	Several	Several		30,123	13,388	31,135	13,838
Portugal and Cape Verde	Bilaterals	EUR	Fixed and floating rates	Several	Several	(a)	5,000	70,000	-	75,000
Portugal and Cape Verde	Subsidised loan	EUR	(e)	Several	Jun-24	(e)	-	1,907	-	-
Mozambique	Bilaterals	MZN	Floating rates indexed to BT 3M	Several	Several		-	-	1,541	268
Egypt	Bilaterals	EGP	Floating rates indexed to Corridor	Several	Several		30,655	1,042	22,429	6,525
							383,492	1,553,751	214,086	1,932,590

(*) Referring to the companies included in the Holdings, business and corporate support and trading segment.

(a) Guaranteed by sureties granted by the controlling entities, Camargo Corrêa, S.A. e InterCement Participações, S.A.;

(b) For the major funding the variable rates contracted, both in dollars and euros consider spreads between 2.5% and 3.5%;

(c) Guaranteed, in approximately €131 million, by sureties granted by the controlling entities Camargo Corrêa, S.A. (€34 million) and InterCement Participações, S.A. (€98 million);

(d) On June 30, 2017 includes the financing with IDB, in the amount of USD 69 million (€61 million), having been decided to carry out their early settlement, by taking a new debt (Note 23) and been transferred to current liabilities on June 30, 2017;

(e) It respects to a financing under an incentive system for business innovation (Portugal 2020), granted without interests.

Other loans

Other loans obtained correspond, essentially to debts from Cimpor Trading e Inversiones and Austria Equity Participations GmbH to Austria Holding GmbH, as follows:

						June 2017	December 2016	
Business unit	Type	Currency	Contract date	Interest rate	Maturity	Current	Current	Non-current
Holdings and Financial Vehicles	Intercompany Loan	EUR	Feb.13	Floating rate indexed to Euribor	Feb.18	41,843	-	41,843
Holdings and Financial Vehicles	Intercompany Loan	EUR	Dec.12	Fixed rate	Jun.17 (*)	381,900	381,900	-
Holdings and Financial Vehicles	Intercompany Loan	EUR	Feb.14	Fixed rate	Jun.17 (*)	345,000	345,000	-
						768,743	726,900	41,843

(*) In the course of the semester ended June 30, 2017, it was agreed to change the terms of these financing, having the maturities, initially changed from April to June 2017 and, subsequently, changed to July 2017 with monthly renewals.

The non-current portion of loans at June 30, 2017 and December 31, 2016 is repayable as follows:

Year	June 2017	December 2016
2018 (6 months)	124,394	460,534
2019	843,908	888,512
2020	313,980	355,561
2021	474,119	543,888
Following years	802,161	883,352
	2,558,563	3,131,847

The loans at June 30, 2017 and December 31, 2016 are stated in the following currencies:

	June 2017		After Hedging	December 2016		After Hedging
Currency	Currency	Euros	Euros	Currency	Euros	Euros
USD	1,809,293	1,585,564	1,331,413	1,907,282	1,807,824	535,745
BRL	2,840,969	752,575	752,575	3,084,634	897,113	897,113
EUR	-	1,337,956	1,592,107	-	1,343,644	2,615,722
ARS	1,087,125	57,288	57,288	950,373	56,691	56,691
MZN	-	-	-	136,069	1,809	1,809
EGP	653,488	31,696	31,696	549,736	28,954	28,954
PYG	84,387,343	13,297	13,297	83,775,750	13,751	13,751
ZAR	650,000	43,511	43,511	650,000	44,973	44,973
		3,821,887	3,821,887		4,194,759	4,194,759

As of June 30, 2017, mainly due to the settlement of derivative financial instruments in March and April 2017 (Note 19), USD debt without hedging instruments against the Euro increased in USD 1,245 million, in comparison to what was reported in December 2016.

19. Derivative financial instruments

Fair value of derivative financial instruments

The fair value of derivative financial instruments at June 30, 2017 and December 31, 2016 was as follows:

	Other assets				Other liabilities			
	Current		Non-current		Current		Non-current	
	June 2017	December 2016	June 2017	December 2016	June 2017	December 2016	June 2017	December 2016
Trading derivatives	-	-	1,624	200	-	4,876	1,335	-
Cash flow hedges - Interest rate and cross currency swaps	-	26,450	-	215,249	-	3,411	-	7,468
	-	26,450	1,624	215,450	-	8,287	1,335	7,468

These captions are included in the condensed consolidated statement of financial position as other assets and liabilities, current and non-current.

