CIMPOR

REPORT & ACCOUNTS

2010

Our soundness is in your life.

Mission

To be one of the best international cement producers, focused on growth, particularly in developing markets, and improved performance, while incorporating sustainable development into all its operations.

BUSINESS AREAS

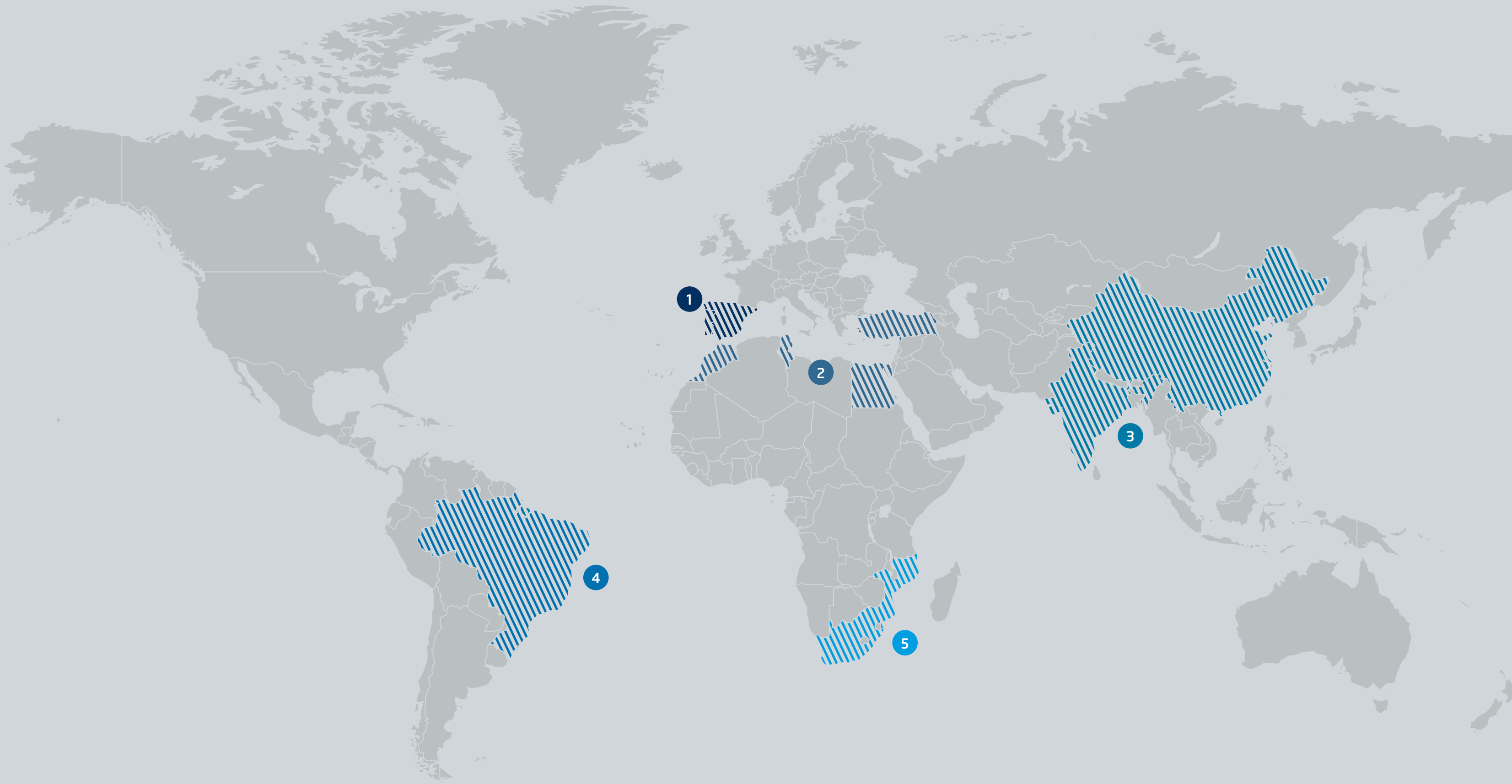
1 **IBERIAN PENINSULA**
Portugal, Spain and Cape Verde

2 **MEDITERRANEAN BASIN**
Morocco, Tunisia, Egypt and Turkey

3 **ASIA**
China and India

4 **LATIN AMERICA**
Brazil

5 **SOUTHERN AFRICA**
South Africa and Mozambique



PROFILE AND SCOPE OF OPERATIONS

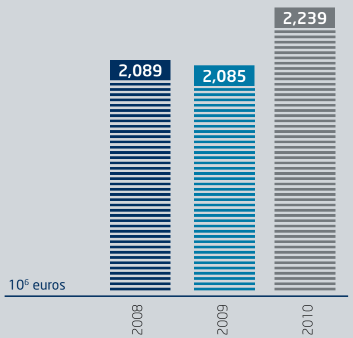
CIMPOR is an international cement Group - ranked among the world's internacional top ten - with head office and decision centre in Portugal. At the end of 2010 the Group was operating in twelve countries spread over four continents, managing an installed cement production capacity of 35.5 million ton/year (employing its own clinker).

The Group's core business is the production and sale of cement. It is the domestic market leader in Portugal, Cape Verde and Mozambique. Concrete, aggregates and mortars are produced and sold as a consequence of vertical integration of the businesses. These products generated a consolidated turnover of EUR 2.2394 billion in 2010.

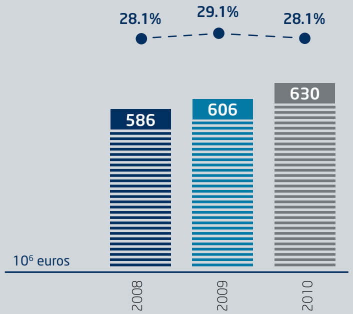
CIMPOR

HIGHLIGHTS

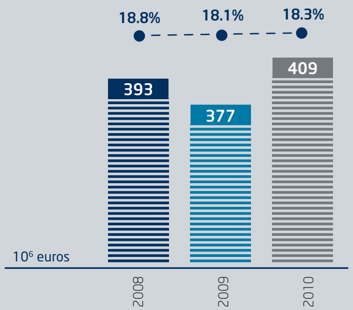
TURNOVER



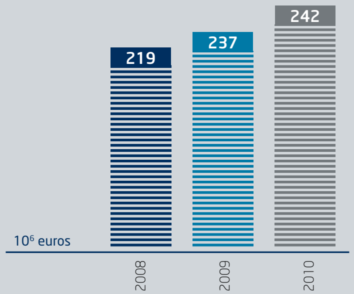
EBITDA AND EBITDA MARGIN



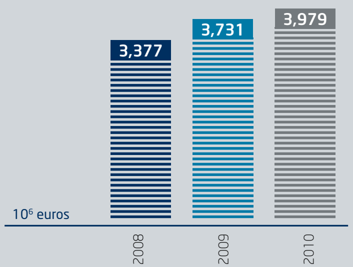
NET OPERATING INCOME (EBIT) AND EBIT MARGIN



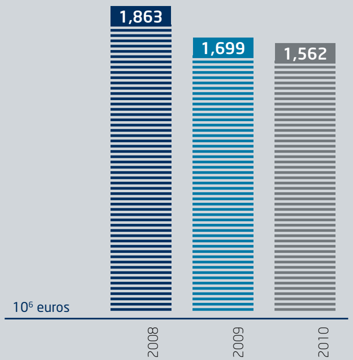
NET INCOME ATTRIBUTABLE TO SHAREHOLDERS



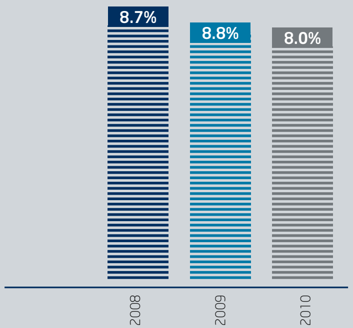
CAPITAL EMPLOYED



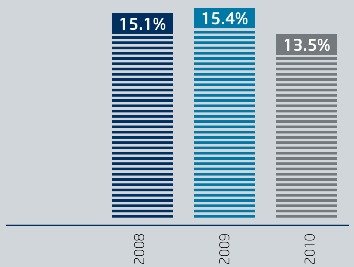
NET DEBT



RETURN ON CAPITAL EMPLOYED (ROCE)



RETURN ON EQUITY (ROE)



2008 2009 2010

KEY FINANCIALS

CONSOLIDATED DATA	UNIT	2010	2009	CHANGE	2008
Installed Capacity (Cement) [1]	10^3 ton	35,442	33,540	5.7%	30,985
Group Sales:					
Cement and Clinker	10^3 ton	28,269	27,402	3.2%	26,807
Concrete	10^3 m^3	6,721	7,264	-7.5%	8,567
Aggregates	10^3 ton	12,756	13,891	-8.2%	16,109
Mortars	10^3 ton	474	543	-12.7%	562
Turnover	10^6 euros	2,239.4	2,085.5	7.4%	2,088.9
Operating Cash Flow (EBITDA)	10^6 euros	629.8	605.9	3.9%	586.3
EBITDA Margin	%	28.1%	29.1%	-1.0 p.p.	28.1%
Net Operating Income (EBIT)	10^6 euros	409.1	376.9	8.6%	392.6
EBIT Margin	%	18.3%	18.1%	0.2 p.p.	18.8%
Net Financial Income	10^6 euros	-60.6	-63.1	s.s.	-134.4
Earnings before Tax	10^6 euros	348.5	313.8	11.1%	258.3
Net Income Attributable to Shareholders	10^6 euros	241.8	237.0	2.0%	219.4
Total Assets	10^6 euros	5,384.9	4,927.4	9.3%	4,615.3
Net Debt [2]	10^6 euros	1,561.6	1,698.7	-8.1%	1,862.6
Capital Employed (31 Dec.)	10^6 euros	3,936.8	3,731.1	5.5%	3,376.8
Employees (31 Dec.)	units	8,493	8,693	-2.3%	8,369
Operating Net Investment [3]	10^6 euros	163.8	217.6	-24.7%	614.6
Net Debt [2] / EBITDA		2.48	2.80		3.18
Return on Equity (ROE) [4]	%	13.5%	15.4%	-1.9 p.p.	15.1%
Return on Capital Employed (ROCE) [5]	%	8.0%	8.8%	-0.8 p.p.	8.7%
Market Capitalisation (31 Dec.)	10^6 euros	3,407	4,320	-21.1%	2,339
Net Earnings per Share (EPS)	euros	0.405	0.388	4.4%	0.368
Price (31 Dec)/Price Earnings per Share (PER)		12.5	16.6		9.4

(1) Annual capacity of cement production with own clinker

(2) Loans contracted and other items of a Net Debt nature - Cash and Cash Equivalents

(3) Investments Net of Disposals (excluding Financial Contractual Rights)

(4) Current Net Income/ Average Shareholder Equity

(5) Current Operating Income (net of Cash Taxes) / Average Capital Employed

CIMPOR

MESSAGES TO SHAREHOLDERS

MESSAGE FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS

Dear Shareholders:

The end of 2009 and the first few months of 2010 were simultaneously affected by the failure of a takeover bid launched for CIMPOR, and a substantial change to its shareholder structure, which justified a significant change in the composition of its Board of Directors at the General Meeting of 29th April.

António de Castro Guerra
Chairman of the Board of Directors

Despite these ups and downs, 2010 was another year in which, owing to the results achieved, the effectiveness of the Company's internationalisation strategy was confirmed and that sequence of events did not alter this. By taking advantage of its presence in different geographical areas, the Company's 2010 financial year paid off with growth in sales - both in physical and monetary terms - the value of EBITDA, EBIT and net profit. The value of sales and EBITDA were in fact the highest in CIMPOR's history.

This results give more expression to the specifics of the economies of each country in which the group is present - which overall have been and are still a virtuous group - than to the world economic recovery in 2010, in relation to the 2009 year of recession.

A fall in Turnover and EBITDA in the Iberian Peninsula, more in Spain than in Portugal and, also in other geographical regions, was more than offset by the performance of other markets, particularly Brazil, Turkey and China, as a result of a positive combination of the effects of volume and price and exchange rate variations against the Euro.

In 2010 CIMPOR's strategy for the next five years was continued and is based on four fundamental ideas:

- **First**, a return to growth of investment – both in terms of maintenance and increases to capacity – seizing opportunities in the geographical areas in which we are already established, but also considering complementary markets. The investments already announced for Brazil and Mozambique are the first expression of this vector of the strategy.
- **Second**, improvements to efficiency and performance, via a significant cost-cutting programme and the improved technical and operating efficiency of our plants, particularly in the geographical areas where we have most recently arrived.
- **Third**, adapting the structure to the strategy, improving organisation by qualifying the core corporate functions, improving decision-making processes and a programme of staff renewal.
- **Fourth**, maintenance of a solid financial position to support the Company's rating and to keep appropriate levels of leverage.

In the face of the unusual financial market difficulties we are witnessing, we are securing financing on the international market, which in addition to those we expect to be liberated from our businesses in the various geographical areas, will jointly fund the strategy. In line with this, at the end of the year, we increased the liquidity and maturity of the Company's debt.

