ANNOUNCEMENT OF CONSOLIDATED RESULTS FOR 2005

In 2005, CIMPOR's Group Consolidated Net Income (after Minority interests) amounted to 266.2 million euros (3.9% up on the previous year). Excluding the impact of the non recurring financial gains obtained in these two years, this represented an increase of nearly 30 million euros (roughly 13%) over the 2004 results, on a comparable basis.

Despite a number of adverse factors – of which we stress the on-going decline of cement prices in the Brazilian market, the continuing climate of recession which has been characterizing the Portuguese market and the substantial rise in energy costs - the Group's Operating Cash Flow (*EBITDA*) recorded an increase of approximately 44 million euros (9.7%), with the respective margin, nevertheless, registering a slight drop (from 33.1%, in 2004, to 32.3%, in 2005) as a result of these factors.

Group Consolidated Income

(EUR million)	2005 (IFRS)	2004 (IFRS)	% Chg	2004 (PGAAP)
Turnover	1,534.9	1,365.6	12.4 %	1,365.6
Operating Cash Costs	1,039.0	913.7	13.7 %	906.9
Operating Cash Flow (EBITDA)	495.8	451.9	9.7 %	458.7
Depreciation & Provisions	140.4	128.5	9.2 %	210.5
Operating Income (EBIT)	355.4	323.4	9.9 %	248.2
Financial Income	- 3.3	- 6.7	n.s.	- 6.5
Extraordinary Income	0.0	0.0	--	- 5.8
Pre-tax Income	352.2	316.7	11.2 %	235.9
Income Tax	75.7	52.9	43.1 %	45.5
Net Income	276.5	263.8	4.8 %	190.4
Attributable to:				
Shareholders	266.2	256.1	3.9 %	185.9
Minority Interests	10.3	7.7	34.8 %	4.5
Earnings per Share (euros)	0.40	0.38	3.8 %	0.28

Egypt and Spain – with increases for the same indicator of 18.5 million euros and 16.1 million euros, respectively – were the Business Areas which contributed most to this significant improvement in CIMPOR's operating performance. Essentially this is explained by the rise of cement prices in these markets together with, in the first case, a strong growth in cement sales and the effect of the local currency appreciation (by nearly 7%) against the euro. Due to their contribution to the Group's improved EBITDA, the growth of this indicator in the Trading/Shipping activities and in the Portugal Business Area (both around 7 million euros) are also noteworthy, as well as the savings made in terms of centralized services costs (roughly 3.5 million euros).

The only exceptions to this almost generalised rise in the Operating Cash Flow were the Business Areas of Tunisia – owing to the fall in the market which was also aggravated by some operational difficulties – and, above all, of Brazil – where cement prices went down nearly 17% in the local currency. In this case, the negative variation for this indicator – albeit mitigated by the rise in sales and the impact of the appreciation of the real against the euro (nearly 20%, in terms of the annual average exchange rate) – exceeded 15 million euros, which for the *EBITDA* margin, represents a fall of more than 11 p.p..

In addition to these two Business Areas, there was also some reduction in the EBITDA margins in Morocco and South Africa; this can be easily explained by the increase in transport and fuel costs and, in the case of South Africa in particular, also by the greater importance assumed by the production and commercialization of concrete and aggregates and by the sale of imported cement or cement produced with clinker acquired from third parties.

Operating Cash Flow (EBITDA)
(EUR million)

Business	2005 (IFRS)		2004 (IFRS)		Change	
Areas	Amount	Margin	Amount	Margin	Amount	%
Portugal	183.0	31.7 %	176.3	31.5 %	6.7	3.8
Spain	102.9	27.6 %	86.8	25.0 %	16.1	18.6
Morocco	26.2	43.3 %	25.6	46.9 %	0.6	2.5
Tunisia	14.6	27.3 %	16.1	30.0 %	- 1.5	- 9.1
Egypt	48.5	46.7 %	30.0	44.9 %	18.5	61.6
Brazil	62.9	27.7 %	78.3	39.3 %	- 15.4	- 19.7
Mozambique	6.8	13.4 %	6.0	12.6 %	0.8	13.3
South Africa	41.9	39.8 %	39.9	45.6 %	2.0	5.0
Cape Verde	1.2	9.5 %	-	-	1.2	n.s.
Trading / Shipping	8.1	6.8 %	0.9	1.5 %	7.2	836.5
Other Activities	- 0.3	-	- 7.8	-	7.6	n.s.
Total	495.8	32.3 %	451.9	33.1 %	43.9	9.7

Even though the Depreciation have risen roughly 19%, the above mentioned growth of *EBITDA* and the decrease of Provisions by more than 10 million euros allowed a growth in the Group's Operating Income (EBIT) of approximately 32 million euros (9.9%).