The following schedule shows the fair value of the derivatives that qualify as fair value hedging instruments contracted as of June 30, 2017 and December 31, 2016:

Type of hedge	Notional	Type of Operation	Maturity	Financial purpose		Fair value June 2017	Fair value December 2016
Cash-flow	USD 200,000,000	Cross Currency Swap to EUR	Jul-24	Swich a USD loan into EUR loan	(a)	-	36,488
Cash-flow	USD 100,000,000	Cross Currency Swap to EUR	Jul-24	Swich a USD loan into EUR loan	(a)	-	15,960
Cash-flow	USD 50,000,000	Cross Currency Swap to EUR	Jul-24	Swich a USD loan into EUR loan	(a)	-	9,073
Cash-flow	USD 150,000,000	Cross Currency Swap to EUR	Jul-24	Swich a USD loan into EUR loan	(a)	-	26,021
Cash-flow	USD 195,750,000	Cross Currency Swap to EUR	Feb-19	Swich a USD loan into EUR loan	(a)	-	28,977
Cash-flow	USD 217,500,000	Cross Currency Swap to EUR	Feb-19	Swich a USD loan into EUR loan	(a)	-	43,488
Cash-flow	USD 424,000,000	Cross Currency Swap to EUR	Jan-22	Swich a USD loan into EUR loan	(a)	-	81,692
Cash-flow	EUR 379,218,809	Interest Rate Swap	Jan-22	Swich to fixed interest rate	(a)	-	(10,878)
						-	230,821

(a) Derivative instruments settled in March and April 2017, having been received in the semester ended June 30, 2017, the amount of approximately €224 million, including about €209 million at the time of its settlements. In accordance with IAS39, the remaining amount recorded in the caption Reserves, excluding tax effect, accumulated up to June 2017, amounting to €22,047 thousand will be amortized to profit and loss when the cash flow is realized.

Trading derivatives

In the semester ended June 30, 2017, the settlement of the derivative financial instrument that did not qualified as hedge accounting, on a liability of USD 50,000 thousand, resulted in a payment of €4,548, being maintained in the portfolio at June 30, 2017 two derivatives written-put options in connection with "Baesa" and "Machadinho" operations, whose liability fair value as of June 30, 2017 and December 31, 2016, were of about €1,624 and €248, respectively.

Additionally, on June 29, 2017 a cash-flow derivative to hedge a financial debt of USD 292 million was contracted. Because the conditions of this instrument only allow hedge to start from 31 July 2017, it is recorded as being as held for trading until that date. A net financial cost of €1,335 corresponding to the decline of its market value has been recorded this semester.

20. Notes to the consolidated cash flow statements

Cash and cash equivalents presented in the consolidated cash flow statement at June 30, 2017 and 2016 were as follows:

	June 2017	June 2016
Cash	1,495	181
Bank deposits immediately available	194,700	348,893
Term bank deposits	117,773	149,691
Marketable securities	28,682	119,323
	342,650	618,089

The caption Cash, banks and securities comprises cash, deposits repayable on demand, treasury applications, government bonds, deposit certificates and term deposits maturing in less than three months with insignificant risk of change in value.

The caption Cash, banks and securities in the consolidated statement of financial position at June 30, 2017 and 2016 includes, in addition, the amounts of €98,817 thousand and €37,104 thousand, respectively, corresponding to marketable securities that do not fully comply with the requirements necessary for them to be recognized as cash and cash equivalents in the Statement of cash flows, including those in the semester ended June 30, 2017, the amount of €77 million received under the promissory contract of sale referred in Note 2. In accordance with the terms of this contract, this amount was transferred to a restricted access account, with the expectation that certain contractual clauses would be concluded and, as a consequence, the completion of the referred transaction.