Throughout the year, alongside the boost to the strategy, we paid particular attention to Corporate Governance issues. In this area the highlights were the review of the Regulations of the Board of Directors, the intensive work carried out by the specialised committees which, under the terms of those regulations, branch out from this governing body - The Corporate Governance and Sustainability Committee, the Investment Committee and the Nomination and Evaluation Committee. Also worth noting was the joint work of the latter committee along with the Remuneration Committee, with a view to establishing a remuneration policy for the Company's management and supervisory bodies, that would extend the alignment of the directors' interests with CIMPOR's long term interests.

Taking into consideration article 398 of the Companies Code, the agreement signed between CIMPOR and CIMPOR Brasil, on one side and CADE – Conselho Administrativo de Defesa Económica do Brasil (Brazil's competition authority), on the other, as well as the deliberations of the last General Meeting, the Board of Directors scrupulously complied with all procedures relating to conflicts of interest and protection of sensitive information, by its members.

The issue of sustainable development remains at the heart of our concerns, both internally – energy efficiency, use of alternative fuels, etc. – and externally – taking part in the activities of the CSI/Cement Sustainability Initiative, as well as the WBCSD/World Business Council for Sustainable Development. Our R&D policy, specifically that carried out with universities, notably MIT/Massachusetts Institute of Technology, is also focused on issues of sustainability.

Throughout the year, our activities in the area of local responsibility have continued to be significant, notably those that we carry out in relation to the communities closest to our industrial units across the world.

The enthusiasm and dedication – which I want to highlight here – with which the management team has directed the Company and prepared for it to continue growing and becoming increasingly international with a solid financial base and profitability, are the guarantee that CIMPOR is capable of continuing to be the most international of the industrial companies of Portuguese origin and one of the top ten cement companies in the world.

The solidity of the company and the results it has achieved justify the dividend policy proposed by the Board of Directors, based on which, along with the fulfilment of the strategy over the next few years, we hope to continue to deserve the trust of our shareholders.

António de Castro Guerra

Chairman of the Board of Directors

MESSAGE FROM THE CEO

Dear shareholders,

In line with the world economy, 2010 was a year of transition for the cement industry after the "dark year" of 2009. Market conditions remained quite challenging in mature countries, but showed great dynamism in emerging economies, which increasingly established their position as the drivers of global growth. Estimates point to world consumption of 3.2 billion tons of cement in 2010 (an 8% increase relative to 2009), of which 90% was in emerging markets, where consumption rose by 10%. In mature markets, aggregate consumption fell by 3%, easing off from the 19% drop posted in 2009.

Francisco de Lacerda
Chief Executive Officer

In this challenging context, CIMPOR achieved its best operating performance ever, taking the best out of its current asset base and focus on emerging markets. The generation of operating funds (EBITDA, the most often used performance indicator) rose 3.9% to a record value of 630 million Euros, cement and clinker sales grew by 3.2% to 28.3 million tons and total revenues rose 7.4% to 2.24 billion Euros. I would like to highlight the trends in the markets in which we operate:

- Brazil is boosting its position as a fundamental performance driver and as a growth engine for CIMPOR.
- Turkey and China are seeing very positive developments, with recovery of volumes and prices.
- Market conditions in Portugal and Spain remain particularly challenging.
- The Mediterranean Basin and Sub-Saharan Africa continue to make significant contributions, confirming the historical trend.

To summarise, CIMPOR is increasingly reinforcing its position as a true multinational with 72% of EBITDA in emerging markets (and 78% outside Portugal), against 67% seen in 2009.

Additionally, this operating performance was remarkably robust, thus allowing the Company to maintain industry benchmark levels of profitability and debt. The EBITDA margin was 28% as compared to the benchmark margin of 20% of global players. The Net Debt/EBITDA ratio continued to progress very positively as a result of the improvement in CIMPOR's financial structure, from 2.8 in 2009 to 2.5 in 2010; and I would especially like to highlight that in times of significant liquidity difficulties in the financial system and capital markets, CIMPOR secured refinancing for 1 billion Euros, thus substantially increasing the duration of its funding and the strength of its balance sheet.

Following profound changes to the shareholder structure at the beginning of the year, 2010 General Meeting approved important changes in the composition of the Board of Directors and, as a consequence, of the executive team. Currently, in the Board are represented shareholders that altogether own 85% of CIMPOR's share capital.

We also looked consistently and structurally to the future: an internal strategic process was developed, as a result of which were defined the four fundamental axes that we plan to follow to continue along the path of CIMPOR's success and continuing modernisation, fundamental in the current global and highly competitive market in which we operate. Those axes are:

- Growth by capturing the best opportunities in cement, with South America, Africa and India identified as the priority targets for growth. However, this objective shall be subject to the commitment to healthy growth (and all that this implies in terms of price and opportunity), which is fundamental to shareholder value creation. This plan includes the capacity increase underway in Brazil by 2.3 million tons (35% of current capacity) and an increase in our presence in Mozambique.
- Efficiency, with focus on operating performance, particularly in countries with greatest potential. In 2010 we re-launched the BEST Programme as the main global priority aiming to achieve savings of at least 60 million Euros by 2013 (equivalent to 9.5% of CIMPOR's current EBITDA). The BEST Programme includes the initiatives underway to reduce specific consumptions, increased use of alternative fuels, reduction of fixed factory costs, integration of structures in Iberia, improvement of logistics processes and the centralisation of the procurement function.
- Robust Financial Structure by maintaining solid levels of financial performance and debt, which represents a competitive advantage in the market.
- Strengthen organization and capabilities upgrading corporate skills with high added value. We set up and boosted key roles including Strategic Development, Human Resources, Logistics, Trading and Procurement, with the goal of improving practices and ensuring maximum efficiency. In 2011 a new plan of objectives and incentives will come into force, which will encourage a greater meritocracy and focus on results. Our ambition is for CIMPOR to operate as a true multinational company, with strong local teams in the various geographical and business areas, making use of standardised processes and a high capacity for intervention and support from Group's corporate functions.

We also reinforced our commitment to Sustainable Development as this is a condition for success and fulfilment at a company of the size and presence of CIMPOR. We are already involved in very significant activities in this field across the four continents where we operate, both in environmental issues and in terms of working with local communities and Authorities.

CIMPOR now operates in 12 countries, at 26 plants with a total cement production capacity of 36 million tons using our own clinker, and we are now 8,500 people of 31 different nationalities.

The quality of our people at the various hierarchical levels is a crucial asset. At global staff meetings held in 2010 this was proven across the board. Pride in "being CIMPOR," an internal culture of effort and commitment, industrial and technical skills, consistency of leadership and agility in making decisions are part of CIMPOR's DNA. And it is building on these skills that the strategic pathways of the future are being drawn.

At the end of the day, the strength of organisations is the sum of its talents and its people. The skills and dedication of our staff, complemented with the quality and diversity of our asset portfolio and financial stability that is unrivalled amongst large cement companies, makes us look ahead with justifiable optimism. We shall be persistent in carrying out our strategy and determined in creating value at CIMPOR.

2010 was a good year for CIMPOR. I trust 2011 will be better.

Francisco de Lacerda

Chief Executive Officer

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* Translated from the original version in Portuguese.

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IBERIAN PENINSULA

	Installed Capacity [2] Million Ton	Turnover Million Euros	Operating Cash Flow Million Euros	Employees Units - 31 Dec
PORTUGAL [1] Since 1976	7.2	441.4	139.3	1,373
SPAIN [1] Since 1992	3.1	272.5	32.5	1,006
CAPE VERDE Since 2005	-	31.1	3.7	123

(1) - Excluding Group common areas
(2) - Cement production capacity with own clinker

I
MANAGEMENT REPORT

+3.9%

of EBITDA

+8.6%

of EBIT

+2.0%

of Net Profit

MANAGEMENT[1] REPORT

CIMPOR sought in 2010, to optimise the operational management of its businesses, preparing for the future challenges of strategic development.

1. STRATEGY

1.1. CORPORATE DEVELOPMENT OF CIMPOR IN 2010

CIMPOR sought in 2010, in an environment unfavourable to economic and financial growth, to optimise the operational management of its businesses, preparing for the future challenges of strategic development. Nonetheless, some portfolio adjustments made during the year deserve mention:

- The signing of a Share Purchase Agreement for the acquisition of 51% of the share capital of CINAC - Cimentos de Nacala, S.A., which is in its final stage. This investment illustrates CIMPOR's commitment to consolidate its presence in Mozambique, by taking a majority shareholding in a company with a cement grinding capacity of 350,000 tons/year.
- The approval of a set of investments to be made by 2013 in Brazil, in the region of 240 million euros, aimed at increasing cement production capacity by 2.3 million tons. That investment includes, the construction of a new integrated cement production unit in Caxitu as well as a third clinker production line and cement grinding facility in Cezarina.
- Leasing of a cement grinding facility at Antequera (Malaga province, Andalusia, Spain), which CIMPOR has already been operating since the beginning of 2011.

1.2. STRATEGY

The corporate agenda in 2010 was marked by an internal process of strategic assessment, which culminated in the announcement to the market of the most significant features that will underpin CIMPOR's business activities in forthcoming years.

The starting point for this process was the common understanding of the current competitive advantages of CIMPOR and, therefore, how best to use these in order to meet the challenges of an increasingly competitive market. It is not, therefore, a significant change in strategic guidelines but confirmation that the priorities that have been pursued place CIMPOR in a good position to face future challenges. Hence, it is worthwhile to highlight the company's current position before setting out the main strategic guidelines.

(1) Sole report, including the Annual Report and Consolidated Annual Report, in accordance with the provisions of Article 508-C(5) of the Portuguese Companies' Code.

CIMPOR is currently one of the most important global cement players.

CIMPOR is currently one of the most important global cement players, holding a portfolio of complementary businesses, the result of a carefully planned strategy of international expansion that started in 1992. There are three differentiating factors:

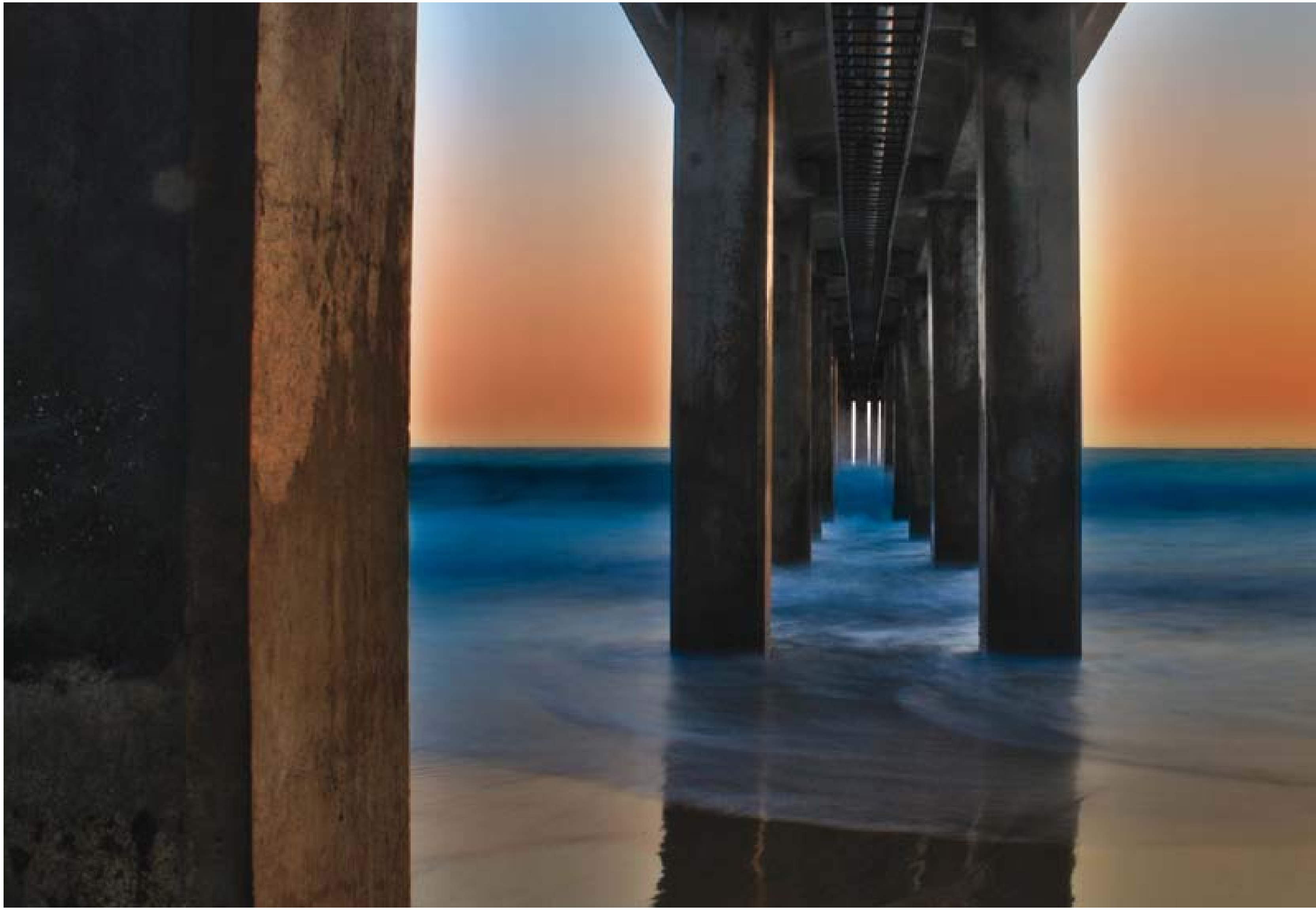
- **Diversified and well balanced business portfolio** - focused on emerging markets, which currently account for around ¾ of EBITDA;
- **High average profitability of the business activity in the different countries** - average EBITDA margin of CIMPOR of 28%, compared with 15% to 20% of the sector's major players;
- **Strong financial position** – sound debt ratios that are comfortable in view of the company's financial covenants and its credit rating (Net Debt/EBITDA of 2.48).