On the other hand, even with a reduction of non recurring gains of about 18 million euros, Financial Income registered an improvement of over 50%, with a negative value in 2005 of just 3.3 million euros.

The consequent increase in Pre-tax Income was not, however, translated into an equivalent increase in Net Income (after Minority Interests), since Income Tax went up almost 23 million euros not only due to an increase in taxable income, but also because, for prudence reasons regarding the respective recovery, not all the assets from deferred taxes were recognized as such.

In 2005, CIMPOR Group's cement and clinker sales totaled 19.8 million tons, with a growth rate of 6.2%. Except for Spain (due to the drop of sales in the Andalucia and Extremadura markets and a smaller volume of cement exports) and Tunisia (for the above mentioned reasons), all the other Business Areas had a positive evolution. Even in Portugal, where cement consumption fell for the fourth consecutive year, CIMPOR succeeded in raising sales (by 2.7%), with clinker exports (totaling nearly 1 million tons) more than compensating for the retraction of the market.

Cement and Clinker Sales
(thousand tons)

Business Areas	2005	2004	Change
Portugal	6,106	5,946	2.7 %
Spain	4,157	4,209	- 1.2 %
Morocco	959	852	12.6 %
Tunisia	1,385	1,477	- 6.2 %
Egypt	2,898	2,275	27.4 %
Brazil	3,796	3,442	10.3 %
Mozambique	583	567	2.8 %
South Africa	1,160	1,100	5.4 %
Cape Verde	119	-	n.s.
Subtotal	21,162	19,868	6.5 %
(Intra-Group sales)	(1,356)	(1,227)	
Consolidated	19,806	18,641	6.2 %

The evolution of this indicator was particularly significant in the Business Areas of Brazil (+10.3%), Morocco (+12.6%) and Egypt (+27.4%), where, in addition to higher cement sales in the respective markets, there was also a significant rise in the amount of exports.

Concrete, Aggregates and Dry Mortar Sales

Product / Business Area	2005	2004	% Chg.
Concrete (1,000 m3)			
Portugal	3,725	3,646	2.2 %
Spain	2,616	2,516	3.9 %
Other Business Areas	718	511	40.7 %
Total	7,059	6,673	5.8 %
Aggregates (1,000 ton)			
Portugal	8,806	7,610	15.7 %
Spain	3,770	3,867	- 2.5 %
Other Business Areas	652	421	55.0 %
Total	13,228	11,897	11.2 %
Dry Mortar (1,000 ton)	477	490	- 2.6 %

Altogether the concrete sales rose by 5.8%, driven mainly by the acquisition of new facilities in the last two years in Brazil and South Africa. The aggregates sales growth (11.2%) was even more marked as a result of both a strong increase in production in the Portugal Business Area (15.7%)

and the fact that 2005 was the first complete year of operations for this business in South Africa. Dry mortar sales, prejudiced by the retraction in the Portuguese and Galician (Spain) markets and by the appearance of new operators, registered a fall of roughly 2.6%.

In 2005, the Group's Turnover, in consolidated terms, amounted to 1,535 million euros, well over (12.4%) the amount obtained in the previous year. Excluding intra-group transactions, it is important to stress the significant increase of the contributions to this indicator from the Business Areas of Egypt, Brazil, Spain and South Africa, all of which with increases of over 25 million euros, together with a favourable evolution of the Trading/Shipping activities (where turnover more than trebled) and the turnover already achieved (in less than one year) by the new Business Area of Cape Verde (12.5 million euros).