In the semesters ended June 30, 2017 and 2016, Cash and cash equivalents in the financial statements, are expressed in the following currencies:

	June 2017		June 2016	
Currency	Currency	Euros	Currency	Euros
USD	247,904	217,250	433,450	392,864
BRL	438,882	116,260	482,410	136,220
EUR	59,154	59,154	57,396	57,396
ARS	160,873	8,477	134,721	8,119
MZN	808,151	12,003	2,329,621	33,391
EGP	96,287	4,670	55,501	5,665
PYG	51,351,843	8,092	13,770,920	2,230
ZAR	209,167	14,002	248,379	15,248
CVE	171,855	1,559	447,761	4,061
		441,467		655,193

Receipts and Payments of Loans

In the semester ended June 30, 2017, "Receipts and Payments of Loans" are justified, essentially, by: i) In the Argentinian business area a financing contract with ICBC Dubai in the amount of USD 65 million (€59 million) and a partial amortization of the financing with Itaú in the amount of USD 37 million (€34 million); ii) in Caue Austria Holding GmbH, the partial amortization, in the amount of USD 92 million (€85 million), of the financing with Itaú; iii) in the Brazilian business area, a partial amortization, in the amount of BRL 220 million (€64 million) related to the 1st and 2nd emission of the 2nd series of a debenture loan; iv) and by a partial amortization, in Cimpor B.V., in USD 22 million (€21 million), of the Tranche A of the Sindicated loan with Itaú.

In the semester ended June 30, 2016, "Receipts and Payments of Loans" are justified, essentially, by: i) In the Argentinian business area two new financing contracts with Banco Provincia de Buenos Aires and ICBC Dubai, in the amounts of ARS 150 million and USD 50 million, respectively; ii) in the Brazilian business area a financing contract with HSBC in the amount of BRL 300 million; iii) the repurchase of Notes issued in the amount of €16 million (Note 18).

Other payments and receipts from financing activities

In the semester ended June 30, 2017, the caption other receipts from financing activities are related to the settlement of derivative financial instruments qualified as hedge accounting (Note 19). The caption other payments on financing activities include the settlement of a derivative financial instrument not qualified as hedge accounting, in the amount of BRL 15 million (€ 5 million) (Note 19).

21. Related parties

Transactions and balances between Group companies consolidated by the full consolidation method were eliminated in the consolidation process and so are not disclosed in this note. The balances and transactions between the Group and associated companies and with other related parties fall within normal operational activities, being worth of mention the debt to InterCement Áustria Holding Gmbh, in the amount of about €769 million, concerning to three loans and accrued interest to that company, already existed in December 31, 2016 (Note 18). The financial charges, in the semester ended June 30, 2017, arising from these financing of approximately €8 million.

In Other current accounts receivable is also included a loan receivable with InterCement Áustria Holding Gmbh in the amount of USD 10 million, with a maturity of up to December 2017.

For the six months periods ended June 30, 2017, it is worth of mention the acquisition from Administradora PMV Ltda. and Participações Morro Vermelho S/A, companies controlled by Camargo Correa, a stake of 100% of CECC – Incorporadora e Administradora de Bens, Ltda.

shares, by €14,642 thousand (Note 4), entity that owns a land in São Paulo where a concrete plant of the Group is installed and leased.

22. Financial assets and liabilities in accordance with IAS 39

In its operations the Cimpor Group is exposed to a variety of financial risks which can affect its financial position and results which, depending on their nature, can be grouped into the following categories:

- Interest rate risk;
- Exchange rate risk;
- Liquidity risk;
- Credit risk;
- Counterparty risk.

Financial risk is understood to be the probability of obtaining different results from those expected, be they positive or negative, materially and unexpectedly changing the Group's equity value.

Management of the above risks - resulting mainly from the unpredictability of the financial markets – requires strict application of a set of rules and methodologies approved by the Executive Commission, the ultimate objective of which is to minimize their potential negative impact on the Group's performance. With this objective in mind, all management is guided based on two essential concerns:

- Decrease, whenever possible, of fluctuations in the results and cash flows subject to situations of risk;
- Limit deviations in relation to projected results, through strict financial planning, based on multi-annual budgets.