CIMPOR intends to continue along this path. Its goal for the next five years is to be among the best international cement players, with a focus on sustainable growth in emerging markets and achieving excellent operational performance. There are four specific strategic guidelines to achieve that goal:

1. **Secure the best growth opportunities in the cement sector.** The focus will be on developing markets, accompanying the growth of the markets in which the company operates in order to guarantee the current level of market share. Three specific regions will be the main focus of attention: South America, Africa and India. Other growth opportunities will also be considered on a case-by-case basis, particularly assets located in non-priority geographical regions, such as the U.S.A. and Eastern Europe;
2. **Improve efficiency and performances.** The recent growth raises specific operational efficiency challenges to be addressed as a matter of priority, namely with the BEST Programme of cost reduction, the turnaround of less profitable operations and the integration of business activities in the Iberian Peninsula;
3. **Strengthen organisational capabilities** to provide support for the defined strategy. This includes in particular, the establishment and centralisation of key functions, setting up integrated corporate processes and reinforcing talent in leadership positions;
4. **Keep the sound financial position.** The intention is for the strategic development of CIMPOR not to compromise the adequate debt ratio values and the company's credit rating.

In summary, CIMPOR will continue to follow the path of success achieved since its international expansion began, pursuing its strategy of development preferably in developing countries and adapting its organisation to the needs required by the path of growth.

CIMPOR will continue to follow the path of success achieved since its international expansion began, pursuing its strategy of development.



CORPORATE GOVERNANCE

CIMPOR implemented a series of processes aimed at protecting the interests of its shareholders.

2. CORPORATE GOVERNANCE, ORGANISATION AND MANAGEMENT

This chapter summarises the developments of the corporate life of CIMPOR with the greatest impact on Corporate Governance. The reader can find more detailed information in the "Corporate Governance Report" and the listing of "Disclosed Information and Sources of Information" attached to this Report, as well as via the original documents published on CIMPOR's site (www.cimpor.com).

The year began with the official announcement of the takeover bid of CIMPOR launched by the Brazilian company Companhia Siderúrgica Nacional ("CSN"), which was bound to the acquisition of control and at a price of EUR 5.75 per share. The Board of Directors rejected the Offer for CIMPOR, considering it to be hostile and recommending to shareholders that they don't sell their shares, since the Offer significantly undervalued the company.

In the following weeks, CIMPOR implemented a series of processes aimed at protecting the interests of its shareholders, which included several meetings and resolutions of the Board of Directors, the creation of an ad-hoc task force that would have the support of its consultants J.P. Morgan, BNP Paribas, Millennium bcp and PLMJ. However, the launch a competing bid would not occur, nor would there be a satisfactory revision of the Offer or the approval by the regulator of all the improvements to the process deemed necessary by CIMPOR, including, in particular, the postponement of the launch of the Offer until after the complete clarification of any restrictions to the approval of the Offer by the competition authorities.

Noteworthy is also the announcement on 13 January by the Brazilian Group Camargo Corrêa of a proposal to merge its cement manufacturing companies with CIMPOR. This proposal would be withdrawn following the position taken by the CMVM in this regard.

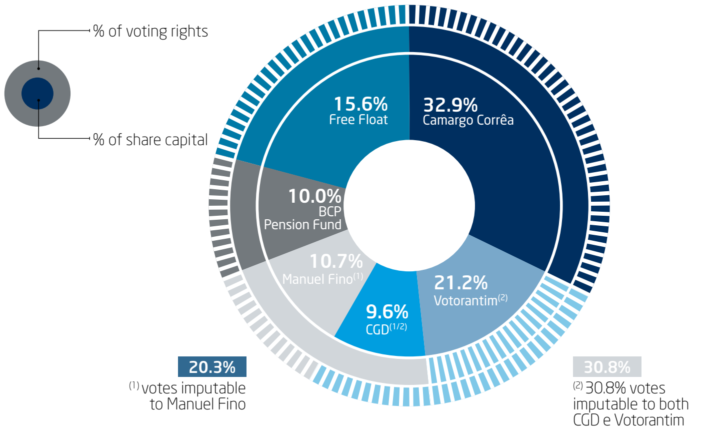
Despite the revision of the price reduction to EUR 6.18 and the lowering of sucess clause of the Offer to one-third of the share capital, on 12 February, CIMPOR continued to publicly reject the conditions of the Offer and the takeover bid failed, achieving only 8.6% of the share capital.

In the meantime, between 3 February and 11 February, the Brazilian groups Camargo Corrêa and Votorantim, both with extensive experience in the cement sector, built up their present qualifying holdings in CIMPOR to around 33% and 21%, respectively, through a series of transactions with the significant shareholders at that time.

Shareholders Votorantim and Caixa Geral de Depósitos concluded in the same date a voting syndicate agreement, with the aim of fostering shareholder stability in CIMPOR, the sustained development of the company and the continuation of the independence of its business, structure and corporate culture, in particular as a listed company with head office in Portugal and the preservation of a financial situation likely to generate an investment grade rating

The above mentioned changes resulted in the current CIMPOR shareholder structure:

SHAREHOLDER STRUCTURE



(1) Call option for Caixa Geral de Depósitos participation in favor of Investifino/Manuel Fino;
(2) Shareholders Agreement between CGD and Votorantim

The implications of the potential combination of activities in the Brazilian cement sector by Votorantim and Camargo Correa with the activities of CIMPOR has meant that the acquisition of shares in CIMPOR by these new shareholders requires ex-post approval by the Brazilian competition authority (CADE). Against this scenario, CIMPOR accepted the invitation of CADE to enter into an agreement with CADE, as the other two Groups have, to Keep the Reversibility of the Operation (APRO). Under that agreement CIMPOR has committed to, for the benefit of the progress of the authorisation process and until CADE issues a ruling, maintain the status quo of the operations of its subsidiary CCB - Cimpor Cimentos do Brazil Ltda. in Brazil and to comply with a set of supervisory and reporting obligations.

The changes in shareholder structure had a practical impact on the governance of CIMPOR at the Annual General Meeting of 29 April, with the reorganisation of the Board of Directors. The General Meeting, following the submission of seven resignations by members of the Board of Directors, approved one removal from office and elected eight new members, including a new Chairman - António Castro Guerra – while the other seven members of the Board remained in office.

The General Meeting also approved the holding of posts by directors in competing businesses in Brazil and it set down the rules governing access to sensitive information and for which there is likely to be conflict of interest.

The Board of Directors of CIMPOR has taken the necessary measures to comply with the commitments made through agreements regarding the restriction of access to information and non-participation in decisions.

Significant changes to the articles of association were also carried out at the same General Meeting, including the reduction of mandates to three years and the strengthening of the Remuneration Committee's powers.

The new Board of Directors began to implement a range of important measures during its initial meetings, concerning corporate governance and also strategic issues:

- a comprehensive revision of the Regulations of the Board of Directors, including the clarification of the specific powers of the Executive Committee and of the Board's Internal Committees;
- the appointment of members to the Board's Internal Committees;
- the approval of the new delegation of powers in the Executive Committee and appointment of its new Chairman - Francisco de Lacerda - as well as the approval of the proposed distribution of responsibilities among the members of that Committee;
- definition of the Strategic Priorities of CIMPOR for the next five-year period, following proposal presented by the Executive Committee;
- definition of the Financial Policy of CIMPOR, also proposed by the Executive Committee.

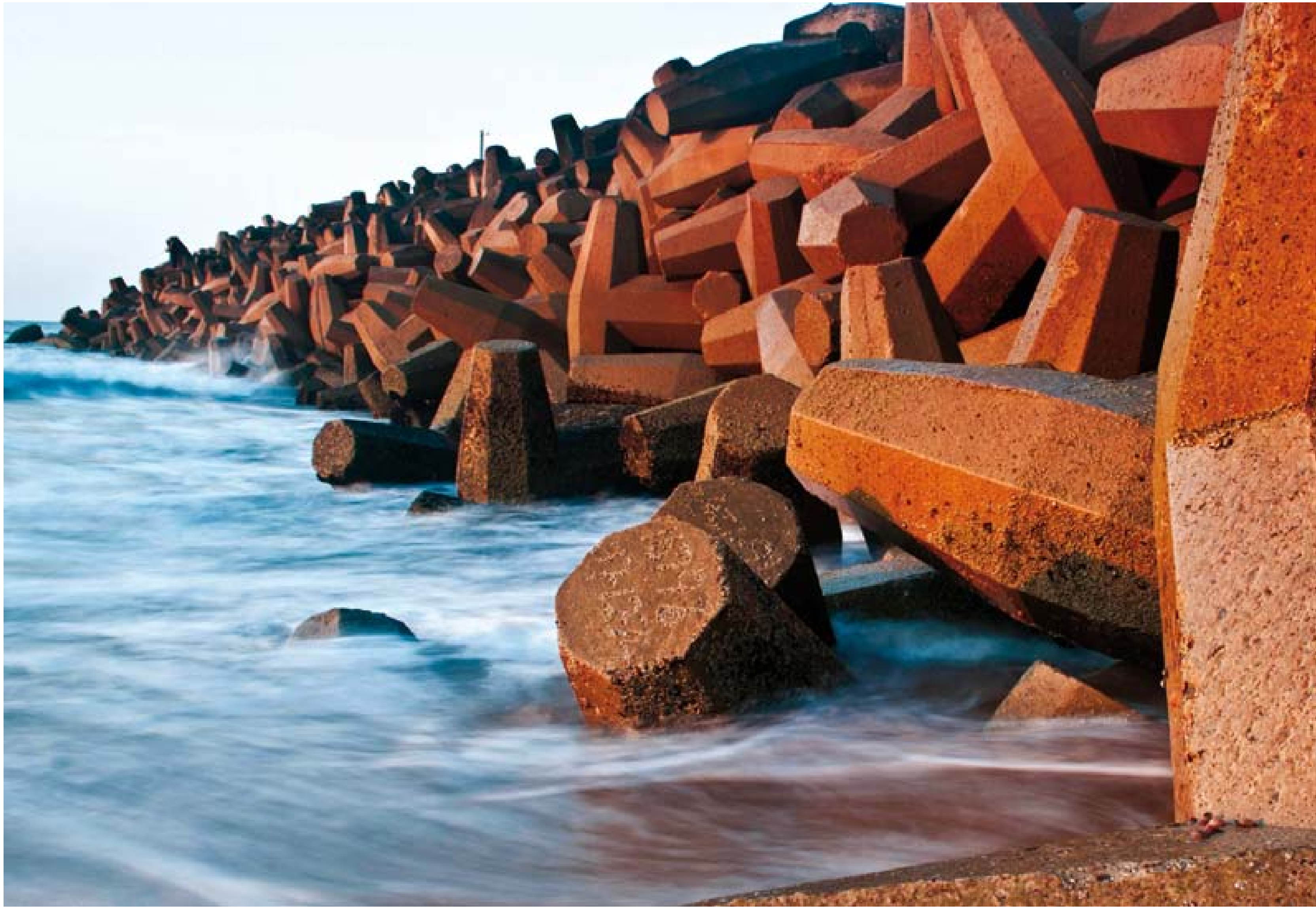
Meanwhile, and in accordance with the APRO's concluded by CIMPOR and by its shareholders Camargo Corrêa and Votorantim, the Board of Directors of CIMPOR has taken the necessary measures to comply with the commitments made through those agreements regarding the restriction of access to information and non-participation in decisions relating to the Brazilian market by the Directors who also hold positions in the Votorantim and Camargo Correa groups. This process is monitored by the external auditor.

In terms of internal organisation, which is further detailed in the section on Organisation and Human Resources, the adoption and application of a new organisational model based on the following principles is to be noted:

- prevalence of the management hierarchy;
- regionally divided hierarchy model;
- strengthening of the most significant corporate functions for growth and efficiency;
- clarifying the separation between the Group business activities and the Portugal business area.

Granted Approvals to Businesses between the Company and its Directors

Pursuant to Article 397 of the Portuguese Companies' Code, it is hereby registered that during 2010 the only approval granted, with a prior opinion of the Audit Committee, was the disposal of a company car at its book value (EUR 49,753 i.e. almost identical to its market value) to the Director Manuel Luís Barata de Faria Blanc.



CIMPOR SHARES

In the second half of 2010, the reiteration of CIMPOR's focus on emerging markets drove to a 9.7% recovery, surpassing the performance of the PSI-20 Index.