Contributions to Turnover *

(EUR million)

Business	2005		2004		Change	
Areas	Amount	%	Amount	%	Amount	%
Portugal	515.5	33.6	507.4	37.2	8.1	1.6
Spain	370.9	24.2	344.5	25.2	26.4	7.7
Morocco	58.8	3.8	54.5	4.0	4.3	7.8
Tunisia	53.4	3.5	53.6	3.9	- 0.2	- 0.3
Egypt	93.4	6.1	60.1	4.4	33.3	55.4
Brazil	227.1	14.8	199.1	14.6	28.0	14.1
Mozambique	50.5	3.3	47.3	3.5	3.3	7.0
South Africa	113.1	7.4	87.5	6.4	25.6	29.3
Cape Verde	12.5	0.8	-	-	12.5	n.s.
Trading / *Shipping*	39.3	2.6	11.6	0.8	27.7	239.8
Other Activities	0.3	0.0	0.0	0.0	0.3	n.s.
Consolidated	1,534.9	100.0	1,365.6	100.0	169.2	12.4

* Excluding intra-group transactions

Compared to the end of 2004, total Capital Employed increased, on an IFRS basis, about 293 million euros, not only as a result of investments concluded meanwhile, but also due to the impact of the appreciation of the Egyptian and Brazilian currencies against the euro. Of the referred investments, we stress the set up of a new paper bag production line (Portugal), the increase in the clinker production capacity in Asment de Témara (Morocco) and the acquisition of new concrete facilities in Brazil, as well as a cement import, storage, bagging and distribution company in Cape Verde.

Net Financial Debt, including equivalent items, of 1,318 million euros in December 2004, fell at the end of 2005 to 1,083 million euros – a drop of almost 18%, explained not only by the cash flow generated this year but also by the divestment in minority financial participations. Consequently, its weight in the total Invested Capital declined between these two dates by nearly 50% to a little over 38%.

On the other hand, and despite the large amount of dividends distributed (roughly 120 million euros), the Equity attributable to the Shareholders, which benefited from the above mentioned currencies appreciations against the euro, increased 31%, reaching 1,519 million euros at the end of the year. Given the above and considering the decline in results of the Brazil Business Area, 2005 Return on Equity (*ROE*) went to 19.9%, down nearly 3.7 p.p. compared to the previous year.

At the end of 2005, CIMPOR Group's total cement production capacity (with own clinker) was 23.9 million tons/year, predictably keeping CIMPOR in the group of the ten biggest international companies in the world in this sector.

Invested Capital

(EUR million)	2005 (IFRS)	2004 (IFRS)	Chg.	2004 (PGAAP)
Working Capital	246.6	216.8	13.8 %	220.5
Tangible Fixed Assets	1,503.0	1,339.1	12.2 %	1,093.6
Goodwill	940.6	821.0	14.6 %	781.4
Other Assets (net from Other Liabilities)	(57.8)	(37.0)	s.s.	(35.7)
Capital Employed	2,632.5	2,339.9	12.5 %	2,059.9
Investments In Progress	64.5	124.7	- 48.2 %	130.9
Financial Investments	215.8	274.0	- 21.2 %	284.6
Other Non-Operating Assets (net)	(89.9)	(78.4)	s.s.	(78.4)
Invested Capital	2,823.0	2,660.2	6.1 %	2,396.9
Net Financial Debt	1,079.4	1,312.3	- 17.7 %	1,316.8
(Available For Sale Investments)	(69.2)	(52.3)	s.s.	(52.3)
Provisions	73.2	58.4	25.3 %	27.8
Financial Debt and Equivalents	1,083.3	1,318.3	- 17.8 %	1,292.3
Equity atributable to:				
Shareholders	1,519.1	1,159.2	31.0 %	970.4
Minorities	65.5	63.7	2.9 %	76.3
Deferred taxes	44.5	8.7	411.0 %	(52.2)
Provisions for Taxes and Others	110.6	110.2	0.3 %	110.2
Equity and Equivalents	1,739.7	1,341.8	29.6 %	1,104.7
Invested Capital	2,823.0	2,660.2	6.1 %	2,396.9

Given the 2005 results, the Board of Directors intends to propose the distribution of a gross dividend per share of 0.19 euros (5.6% up on 2004), which corresponds to a 48% pay out ratio (roughly the same as in the previous year) and a dividend yield of 4.1% (considering CIMPOR's shares year end closing price).

Lisbon, March 16, 2006