In the context of those risks management, based on the evaluation of the market conditions and the perceived impacts of the risks inherent to the Group's exposures, in the semester ended June 30, 2017, the hedging derivative financial instruments of the debt in USD against the Euro were settled (Note 19), which resulted in changes in interest rate and exchange rate exposures, whose impacts in terms of sensitivity analysis became the following:

<u>Sensitivity analysis - Interest rates with Euribor, US Libor index and CDI</u>

On June 30, 2017, a parallel change of +/- 1% in the interest rate curve with all the other assumptions remaining constant would result in an increase in financial costs for the period ended (before taxes) of approximately €8 million on the euro liability indexed to the variable rate, USD 8 million on the variable rate loan and € 7 million on the liability indexed to variable rate in reais, as shown in table below:

Indexing	Currency	Value	1%	2%	3%
Euribor	EUR	814,991	8,150	16,300	24,450
US Libor	USD	814,371	8,144	16,287	24,431
CDI	BRL	692,166	6,922	13,843	20,765

Comparing to what was reported in December 31, 2016, there has been a decrease in the exposure to the Euribor index (978,239 in December 31, 2016) and a significant increase in the exposure to the US Libor index (443,646 in December 31, 2016).

Sensitivity analysis - Exchange rates for functional currencies against USD

On June 30, 2017, the potential impacts on financial results in the several jurisdictions, as a result of the exchange rates of the corresponding functional currencies against the USD, in debt instruments and cash and cash equivalents in USD, would be as follows:

				USD depreciation			USD appreciation	
Amount in USD	Funcional currency	FX Rate (30-06-17)		-10%	-5.0%	0.0%	5.0%	10.0%
-866,334	EUR	1.1411	Effect in EUR	-75,921	-37,960	-	37,960	75,921
-147,763	ARS	16.63	Effect in ARS	-245,729	-122,865	-	122,865	245,729
			Effect in EUR	-14,388	-6,815	-	6,166	11,772
-76,291	PYG	5,561.51	Effect in PYG	-42,429,363	-21,214,682	-	21,214,682	42,429,363
			Effect in EUR	-7,429	-3,519	-	3,184	6,078
-118,256	BRL	3.31	Effect in BRL	-39,121	-19,561	-	19,561	39,121
			Effect in EUR	-11,515	-5,454	-	4,935	9,421
66,911	ZAR	13.09	Effect in ZAR	87,596	43,798	-	-43,798	-87,596
			Effect in EUR	6,515	3,086	-	-2,792	-5,331
-137,748	MZN	59.00	Effect in MZN	-812,731	-406,366	-	406,366	812,731
			Effect in EUR	-13,413	-6,353	-	5,748	10,974

(Thousand)

The Group’s degree of solvency is also reflected in its Leverage ratio (Net Debt / EBITDA). To be noted that the contractual measurement of this covenant is not made at Cimpor Group level, but rather at the level of its indirect controller InterCement Participações S.A.. At 31 December 2016 this ratio wasn’t complied with, however, the anticipation of a more favorable market environment for 2017, together with expanding the scope of measures to increase efficiency and the sale of non-strategic assets taken by Cimpor, the company agreed with bank creditors to a non-measurement as of December 31, 2016 and the postponement of the measurement of financial covenants for December 31, 2017.

At June 30, 2017 and December 31, 2016, accounting policies for financial instruments established in IAS 39 were applied by the Group to the following items:

2017	Loans granted and accounts receivable	Available-for-sale financial assets	Other financial liabilities	Financial assets and liabilities at fair value	Total
Assets:					
Cash, banks and securities	413,444	-	-	28,023	441,467
Accounts receivable-trade	178,052	-	-	-	178,052
Other investments	-	4,468	-	719	5,187
Other non-current accounts receivable	34,959	-	-	-	34,959
Other current accounts receivable	38,833	-	-	-	38,833
Other non-current assets	-	-	-	1,624	1,624
Other current assets	2,621	-	-	-	2,621
Total assets	667,910	4,468	-	30,366	702,744
Liabilities:					
Non-current loans	-	-	2,558,563	-	2,558,563
Current loans	-	-	1,263,324	-	1,263,324
Current accounts payables-trade	-	-	229,340	-	229,340
Other non-current accounts payable	-	-	16,890	-	16,890
Other current accounts payable	-	-	126,505	-	126,505
Other non-current liabilities	-	-	-	1,335	1,335
Other current liabilities	-	-	137,771	-	137,771
Total liabilities	-	-	4,332,392	1,335	4,333,727