3. CIMPOR SHARES

3.1. SHARE PERFORMANCE ON THE STOCK EXCHANGE AND TREASURY SHARES

The CIMPOR share price began 2010 on a high (EUR 6.420), influenced by the takeover bid of the Brazilian company CSN - Companhia Siderúrgica Nacional, launched in December 2009.

This bid was initially made at the price of EUR 5.750 per share, before being revised to a price of EUR 6.180 per share. It was widely rejected by the shareholders on 23 February.

The adjustments arising from the takeover bid's failure justify the downward adjustment of 28.1% in the CIMPOR share price between the end of 2009 and the end of the first half of 2010 (EUR 4.622 per share), penalizing its performance against the PSI20 (-16.5%) and Next100 (-8.6%) share indices.

However, in the second half of 2010 while the risk of Portuguese sovereign debt continued to influence share prices on the Lisbon Stock Exchange, the reiteration of CIMPOR's focus on emerging markets drove to a 9.7% recovery, surpassing the performance of the PSI-20 Index (+7.4%).

Despite the fact that the closing price of 2010 (EUR 5.070per share) was 21.1% down on the 2009 closing price, the average share price stood at EUR 5.303 euros, which was 9.3% higher than the average share price of 2009.

Cumulatively to the significant transactions of qualifying shareholdings conducted over the counter, which resulted in the shareholder structure presented in this report, the total number of CIMPOR shares traded on the stock exchange in 2010 was approximately 142 million, representing about EUR 752 million.

The increasing CIMPOR shareholder concentration, which has resulted in a reduction of the current free float to circa 15.5% (19% in 2009), is partly the reason for the reduction of around 24.1% in the traded value of CIMPOR shares in 2010 (compared with 28.0% growth of the Euronext Lisbon exchange) and, secondly, the reason for the shares' volatility (33.4%), to be well above that of the PSI 20 (26.5%) and N100 (20.8%) indices.

The dividend paid on 28 May was EUR 0.20 per share, representing a dividend yield of 3.1% on the last share price of 2009 and 4.7% on the closing price on the payment date.

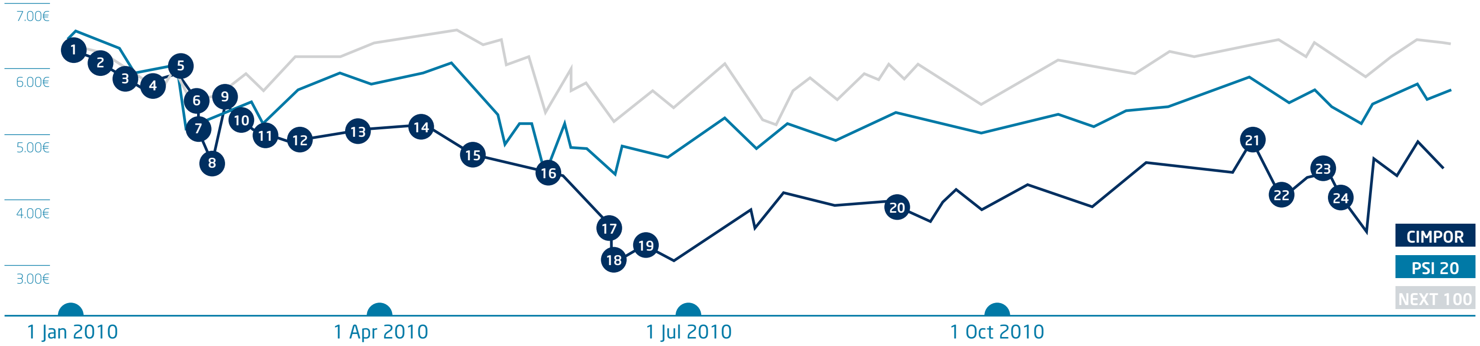
MAIN INDICATORS

	31-DEC-10	30-JUN-10	31-DEC-09
Share Capital (10^3 euros)	**672,000**	**672,000**	**672,000**
Number of shares			
Total	**672,000,000**	**672,000,000**	**672,000,000**
Treasury Shares	6,864,657	6,864,657	7,974,587
Share price (euros)			
High	6.500	6.500	6.550
Low	3.910	3.910	3.000
Average	5.303	5.490	4.852
Year or half-year end	5.070	4.622	6.429
Market capitalisation (10^6 euros)	3,407	3,106	4,320
Dividend [1]	0.205	0.200	0.200
Dividend yield [2]	4.0%	4.3%	3.1%
Transactions			
By volume (1,000 shares)	141,786	99,303	204,269
By value (10^6 euros)	752	545	991
Market share	1.8%	2.4%	3.1%
Annual or half-year appreciation			
Euronext 100	1.0%	-8.6%	25.5%
PSI 20	-10.3%	-16.5%	33.5%
CIMPOR share	-21.1%	-28.1%	84.7%

[1] Dividend relative to 2010 financial year in accordance with proposal to be submitted to General Meeting on 18 April 2011.
[2] Based on share price at year or half-year end.

Adjustment following CSN takeover bid failure justify CIMPOR's 1st half performance.

EVOLUTION OF THE CIMPOR SHARE PRICE



SUBTITLE

NOTE	DATE	EVENT
1	07-Jan	Board of Directors rejects preliminarlily announced CSN Public Offerat the price of euros per share under the condition of the success of half of the share capital plus one share.
2	13-Jan	Camargo Corrêa, S.A. presents merging propoasal with CIMPOR.
3	27-Jan	CSN Cement, S.à.r.l. Public Offer ("Offer") registration.
4	29-Jan	Camargo Corrêa, S.A. Withdraws merger propasal with CIMPOR.
5	03-Feb	Boar of Directors updates opinion on Offer rejecting it.
	03-Feb	Votorantim Cimentos, S.A. acquires a 17,3% qualyfying participation in CIMPOR.
6	09-Feb	Votorantim Cimentos, S.A. and Caixa Geral de Depósitos, S.A. announce shareholders agreement.
7	10-Feb	Camargo Corrêa, S.A. acquiresa 22,2% qualyfying participation in CIMPOR and announces potencial further 3% acquisition from third parties related with the seller.
8	11-Feb	Camargo Corrêa, S.A. acquires a 6.5% qualyfying participation in CIMPOR.
9	16-Feb	CSN revies price of Offer to 6.18 euros per share and alterssuccess condition to one third of share capital plus one share.
10	17-Feb	Board of Directors considers the reviewed price of the Offer as below the real value of CIMPOR and alerts shareholders on the uncertanties and liquidity risks of their investment.
	17-Feb	Votorantim Cimentos, S.A. acquires a 3.9% qualifying participation in CIMPOR.
11	23-Feb	The failure of the Offer is announced.
12	03-Mar	2009 Results announcement.
	03-Mar	CIMPOR signes with Brazilian competition authority ("CADE") an agreement to keep the reversability of the material impacts of its new shareholder structure on the Brazilian market ("APRO") .
13	23-Mar	Votorantim Cimentos, S.A. and Caixa Geral de Depósitos, S.A. Announce the update of their shareholders agreement.
14	07-Apr	Dividend announcement relative to 2009.
15	29-Apr	Annual General Meeting.
16	11-May	2010 First Quarter Results announcement.
17	24-May	S&P reafirms long term rating as "BBB-" with "stable" outlook.
18	25-May	Shares traded with no 2009 dividend.
19	28-May	2009 dividend distribution: of 0,20 euros per share (net: 0,16 euros per share).
20	17-Aug	2010 First Half Results announcement.
21	09-Nov	2010 Third Quarter Results announcement.
22	16-Nov	Announcement of Private Placement in US with prices below the the Portuguese Repuiblic ones.
23	19-Nov	Announcement of a set of 1Bn euros refinancing operations (including US Private Placement) assuring CIMPOR's financing needs for the next two years.
24	25-Nov	Announcement of new capacity investment in Brazil and CIMPOR growth strategy for 2010-2015.

On 31 December 2010, CIMPOR held 7,974,587 treasury shares in portfolio. A total of 1,109,930 shares were disposed of in 2010 to its employees under the stock purchase plan approved for the current year and the various series of the stock option plan for the Group's directors and senior managers:

DATE	NUMBER OF SHARES	PRICE (EUROS)	NOTE
22 Mar	183,960	4.900	(1)
22 Mar	235,045	4.250	(2)
22 Mar	300,650	2.850	(3)
17 May	146,800	3.879	(4)
17 May	53,845	4.397	(5)
21 May	189,630	4.250	(6)

(1) Stock Option Plan (options derived from the 2007 series)
(2) Stock Option Plan (options derived from the 2008 series)
(3) Stock Option Plan (options derived from the 2009 series)
(4) Stock Purchase Plan (2010 – Option A)
(5) Stock Purchase Plan (2010 – Option B)
(6) Stock Option Plan (initial options of the 2010 series)

The total number of treasury shares in portfolio, as no shares were purchased in the meantime, was 6,864,657 at the end of the year, corresponding to 1.0% of the share capital.

3.2. DIVIDEND DISTRIBUTION POLICY

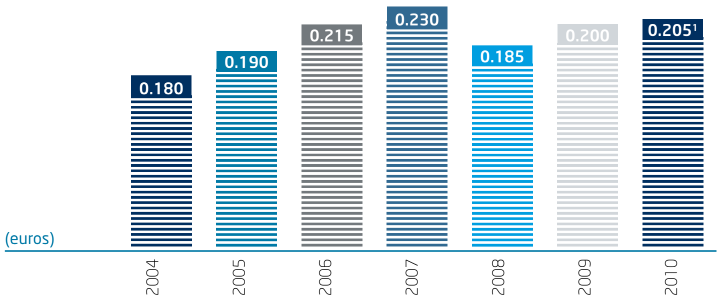
The financial management of the company aims to support the distribution of a growing dividend per share, consistent with the approved strategy of CIMPOR and obtained profits and tied to the goal of maintaining the investment grade.

The dividend distribution policy will aim to further:

- the stability of the payout ratio and
- the competitiveness of the dividend yield in the context of the Portuguese market and the international cement market.

The allocation of dividends is detailed in section III.9 of the Corporate Governance Report attached to this Annual Report.

GROSS DIVIDEND / SHARE



(1) Dividend proposal by the Board of Directors of CIMPOR to be submitted to the General Meeting of April 18th, 2011.

3.3. EMPLOYEE SHARE PLANS

The two CIMPOR share plans described below, which are intended to encourage employee identification with the long-term aims and objectives of the Group and its shareholders, were approved at the last General Meeting following proposal by the Board of Directors.

The share purchase and stock option plans foster employees' alignment with the Group's interests.

Thus, in accordance with the decision of the Remuneration Committee, regarding the directors of the holding, and decision of the Executive Committee in relation to all other employees, the following plans were implemented (presented in detail in the 2010 Corporate Governance Report):

Employee Stock Purchase Plan for 2010

This Plan initially represents an immediate addition to the variable remuneration of employees and then provides in the future, by encouraging the holding of shares, the possibility of obtaining other potential earnings tied to the growth expectations of CIMPOR.

Option A:

Unit price: EUR 3.879 (i.e. 75% of the average of closing prices during the week of 2 May)

Maximum number of shares to acquire(1): $\dfrac{\text{Gross monthly basic remuneration } / 2}{\text{Price}}$

Payment: Discounted from the wages of the month when holiday pay is paid.

Option B:

Unit price: EUR 4.397 (i.e. 85% of the average of closing prices during the week of 2 May)

Maximum number of shares to acquire(1): $\dfrac{\text{Gross monthly basic remuneration}}{\text{Price}}$

Payment: 50% discount in the month holiday pay is paid and the remaining 50% settled by monthly instalments discounted from wages until 31 December, 2010.

Impediments: Sale or encumbrance of the shares acquired under the plan prior to the date of the final payment set forth above, without prejudice to the payment of dividends.

Of a universe of 1,382 employees given access to this plan, 377 acquired 146,610 shares under option A and 55 acquired 53,845 shares under option B.

(1) Rounded down to the nearest multiple of five or ten shares, depending on whether the above formula results in a value less than or greater than 100 shares, respectively.

Stock Option Plan for the Group's Directors and Senior Managers - 2010 Series

This Plan initially represents, in view of the acquisition of initial options, an immediate addition to the variable remuneration of employees and then provides in the future, by entitlement to acquire options in subsequent years and encouraging the holding of shares, the possibility of obtaining other potential earnings tied to the growth expectations of CIMPOR.

The main features of this Plan are:

- The possibility of acquiring a specific number of shares (initial options) at a price set in advance by the Remuneration Committee, which shall be no less than seventy-five percent of the average closing price of the shares of the sixty stock market sessions immediately prior to the date of the General Meeting;
- The opportunity to acquire, at the same unit price and in each of the three subsequent years, a new share (derivatives) is assigned to each initial option that is exercised.

This Plan granted in 2010 initial options that encompassed 239 directors and managers of the Group. 183 of those exercised in part or in full their option rights, as described in the following table.

OPTIONS GRANTED, EXERCISED AND EXTINGUISHED
(with reference to 2010):

	SERIES				
	2007	2008	2009	2010	TOTAL
Exercise Price (Euros)	4.900	4.250	2.850	4.250	
Options Awarded					
Initial Options	-	-	-	217,300	217,300
Derivative Options	-	-	-	651,900	651,900
Exercisable Options	238,250	264,090	326,900	217,300	1,046,540
Exercised Options					
By exercise of initial options of 2010	-	-	-	189,630	189,630
By exercise of derivative options of 2010	183,960	235,0450	300,650	-	719,655
Extinguished Options					
Exercisable in 2010					
By non-exercise of initial options(1)	-	-	-	27,670	27,670
By non-exercise of derivative options(2)	54,290	29,045	26,250	-	109,585
Exercisable from 2011 to 2013, inclusive					
By non-exercise of initial options(1)				83,010	83,010
By lapse on removal from office		40,000	80,000		120,000

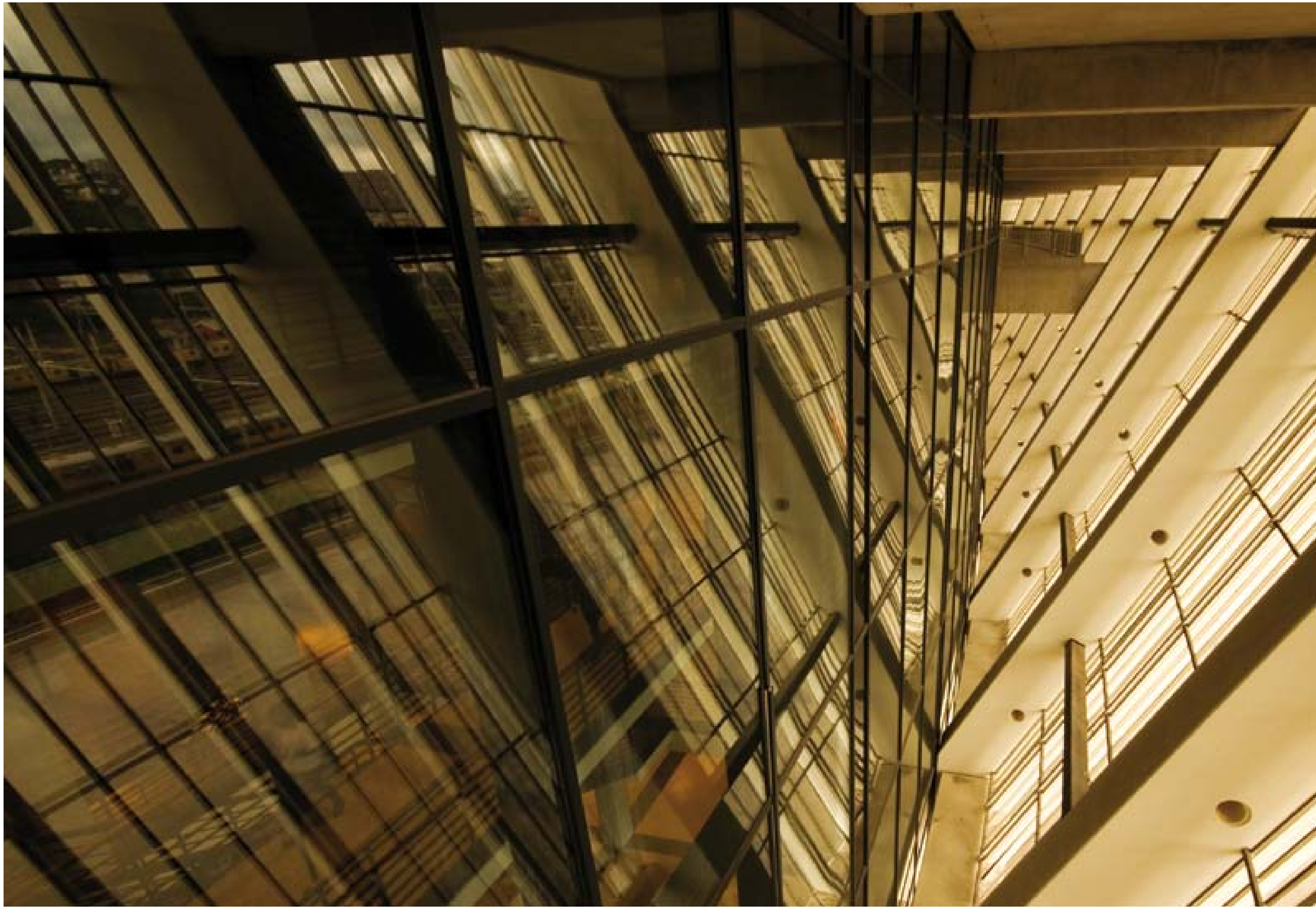
(1) Initial Options not exercised by decision of employee

(2) Derivative Options not exercised by decision of employee

Therefore, while the total number of shares needed at the beginning of the year to meet the exercise of options granted up to 2009, inclusively, rose to 1,747,130, the number of shares needed at the end of 2010 to cover the exercise of all the options granted to date was 1,366,780, broken down as follows:

	OPTIONS EXERCISABLE IN:			
SERIE	2011	2012	2013	TOTAL
2008	224,090	-	-	224,090
2009	286,900	286,900	-	573,800
2010	189,630	189,630	189,630	568,890
Total	700,620	476,530	189,630	1,366,780

More than 1.4 million CIMPOR shares may be purchased by employees by 2013 under the Stock Option plan.



SUSTAINABILITY

The harmonisation of the level of excellence of economic, financial and technical performance with exacting principles of an environmental, social and ethical nature has permitted compliance with our Sustainable Development policy.

4. SUSTAINABILITY

4.1. SUSTAINABLE DEVELOPMENT

The harmonisation of the level of excellence of economic, financial and technical performance with exacting principles of an environmental, social and ethical nature has permitted compliance with our Sustainable Development policy, whether through the continuous generation of value for shareholders and the well-being of employees, or by optimising the natural resources used and gaining the confidence of local communities.

We have internally developed a series of "specific initiatives" related to very specific and material themes of our sector, identified through a process of dialogue with stakeholders of the industry. We have also developed "support initiatives" covering projects of a more across the board nature, with the aim of incorporating the concept of sustainability in the internal business and decision making processes.

SPECIFIC INITIATIVES:	SUPPORT INITIATIVES:
Energy & Climate;	Integration of Sustainability in internals business processes;
Resources Recovery;	Cooperation;
Air Quality;	Innovation and Technological Development.
Environmental Management;	
Employees' Well-Being;	
Social Responsibility and Communities;	
Regional Development;	
Value for Shareholders	

CIMPOR was one of the first companies of the cement sector to join the World Business Council for Sustainable Development (WBCSD), in 1997. Since then, it has participated in several WBCSD projects.

CIMPOR's Sustainability Reports, which are prepared according to the guidelines of the GRI - Global Reporting Initiative, make more detailed references to these matters and are available at the site www.cimpor.pt.

It is important to note in the context of external business activity that CIMPOR was one of the first companies of the cement sector to join the World Business Council for Sustainable Development (WBCSD), in 1997. Since then, it has participated in several WBCSD projects. The most important of these projects is the *Cement Sustainability Initiative* (CSI).

The CSI studies a range of themes, the most significant of which are: Energy & Climate Change; Responsible Use of Raw Materials and Fuels; Health & Safety of Employees; Monitoring and Reporting Pollution Emissions; Impact on Land Use and Local Communities; Reporting & Communication; Concrete Recycling; the Getting the Numbers Right database, covering about 50% of the sector and managed by an independent body that provides policy makers and NGOs with relevant information on energy and CO_2 emissions; the Sectoral Approach model, aimed at assessing the impact of different regulatory scenarios on the reduction of CO_2 emissions; the Clean Development Mechanism (CDM) methodology based on Standardised Baselines for the sector and benchmarking principles; the technology roadmap for the Cement Sector, in cooperation with the International Energy Agency; and Concrete Sustainability, in addition to other themes.

CIMPOR, as a means of expanding knowledge on these matters, has been actively participating in these projects and has internally implemented various guidelines and protocols arising from those projects.

The CEOs of the CSI member companies approved, at the end of 2010, the future work agenda, which includes new themes.

More information on this initiative can be found at www.wbcsdcement.org.

4.2. OCCUPATIONAL HEALTH AND SAFETY

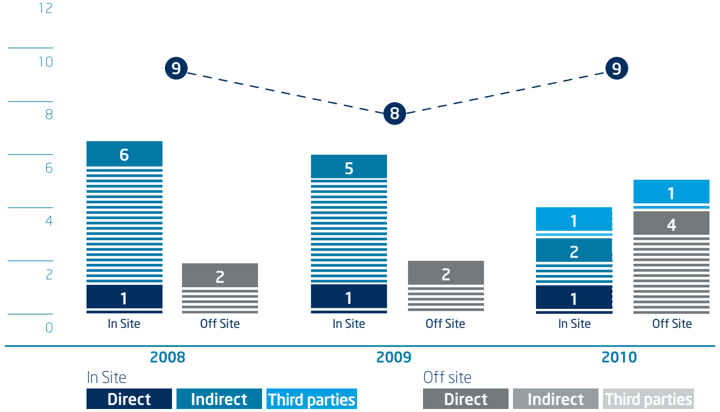
It was possible for CIMPOR to take during 2010 one more step forwards in the consolidation and expansion of the Occupational Health and Safety project (OHS).

Accordingly, a series of activities and initiatives were implemented that included, among others, the 3rd CIMPOR Occupational Health and Safety Coordinators Meeting in Cordoba; the restructuring of our Occupational Health and Safety portal; the dissemination of our messages on all internal communication platforms; the creation of CIMPI, the OHS mascot; training 14 employees in OHS auditing, and lastly, implementing the recommendations of Good Practices for Driving Safety and Contractors Safety.

INDICATORS 2010[1]

FATALITIES / SITE 2008/2010

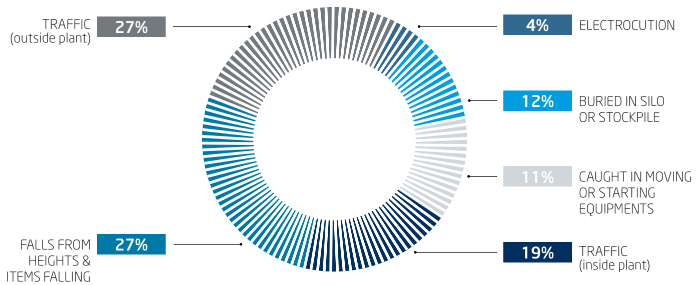
Directly Employed, Indirectly Employed and Third Parties



The total number of fatalities over the past three years has almost stagnated considering direct and indirect employed people, as well as third parties. In 2010, there was 1 fatal accident with directly employed, 6 with indirectly employed and 2 with third parties.

FATALITIES / CAUSE 2008/2010

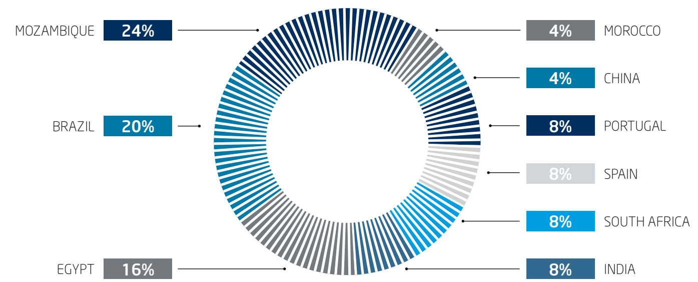
Directly Employed, Indirectly Employed and Third Parties



TOTAL = 26 MORTAL ACCIDENTS

FATALITIES / COUNTRY 2008/2010

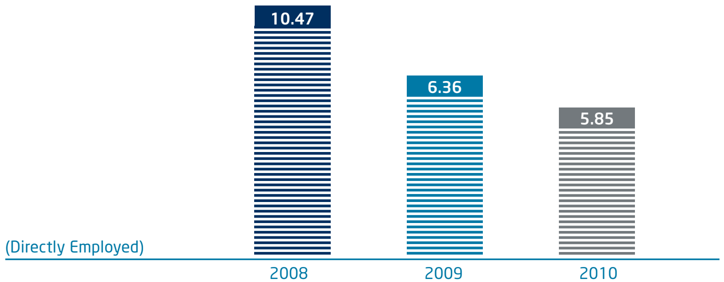
Directly Employed, Indirectly Employed and Third Parties



Traffic accidents both on the premises and off-premises continue to dominate the causes of fatalities. In 2010, there were three fatal traffic accidents off-premises and four on premises.

In the last three years, the countries where most fatalities have occurred are Mozambique, Brazil and Egypt.