2016	Loans granted and accounts receivable	Available-for-sale financial assets	Other financial liabilities	Financial assets and liabilities at fair value	Total
Assets:					
Cash and cash equivalents	471,989	-	-	103,976	575,965
Accounts receivable-trade	157,279	-	-	-	157,279
Other investments	-	5,364	-	2,928	8,292
Other non-current accounts receivable	36,756	-	-	-	36,756
Other current accounts receivable	39,004	-	-	-	39,004
Other non-current assets	-	-	-	215,450	215,450
Other current assets	1,664	-	-	26,450	28,113
Total assets	706,692	5,364	-	348,804	1,060,859
Liabilities:					
Non-current loans	-	-	3,131,847	-	3,131,847
Current loans	-	-	1,062,912	-	1,062,912
Current accounts payables-trade	-	-	276,074	-	276,074
Other non-current accounts payable	-	-	22,299	-	22,299
Other current accounts payable	-	-	88,158	-	88,158
Other non-current liabilities	-	-	696	7,468	8,164
Other current liabilities	-	-	157,505	8,287	165,792
Total liabilities	-	-	4,739,491	15,755	4,755,246

Estimated fair value – assets measured at fair value

The following table presents the Group's assets and liabilities measured at fair value at June 30, 2017, grouped into levels based on the degree to which the fair value is observable:

- Level 1: the fair value of financial instruments is based on quoted prices in active markets as of the date of the statement of financial position;
- Level 2: the fair value of financial instruments is not based on quoted prices in active markets, but rather on valuation models;
- Level 3: the fair value of financial instruments is not based on quoted prices in active markets, but rather on valuation models, the main inputs of which are not observable in the market.

Category	Item	Level 1	Level 2	Level 3
Assets:				
Financial assets at fair value	Cash, banks and securities	28,023	-	-
Financial assets at fair value	Financial derivative instruments	-	1,624	-
Financial assets at fair value	Other investments	719	-	-
Liabilities:				
Financial liabilities at fair value	Financial instruments derivatives	-	1,335	-

Estimated fair value – assets and liabilities not measured at fair value

Measurement of fair value of derivatives financial instruments is based on criteria extracted from external database agencies, and the results obtained faced with the corresponding evaluations made by counterparties.

Except as regards non-current loans the majority of financial assets and liabilities mature in the short term and so their fair value is considered to be the same as their book values.

Regarding loans and Notes, as shown in Note 18, in general, the long term maturities, are contracted at variable interest rates, with margins there are estimate to be close to those that possibly could be contracted in June 30, 2017. Consequently, it is understood that the corresponding book value (amortized cost) does not differ significantly from their corresponding market value, except for the fixed interest rate loans contracted in the Brazilian, Argentinian and Paraguayan business areas and for the Senior Notes issued by Cimpor B.V., the effect of their valuation to fair value in relation to their book value reported in June 30, 2017 and December 31, 2016, respectively, being as follows:

	June 2017	December 2016
Fair-Value	1,120,938	1,410,143
Accounting Value	1,192,400	1,500,195

23. Subsequent events

Yguazu Cementos S.A. ("Yguazu")

On August 8, 2017, the subsidiary Yguazu has contracted two new loans in Guarani, in the total amount of PYG 423,000 million, equivalent to approximately 65 million euros. In the first year, interest rates vary between 8.5% and 9% per year, and for the remaining years, interest will be calculated according to the average rate published by the Central Bank of Paraguay, plus spread. The interests are payable in a semi-annually basis from February 2018, and the principal will be paid in fifteen semi-annual tranches, starting in August 2018. On August 14, 2017 the funds were used for the advance payment of all the loans of the subsidiary Yguazu (Note 18). The mentioned loans are guaranteed by a mortgage on the plant in Paraguay and a pledge of its assets.