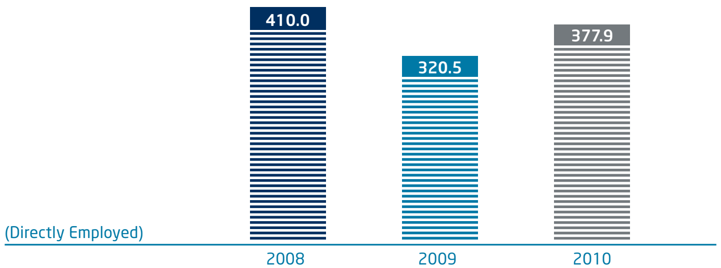
FREQUENCY RATE 2008/2010



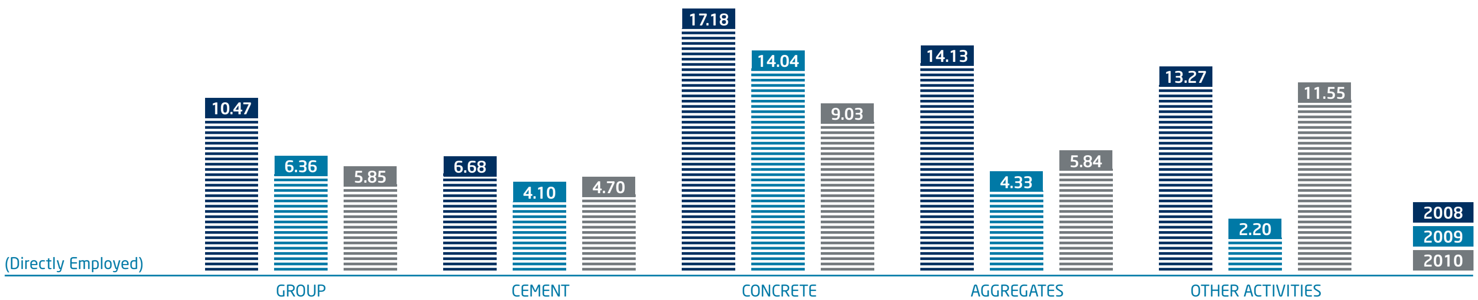
[1] The indicators are according to the criteria used by the CSI (Safety in the cement industry: Guidelines for measuring and Reporting, Version 3.0, Updated October 2008), i.e. the indicators of the industrial activities (Cement, Concrete, Aggregates and Other Activities) are proportionally assigned according to the indicators of the administrative support services.

In recent years the Frequency Rate has substantially decreased, which means a significant decrease in the number of occupational accidents with days lost.

SEVERITY RATE **2008/2010**



FREQUENCY RATE / ACTIVITY **2008/2010**



In recent years the Frequency Rate has substantially decreased, which means a significant decrease in the number of occupational accidents with working days lost.

The Severity Rate, on the other hand, which has been following an overall downward trend, increased slightly in 2010. This fact indicates the greater severity of the accidents that occurred, i.e. although less occupational accidents have occurred they have given rise to a greater number of working days lost.

Although we have not yet achieved our principal goal - **Zero Accidents, Healthy and Safe Working Conditions**, the results achieved and the improvements observed in the field are inspirational in the continuation of the work that has been developed in this area.

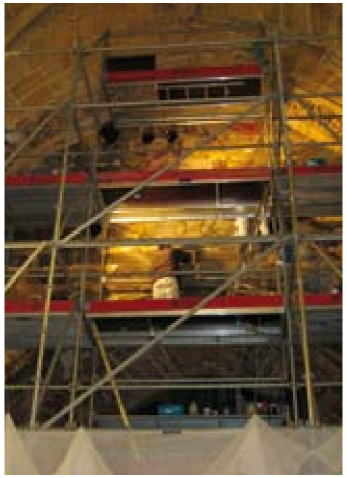
The process of identifying stakeholders and potential partners has made significant progress in several Business Areas of the twelve countries where CIMPOR operates.

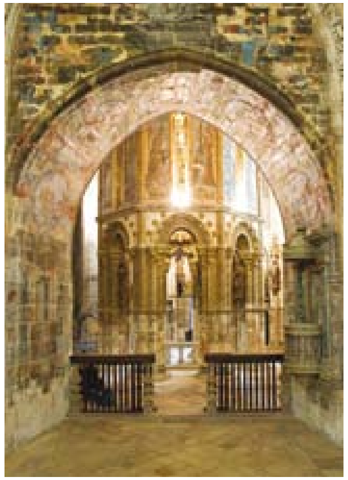
4.3. SOCIAL RESPONSIBILITY

In all countries where we operate we keep our commitment to developing lasting and constructive close relations with stakeholders. Since our operations are often the main industry in the surrounding community we seek to meet expectations and the common interests, through open and regular dialogue with all stakeholders.

The process of identifying stakeholders and potential partners has made significant progress in several Business Areas of the twelve countries where CIMPOR operates. The partnerships are very diverse, and can include harnessing the technical and management skills of Group companies, whose participation in vocational training projects may be decisive for local economic and social development. Several of those companies have had for some years now, and posting very positive results, programmes that span multiple areas including:

- The promotion and development of entrepreneurship in South Africa;
- Raising awareness of environmental issues – "Amiguinhos do Ambiente", in Brazil;
- The restoration of world heritage – the Charola of Cristo Convent, in Tomar. Portugal;





- The offer of hospital supplies, in Egypt;
- Support for schools, with the provision of school material and renovating premises, Morocco;
- Support to training areas – New Graduates Centre, in China;
- Open Door initiatives at our plants, on an annual basis in the Group;
- Promoting voluntary work among our staff – the Connosco programme, in Portugal;
- Training courses to meet local needs and assigning land for multi-sports facilities, in Spain.

These are some examples of our activities, which generally extend to most of the countries where we operate.

Overall, we seek to strengthen relations with the communities surrounding our facilities by implementing activities in the social, educational, cultural and sports fields, preferentially involving the local and regional authorities through the signing of protocols with local authorities and channelling support through them. The protocol signed with Vila Franca de Xira municipal council, Portugal, is the most visible face of our commitment to the people of the communities surrounding us.

The relationship with the scientific world in the fields of research, further training, specialisation and providing work placements has been significant growing, as demonstrated by the number of sponsorships and protocols that the Company has been associated with in the past two years.

4.4. HUMAN RESOURCES

2010 represents a turning point in the management of CIMPOR, which has led to new guidelines for Human Resources Management.

The Board of Directors of CIMPOR approved the guidelines "CIMPOR Aspiration for 2010-2013" including, as one of the main strategic goals, the strengthening of the organisation and its operational execution capability.

In accordance with that priority, the following goals for the management of human resources are to be highlighted:

- Strengthen technical skills to support Group growth;
- Post senior teams in emerging countries;
- Ensure renewal of the Group's leadership and recruit new talent.

A new organisational model based on the following principles was approved, in order to support the implementation of this strategy of the Group:

- Primacy of the Group's management hierarchy over the formal Companies;
- Implementation of a geographical model;
- Strengthening of corporate functions;
- Clear separation of the Group's corporate roles, in particular Corporate Support and Business Support, from the local roles of Portugal.

Even though the organisational model has been defined and announced in 2010, its implementation will occur during 2011.

The CIMPOR Group's workforce in December 2010 was 8,493 workers, as detailed in the following table:

NUMBER OF EMPLOYEES BY BUSINESS AREA

	PERMANENT	TERM CONTRACT	WORKERS ON LOAN/ EXPATRIATES	TOTAL
Group Central Services [1]	100	2	1	103
Portugal	1,299	70	4	1,373
Spain	966	37	3	1,006
Cape Verde	35	87	1	123
Morocco	175	18	5	198
Tunisia	195	12	4	211
Egypt	277	213	10	500
Turkey	819	3	2	824
Mozambique	368	80	16	464
South Africa	512	20	2	534
Brazil	1,564	65	0	1,629
Peru	2	2	0	4
China	133	883	6	1,022
India	501	0	1	502
Total	**6,946**	**1,492**	**55**	**8,493**

[1] Holding Company, CIMPOR Inversiones and CIMPORTec

There is a total reduction of 200 employees, compared to the number of employees on 31 December 2009. That decrease is largely explained by adjustments due to the decline of the Iberian market. The decrease in Spain (114) was most pronounced, primarily occurring in the concrete business on the Canary Islands. The variation in Portugal (38) results from both the cement and concrete businesses.

NUMBER OF EMPLOYEES BY BUSINESS AREA AND REGION
(At 31 December)

	2010		2009		Change	
	N.º	%	N.º	%	N.º	p.p.
Group Central Services [1]	103	1.21	100	1.15	3	0.06
Portugal	1,373	16.17	1,411	16.23	-38	-0.06
Spain	1,006	11.84	1,119	12.87	-114	-1.03
Cape Verde	123	1.45	127	1.46	-4	-0.01
Iberia & Cape Verde	**2,502**		**2,657**			
Morocco	198	2.33	205	2.36	-7	-0.03
Tunisia	211	2.48	209	2.40	2	0.08
Egypt	500	5.89	493	5.67	7	0.22
Turkey	824	9.70	825	9.49	-1	0.21
Mediterranean	**1,733**		**1,732**			
Mozambique	464	5.46	476	5.48	-12	-0.01
South Africa	534	6.29	595	6.84	-61	-0.56
Southern Africa	**998**		**1,071**			
Brazil	1,629	19.18	1,541	17.73	88	1.45
Peru	4	0.05	4	0.05	0	0.00
Latin America	**1,633**		**1,545**			
China	1,022	12.03	1,051	12.09	-29	-0.06
India	502	5.91	537	6.18	-35	-0.27
Asia	**1,524**		**1,588**			
Total	**8,493**	100.00	**8,693**	100.00	**-200**	-

[1] Holding Company, CIMPOR Inversiones and CIMPORTec

Brazil stands apart for an increase of 88 employees, driven by the need to meet the strong market growth expected for the country.

The decrease of 61 employees in South Africa and 35 in India was the result of additional effort in 2010 to optimise the human resources structure.

Brazil stands apart for an increase of 88 employees, driven by the need to meet the strong market growth expected for the country.

DISTRIBUTION OF EMPLOYEES BY BUSINESS ACTIVITY
(At 31 December)

	2010		2009		Change	
	N.º	%	N.º	%	N.º	p.p.
Cement	5,774	67.99	5,884	67.69	-110	0.30
Concrete	1,493	17.57	1,542	17.74	-50	-0.16
Aggregates	482	5.68	490	5.64	-8	0.04
Other Activities [1]	219	2.58	233	2.68	-14	-0.10
Common Services [2]	525	6.18	544	6.26	-19	-0.08
Total	**8,493**	100.00	**8,693**	100.00	**-200**	-

[1] Includes Mortars and Trading
[2] Includes Group Central Services

As in previous years, the cement activity remains the core business of the CIMPOR Group, employing 68% of total staff.

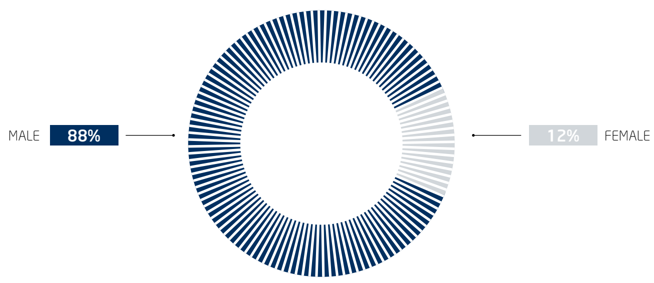
DESCRIPTION OF THE WORKFORCE OF THE GROUP

(At 31 December 2010)

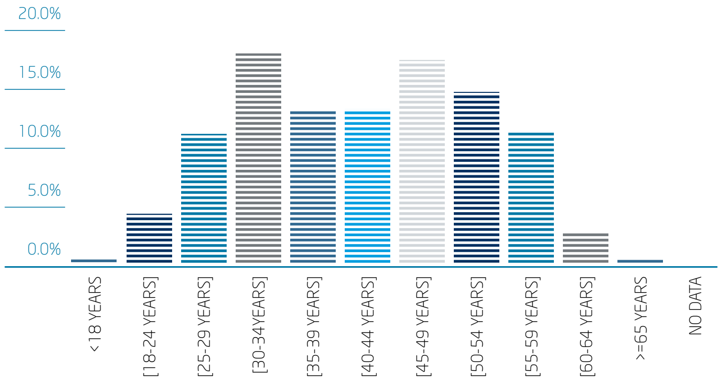
The workforce of the CIMPOR Group is predominantly male (88%). The dominant age groups are between 30 and 34 years (15.7%) and between 45 and 49 years (16%). A significant group (44%) of employees has provided between 3 and 15 years of service to the Group.

Moreover, 64% of employees have an average education at basic and secondary level.

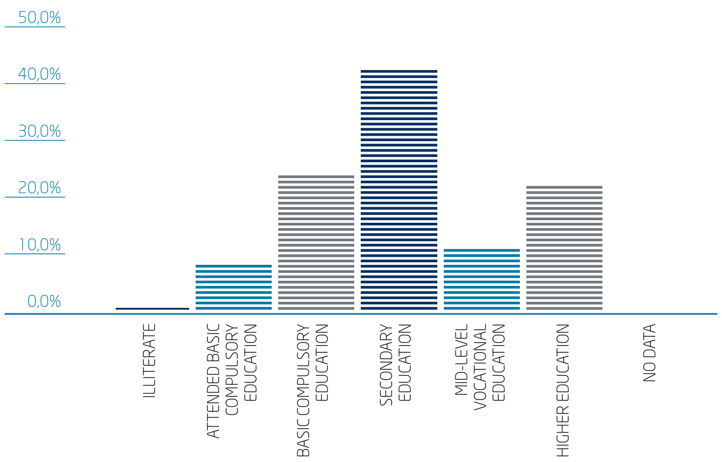
GENDER



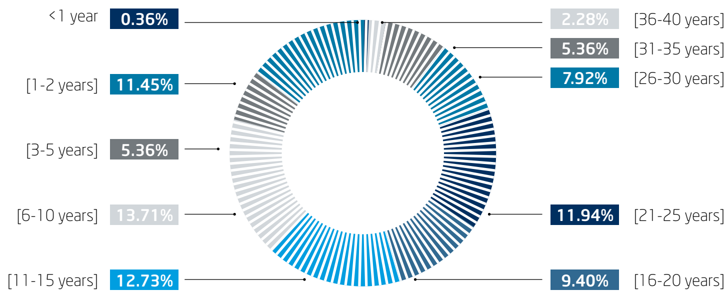
AGE GROUP



ACADEMIC QUALIFICATIONS



YEARS OF SERVICE

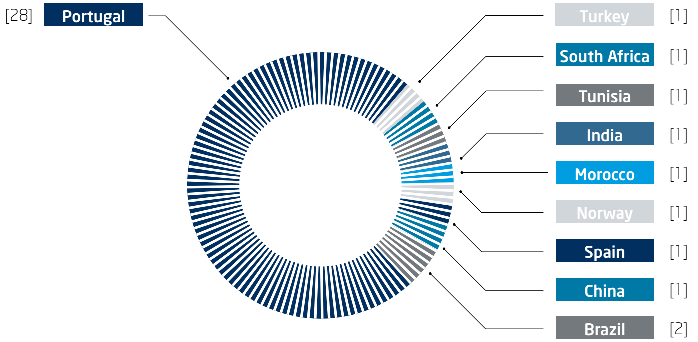


DESCRIPTION OF TOP MANAGEMENT

GENDER	MALE	FEMALE	TOTAL
	36 (95%)	2 (5%)	**38**

The Top Management of the CIMPOR Group comprises 38 employees, 95% of whom are male. This group, which integrates people of 10 different nationalities, has an average age of 53 years and an average of 17 years of service in the Group.

COUNTRY OF ORIGIN OF TOP MANAGEMENT



+7.4%

of Turnover

+3.2%

of Cement and Clinker Sales

GROUP'S BUSINESS ACTIVITY

The strong operational growth of Brazil and Turkey more than offset the declines registered in other Business Areas, such as the Iberian Peninsula and Egypt.

5. GROUP'S BUSINESS ACTIVITY

5.1. REVIEW OF THE GROUP'S RESULTS

5.1.1. OPERATIONAL ACTIVITY 2010

The strong operational growth (Sales, Turnover and EBITDA) of Brazil and Turkey more than offset the declines registered in other Business Areas, such as the Iberian Peninsula and Egypt.

Sales

Consolidated sales of cement and clinker were about 28.3 million tons in 2010, an increase of 3.2% from 2009.

CEMENT AND CLINKER SALES (Thousand tons)

	2010	2009	Change %
Portugal	4,557	4,251	7.2
Spain	2,856	3,147	-9.3
Morocco	1,135	1,175	-3.5
Tunisia	1,737	1,614	7.6
Egypt	3,657	4,151	-11.9
Turkey	2,884	2,184	32.1
Brazil	5,327	4,532	17.5
Mozambique	884	777	13.7
South Africa	1,152	1,432	-19.5
China	4,105	3,610	13.7
India	950	1,128	-15.8
Cape Verde	234	224	4.3
Intra-group	-1,208	-824	n.s.
Consolidated	**28,269**	**27,402**	**3.2**

Sales growth in Portugal was mainly due to efforts to offset the contraction of the domestic market with higher exports of cement and clinker.

Brazil and Turkey were the main contributors to the growth of the Group's sales of cement and clinker, as a result of increased domestic demand in their respective markets (about 15% and 14%, respectively). China also extensively contributed to the increase in sales and is now third in the ranking of turnover within CIMPOR.

The increased sales in Mozambique and Tunisia were driven by increased local consumption.

Sales growth in Portugal was mainly due to efforts to offset the contraction of the domestic market with higher exports of cement and clinker, both to other regions where CIMPOR operates and to other operators.

Significant decreases in sales volumes compared to 2009 were registered, due to the fall in demand in Spain and South Africa, reduced production levels in Egypt, adverse weather conditions and increased supply in India.

CONCRETE, AGGREGATES AND MORTARS SALES

Concrete (1,000 m³)	2010	2009	Change %
Portugal	2,061	2,253	-8.5
Spain	1,397	2,190	-36.2
Turkey	1,088	870	25.1
Brazil	1,502	1,274	17.9
Others	673	677	-0.6
Total Concrete	**6,721**	**7,264**	**-7.5**
Aggregates (1,000 ton)	**2010**	**2009**	**Change %**
Portugal	5,651	6,431	-12.1
Spain	4,233	4,926	-14.1
Turkey	1,719	1,207	42.4
South Africa	574	831	-30.9
Others	578	495	16.8
Total Aggregates	**12,756**	**13,891**	**-8.2**
Mortars (1,000 ton)	**2010**	**2009**	**Change %**
Portugal	122	134	-8.9
Spain	143	200	-28.4
Brazil	209	209	-0.1
Total Mortars	**474**	**543**	**-12.7**

In relation to concrete, aggregates and mortars, the Iberian Peninsula accounts for over 50% of sales in concrete and about 80% of aggregates, sales volumes were significantly penalised by the crisis affecting the region.

CIMPOR sold about 6.7 million cubic metres of concrete in 2010, 7.5% less than in 2009.

Aggregate sales totalled 12.8 million tons, which represents a decrease of 8.2% compared to 2009.

In relation to mortars, a business in which CIMPOR only operates in three markets (Portugal, Spain and Brazil), 474,000 tons were sold, 12.7% less than in 2009.

On the other hand, significant growth in Brazil (concrete) and Turkey (concrete and aggregates) was registered in 2010. Also of note was the entry into operation in 2010 of an aggregates plant in Tunisia and a concrete plant in Egypt, the first such plants of CIMPOR in those countries

Turnover

Consolidated turnover of CIMPOR in 2010 was EUR 2.2394 billion euros, which is a 7.4% increase on the previous year, as a result of different trends in the various markets.

TURNOVER (EUR million)

	2010	2009	Change %
Portugal	441.4	448.8	-1.6
Spain	272.5	328.8	-17.1
Morocco	94.5	94.2	0.3
Tunisia	78.0	69.9	11.7
Egypt	226.6	240.6	-5.8
Turkey	154.5	107.5	43.7
Brazil	609.2	427.4	42.5
Mozambique	88.1	80.9	8.8
South Africa	144.8	152.8	-5.2
China	106.1	81.1	30.8
India	48.2	52.9	-8.9
Cape Verde	31.1	31.3	-0.6
Trading / Shipping	147.9	71.1	108.0
Other (1)	-203.5	-101.6	n.s.
Consolidated	**2,239.4**	**2,085.5**	**7.4**

(1) Includes intra-Group write-offs

In annual terms, Brazil, Turkey, China, Tunisia and Mozambique made a positive contribution to the growth of CIMPOR's turnover, as a result of increases in sales and prices. In the cases of Brazil and Turkey, unlike Mozambique, currency appreciation also had a significant favourable influence on turnover.

In Morocco, despite the lower volume of cement sales, a slight price increase and increased concrete sales allowed a turnover identical to 2009 to be achieved. In Portugal, the growth in exports largely offset the decline of the domestic market.

Spain, India, South Africa and Egypt evolved negatively. In Spain, the decline of the local market coupled with a certain deterioration of cement sale prices have led to a significant reduction in turnover in 2010, despite increased exports.

The Trading / Shipping business showed a substantial increase in turnover, although a large part was achieved by business between Group companies.

EBITDA

In a climate in which world growth has been based on developing economies, CIMPOR, due to the weight of these markets in its geographic portfolio, recorded its highest ever operating cash flow (EBITDA), at EUR 629.8 million, 3.9% higher than in 2009.

EBITDA (EUR million)

	2010	2009	Change %
Portugal	139.3	149.6	-6.9
Spain	32.5	46.6	-30.2
Morocco	41.6	41.8	-0.7
Tunisia	23.3	19.6	18.3
Egypt	86.9	104.5	-16.9
Turkey	22.0	11.1	98.7
Brazil	190.9	123.1	55.1
Mozambique	11.4	11.9	-4.1
South Africa	58.9	70.4	-16.4
China	8.9	4.7	87.7
India	4.3	9.9	-56.4
Cape Verde	3.7	3.8	-4.3
Trading / Shipping	9.7	6.4	52.1
Other	-3.4	2.4	n.s.
Consolidated	**629.8**	**605.9**	**3.9**
EBITDA Margin	**28.1%**	**29.1%**	**-1.0 p.p.**

The depreciation of the euro against most local currencies also positively contributed to the growth of EBITDA.

The Operating Cash Flow margin (EBITDA) was 28.1%, 1.0 p.p. less than in 2009. The decrease in operating margin is mainly due to the general rise in fuel and electricity prices in most countries where CIMPOR operates.

The contribution of Brazil, EUR 67.8 million higher than in 2009, was decisive to the increase in EBITDA. The main reasons for this growth were the substantial increase in the volume of cement sold (as a result of notable economic dynamism) combined with a moderate increase in the sale price and positive exchange rate changes.

Turkey, with an approximate EUR 11 million increase in EBITDA made an important contribution to the Group's operating performance in 2010. A very favourable economic climate (where construction is one of the sectors with the highest growth rate) allowed sales to significant increase which, also allied with the growth in prices and the appreciation of the Turkish lira against the euro, led to the good operational performance.

China contributed EUR 4.2 million to the increase in EBITDA on the previous year. Production stat-up of a new plant (Zaozhuang) during 2010 allowed this Business Area to take advantage of a certain shortage of cement in neighbouring provinces and thus considerably increase the quantities sold.

Tunisia also contributed positively to EBITDA, albeit with some technical problems at the end of the year. It generated EUR 3.6 million more than in 2009.

The already mentioned increase in exports, especially from the Iberian Peninsula, led to the growth in EBITDA of the Trading/Shipping Business Area. This area also benefited from the capital gains obtained on the sale of a ship.

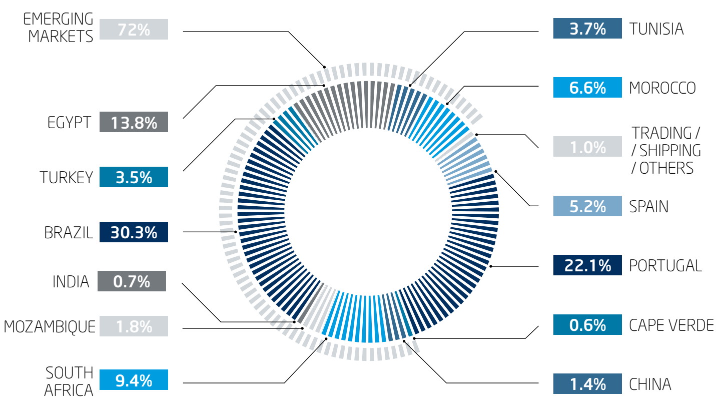
Cape Verde, Morocco and Mozambique made a slightly negative contribution to EBITDA, and these countries jointly accounted for a decrease of around EUR 0.9 million in this indicator. In the case of Cape Verde, the reduction was mainly due to a fall in price. In Morocco, the decline of EBITDA was largely the result of market downturn and the start-up of a new operator. The decrease of EBITDA in Mozambique was mainly caused by production problems, which forced the importation of higher quantities of clinker, and the strong appreciation of the euro against the local currency.

India, due to a sharp fall in sales and lower sale price (as the result of the start-up of new business capacities and an especially severe rainy season) saw its EBITDA decrease by about EUR 5.6 million in comparison with 2009.

Both Portugal (minus EUR 10.3 million) and South Africa (minus EUR 11.5 million) negatively contributed to EBITDA. In Portugal, the decline in domestic sales was offset - albeit with a smaller margin – by the export of cement and clinker. In South Africa, as a result of the decline after heavy cement consumption during the 2010 Football World Cup preparation period, the decrease in the quantity sold was the main cause of the EBITDA reduction.

Spain and Egypt were the countries where the decline of EBITDA from 2009 was the highest. They jointly accounted for a negative change of around EUR 32 million in this indicator. In the case of Spain, and despite the ongoing restructuring process and increased exports of clinker, the crisis in the real estate sector led to a decrease in sales volumes and certain worsening of prices. In Egypt, the year was marked by some difficulties in production that forced increased imports of clinker and the consequent reduction of the operating margin.

CONTRIBUTIONS TO EBITDA 2010



Amortization and provisions amounted to EUR 220.7 million in 2010, thus decreasing around EUR 8 million compared to 2009.The primary explanation for this decrease is the policy of curbing investments implemented in 2009 and 2010 financial years.

Consequently, EBIT recorded a notable growth of 8.6% from 2009, to stand at EUR 409.1 million.

5.1.2. FINANCIAL INCOME AND TAXES

Financial Income in 2010 showed an improvement of around EUR 2.5 million on the previous year, largely due to the increase in interest received from the substantial increase in Cash (Cash and cash equivalents). In 2009, average Cash at the end of each quarter was around EUR 340 million, while in 2010 the average was around EUR 520 million. This increase was primarily due to a strong operating performance (combined with a cash focus policy), as well as the more aggressive attraction of outside funds in order to increase the Group's liquidity.