Loma Negra, CIASA. (“Loma Negra”)

Among the initiatives being undertaken by the Group to reduce its leverage, the board of directors of its subsidiary in Argentina, Loma Negra, C.I.A.S.A. (“Loma Negra”), continues to promote initiatives to enable Loma Negra to be in a position to pursue an equity offering in the domestic and international capital markets, having filled in 5 September 2017 with the U.S. Securities and Exchange Commission (“SEC”) a Form F 1 (Registration Statement Under the Securities Act of 1933).

24. Note added for translation

These consolidated financial statements are a translation of financial statements originally issued in Portuguese. In the event of discrepancies the Portuguese language version prevails.

QUALIFYING SHAREHOLDINGS (1)

Shareholders	No. of Shares	% of Share Capital (2)	% of Voting Rights (3)
Participações Morro Vermelho	**632,933,437**	**94.19%**	**94.19%**
Rosana Camargo de Arruda Botelho,Renata de Camargo Nascimento and Regina de Camargo Pires Oliveira Dias w ho, jointly, directly control the company RRRPN - Empreendimentos e Participações, S.A. and individually, respectively, the companies (a) RCABON Empreendimentos e Participações, S.A. and RCABPN Empreendimentos e Participações, S.A.; (b) RCNON Empreendimentos e Participações, S.A. e RCNPN Empreendimentos e Participações, S.A.; and (c) RCPODON Empreendimentos e Participações, S.A. and RCPODPN Empreendimentos e Participações, S.A..	632,933,437	94.19%	94.19%
Throuth the companies RRRPN Empreendimentos e Participações, S.A., RCABON Empreendimentos e Participações, S.A., RCABPN Empreendimentos e Participações, S.A., RCNON Empreendimentos e Participações, S.A., RCNPN Empreendimentos e Participações, S.A., RCPODON Empreendimentos e Participações, S.A. and RCPODPN Empreendimentos e Participações, S.A..	632,933,437	94.19%	94.19%
Through the jointly and directly controlled company, Participações Morro Vermelho, S.A.	632,933,437	94.19%	94.19%
Through the company Camargo Corrêa, S.A. w hich it fully controls	632,933,437	94.19%	94.19%
Through the company Camargo Corrêa Cimentos Luxembourg, S.à.r.l. w hich it fully controls	131,353,069	19.55%	94.19%
Through the company InterCement Participações S.A. controlled	501,580,368	74.64%	94.19%
Through InterCement Austria Holding GmbH w hich it fully controls	501,580,368	74.64%	94.19%
It is imputable to InterCement Austria Holding GmbH, according to the CMVM understanding follow ing the launch of the Public Offer by the former over the total share capital of Cimpor, the sum of the voting rights of the follow ing:			
Participations held by itself	501,580,368	74.64%	74.64%
Camargo Corrêa Cimentos Luxembourg, S.à.r.l. (company of the Camargo Corrêa Group, as above mentioned)	131,353,069	19.55%	19.55%

(1) As per official qualifying shareholdings announcements and other information received by the company

(2) With voting rights

(3) The calculation basis includes the number of ow n shares, i.e. all the shares w ith voting rights, w ith the suspension of the respective exercise being of noconsequence to the calculations (according to the criteria of paragraph b), no. 3 of the article 16 of the Portuguese Securities Code)

INFORMATION REQUIRED BY LEGISLATION

As set forth in article 447º of the Portuguese Commercial Code and CMVM's (Portuguese Securities Commission) Regulation no. 5/2008, herein is specified Cimpor shares final positions on June 30, 2017, relating to members of the Board of Directors, Audit Committee, Management and entities closely related to the aforementioned parties. Below the transactions in the first half of 2017:

Shares

Members of Board of Directors and Audit Committee

Members of Board of Directors and Audit Committee

Shareholders	No. of Shares 31-12-2016	No. of Shares 30-06-2017	Transactions in the first half of 2017			
			Acquisitions	Disposals	Price €	Date
Daniel Proença de Carvalho	1	1				
António Soares Pinto Barbosa	4,237	4,237				

Companies closely related to Board Members

Companies closely related to Board Members

Shareholders	No. of Shares 31-12-2016	No. of Shares 30-06-2017	Transactions in the first half of 2017			
			Acquisitions	Disposals	Price €	Date
Camargo Corrêa Cimentos Luxembourg, S.à.r.l [(1)]	131,353,069	131,353,069				

[(1)] As José Édison Barros Franco, related thereto, is also a member of the Board of Directors of Cimpor.

The Board of Directors

Daniel Proença de Carvalho

Armando Sérgio Antunes da Silva

Paulo Sérgio de Oliveira Diniz

Ricardo Fonseca de Mendonça Lima

José Édison Barros Franco

António Henriques de Pinho Cardão

António Soares Pinto Barbosa

Pedro Miguel Duarte Rebelo de Sousa

REPORT ON REVIEW OF CONSOLIDATED FINANCIAL STATEMENTS

(Translation of a report originally issued in Portuguese)

Introduction

We have reviewed the accompanying condensed consolidated financial statements of Cimpor – Cimentos de Portugal, SGPS, S.A. (the "Entity") and of its subsidiaries (the "Group"), which comprise the condensed consolidated statement of financial position as of 30 June 2017 (that presents a total of 4,208,657 thousand euros and negative equity of 717,480 thousand euros, including a net consolidated loss attributable to shareholders of 198,567 thousand euros), the condensed consolidated statement of profit and loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the six month period then ended, and the accompanying notes to the condensed consolidated financial statements.

Management's Responsibility

Management is responsible for the preparation of condensed consolidated financial statements in accordance with IAS 34 – Interim Financial Reporting as adopted by the European Union, and for the implementation and maintenance of an appropriate internal control system that allows the preparation of financial statements that are free from material misstatements due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the accompanying condensed consolidated financial statements. We conducted our review in accordance with International Standard on Review Engagements 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity and further standards, technical and ethical directives of the Portuguese Institute of Statutory Auditors ("Ordem dos Revisores Oficiais de Contas"). These standards requires us to perform our review in order to conclude whether anything has come to our attention that causes us to believe that the consolidated financial statements are not prepared in all material respects in accordance with IAS 34 – Interim Financial Reporting, as adopted by the European Union.

A review of financial statements is a limited assurance engagement. The auditor performs procedures, primarily consisting of making inquiries and applying analytical procedures, and evaluates the evidence obtained.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these condensed consolidated financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated financial statements of Cimpor – Cimentos de Portugal, SGPS, S.A. as of 30 June 2017, are not prepared, in all materials respects, in accordance with IAS 34 – Interim Financial Reporting, as adopted by the European Union.

Emphasis

During the six month period ended 30 June 2017, Cimpor Group recorded a consolidated net loss attributable to shareholders of 198,567 thousand Euros, which, as indicated in Notes 6 and 12, is impacted by the recognition of impairment losses on tangible assets related to the Brazilian business area in the amount of, approximately, 192,000 thousand Euros. In addition, as of 30 June 2017, the cumulative impairment losses of goodwill related to Brazilian business area amounts to, approximately, 592,000 thousand Euros. On that date the cumulative currency translation adjustments on the shareholders' equity attributable to shareholders, resulting from the translation into Euros of financial statements of foreign subsidiaries with a different functional currency, recorded in the condensed consolidated statement of financial position, were negative in the amount of, approximately, 1,177,000 thousand Euros (1,045,000 thousands Euros as of 31 December 2016). Finally, as of 30 June 2017, the condensed consolidated financial statements present a negative shareholders' equity attributable to shareholders amounting to, approximately, 767,000 thousand Euros.

In addition, as of 30 June 2017: (i) consolidated current liabilities, which include financing granted by the shareholder Intercement Austria Holding GmbH amounting to 769,000 thousand Euros, exceeds the consolidated current assets by, approximately, 665,000 thousand Euros , and (ii) as mentioned in Note 22, as of 31 December 2016 the Cimpor Group did not comply with the leverage limit established in several financing agreements, and has negotiated with the corresponding financial institutions a waiver, until 31 December 2017 on the application of the conditions related to that breach.

Considering the above, there is a material uncertainty that could raise significant doubts about Cimpor's ability to continue on a going concern basis. The existing plans for the resolution of the situation are disclosed in Note 2 to the financial statements.

Our conclusion on the condensed consolidated financial statements is not modified by this matter.

Lisbon, 13 September 2017

Deloitte & Associados, SROC S.A.
Represented by Carlos Alberto Ferreira da Cruz, ROC