The appreciation of the Brazilian real and the Egyptian pound against the euro throughout 2010 – these being currencies in which a significant proportion of the Group's monetary assets is usually expressed - associated with high interest rates prevailing in these markets, also helped to increase the interest obtained. This fact offset the natural increase in financing costs caused by rising interest rates in Europe and by increased costs of operations aimed at strengthening liquidity. In relation to the increase in interest rates, it should be noted that the Euribor rate rose about 20 base points alone in the second half of 2010, which could not fail to have a significant impact on a debt portfolio mainly indexed to floating interest rates.

As regards the strengthening of liquidity, the available ceiling rose from EUR 740 million at the end of 2009 to close on EUR 1,300 million at 31 December 2010.

The increased tax rate, from 2009, is influenced by the impact of the State Surcharge on current and deferred taxes in Portugal (about 2 pp), by the change in untaxed operating and financial income, including therein an impairment loss on a financial holding of around EUR 13 million, and the achievement of profit in jurisdictions with higher tax rates.

INCOME STATEMENT
(EUR million)

	2010	2009	Change %
Turnover	2,239.4	2,085.5	7.4
Operating Cash Costs	1,609.6	1,479.6	8.8
Operating Cash Flow (EBITDA)	629.8	605.9	3.9
Amortization and Provisions	220.7	229.0	-3.6
EBIT	409.1	376.9	8.6
Financial Income	-60.6	-63.1	s.s.
Earnings before tax	348.5	313.8	11.1
Income Tax	96.8	68.1	42.1
Net Income	**251.7**	**245.7**	**2.5**
Attributable to:			
Shareholders	241.8	237.0	2.0
Minority Interests	9.9	8.7	14.1

5.1.3. BALANCE SHEET

SUMMARY OF CONSOLIDATED BALANCE SHEET
(EUR million)

	31 DEC 2010	31 DEC 2009	Change %
Assets			
Non-current Assets	3,937.5	3,764.0	4.6
Current Assets			
Cash and Cash Equivalents	659.7	439.2	50.2
Other Current Assets	787.7	724.2	8.8
Total Assets	**5,384.9**	**4,927.4**	**9.3**
Shareholders' Equity attributable to:			
Shareholders	2,132.8	1,830.5	16.5
Minority Interests	97.4	92.5	5.4
Total Shareholders' Equity	**2,230.2**	**1,923.0**	**16.0**
Liabilities			
Loans	2,194.1	2,098.4	4.6
Provisions	195.2	179.2	8.9
Other Liabilities	765.3	726.7	5.3
Total Liabilities	**3,154.6**	**3,004.4**	**5.0**
Total Liabilities and Shareholders' Equity	**5,384.9**	**4,927.4**	**9.3**

At 31 December 2010, the net assets of CIMPOR, excluding cash and cash equivalents, were EUR 4,725.2 million, up 5.3% on 31 December 2009. The main reason for this increase is the currency exchange gain on assets denominated in currencies which appreciated against the euro.

The operating net investments in 2010 totalled EUR 164 million, about 25% less than in 2009. The most notable investments, for their value, are the new cement grinding facilities at Cezarina (Brazil), Matola (Mozambique), the completion of the Zaozhuang plant (China) and also those relating to the capacity expansion in Brazil (Cezarina, Cajati and João Pessoa).

Net financial debt of CIMPOR at the end of 2010 was valued at EUR 1,562 million, which is EUR 137 million less than the figure at the same date of

2009. This reduction is explained by the strong operating performance of the Group and the investment curbing policy.

The strengthening of the financial structure and liquidity has resulted in a gross debt higher than in 2009 (+EUR 97 million), which is more than offset by the strong growth in Cash resources (+EUR 221 million). This simultaneous increase of Gross Debt and Cash resources was partly the result of the implementation of certain financing transactions with the effective withdrawal of contracted funds, which took part of a comprehensive programme to restructure the overall financial debt, implemented during the last quarter of the year.

The main results of this programme are the increase of the average maturity of financial liabilities by about two years and ensuring adequate levels of funding to cover, without the need for significant additional operations, debt servicing commitments in 2011 and 2012. The most significant of these operations, whether for their magnitude or the maturity and terms obtained, is the placement in the US market in December 2010 of two Private Placements in the amounts of 125 and 75 million dollars, with respective maturities of 10 and 12 years.

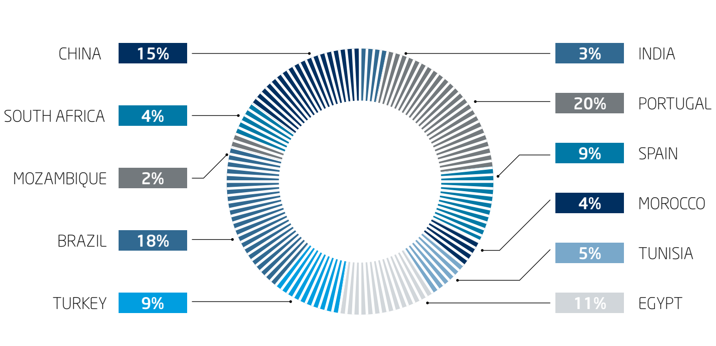
MAIN BUSINESS AREAS - BUSINESS ACTIVITY 2010

	Unit	Portugal[1]	Spain[1]	Morocco	Tunisia	Egypt	Turkey	Brazil	Mozambique	South Africa	China	India	C. Verde
Cement Activity													
Installed Capacity [2]	10^3 ton	7,157	3,132	1,327	1,668	4,005	3,027	6,511	732	1,465	5,270	1,149	-
Clinker installed capacity utilization[3]	%	67.5%	81.2%	90.4%	89.3%	85.9%	87.3%	79.9%	39.2%	52.0%	73.1%	89.3%	-
Cement and Clinker Sales	10^3 ton	4,557	2,856	1,135	1,737	3,657	2,884	5,327	884	1,152	4,105	950	234
Market share [4]	%	55.5%	10.5%	7.8%	23.4%	7.4%	5.5%	9.2%	81.1%	10.5%	s.s.	s.s.	72.0%
Overall Activity													
Turnover	10^6 euros	441.4	272.5	94.5	78.0	226.6	154.5	609.2	88.1	144.8	106.1	48.2	31.1
Cash-Costs	10^6 euros	302.2	239.9	52.9	54.8	139.8	132.6	418.3	76.6	85.9	97.2	43.8	27.4
Operating Cash Flow (EBITDA)	10^6 euros	139.3	32.5	41.6	23.3	86.9	22.0	190.9	11.4	58.9	8.9	4.3	3.7
EBITDA Margin	%	31.5%	11.9%	44.0%	29.8%	38.3%	14.2%	31.3%	13.0%	40.7%	8.4%	9.0%	11.8%
Net Operating Income (EBIT)	10^6 euros	85.4	-10.5	35.8	16.0	72.6	-0.6	162.4	2.5	45.4	0.5	-2.0	2.7
EBIT Margin	%	19.3%	-3.8%	37.9%	20.5%	32.1%	-0.4%	26.7%	2.9%	31.3%	0.5%	-4.2%	8.6%
Net Income	10^6 euros	46.6	-15.2	23.2	15.9	68.7	-1.4	111.5	-0.3	28.9	0.1	-1.5	1.7
Working Capital[5]	10^6 euros	79.3	54.9	29.3	13.7	79.1	29.6	88.8	20.5	21.1	28.9	11.9	5.6
Return on Capital Employed (ROCE) [6]	%	13.1%	-0.6%	30.1%	13.7%	25.0%	0.4%	12.1%	3.8%	12.8%	0.3%	-1.5%	9.9%
Employees (31 Dec.)	units	1,373	1,006	198	211	500	824	1,629	464	534	1,022	502	123
Operating Investments (without Acquisitions)	10^6 euros	18.0	11.5	5.4	5.9	5.6	5.6	60.4	15.6	4.7	6.4	1.1	0.2

[1] Excluding Group common areas [2] Cement production capacity with own clinker [3] Clinker production/Installed capacity (clinker) [4] Estimate [5] Consolidated net working capital, directly associated with operations [6] Current Operating Income (net of Cash Taxes)/Average Capital Employed

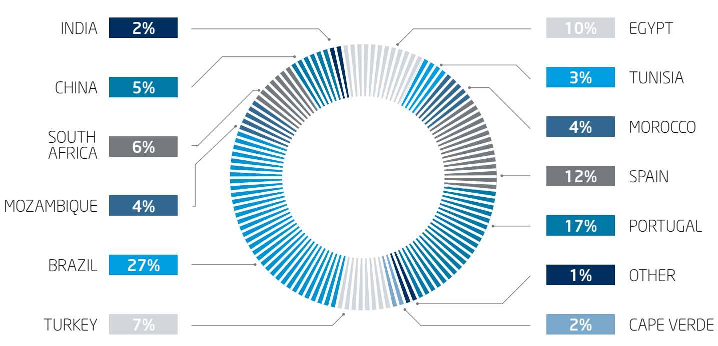
CONTRIBUTION AND RELATIVE POSITION OF THE DIFFERENT BUSINESS AREAS (2010)

BREAKDOWN OF INSTALLED CEMENT CAPACITY (*)



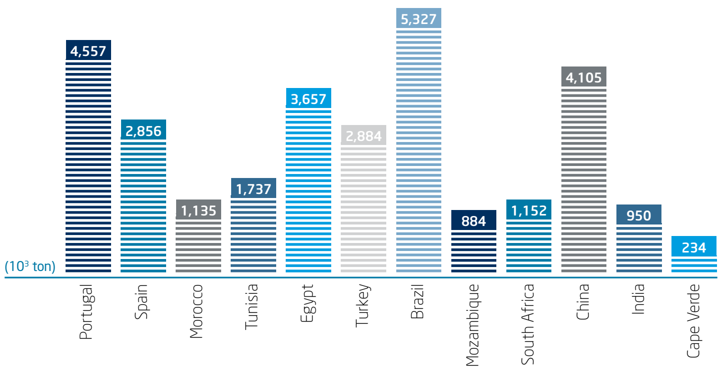
(*) With own clinker

CONTRIBUTIONS TO TURNOVER (*)

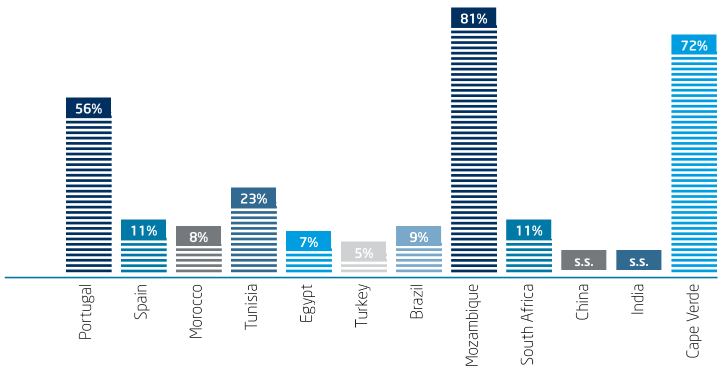


(*) Excluding Intra-group transactions

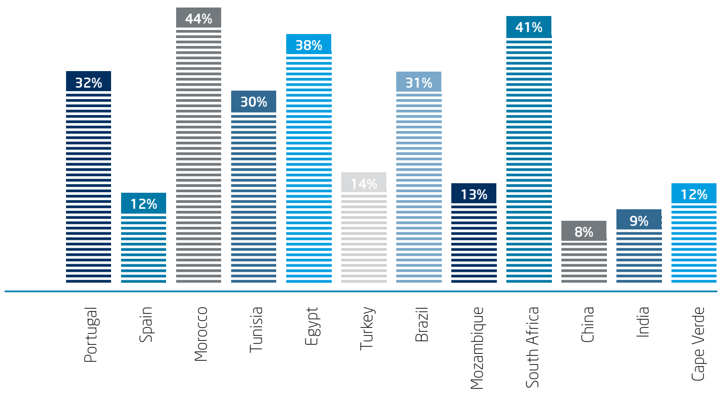
CEMENT AND CLINKER SALES



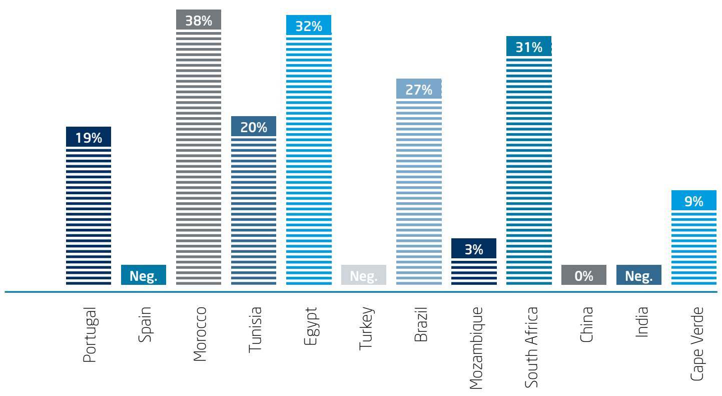
CEMENT MARKET SHARE



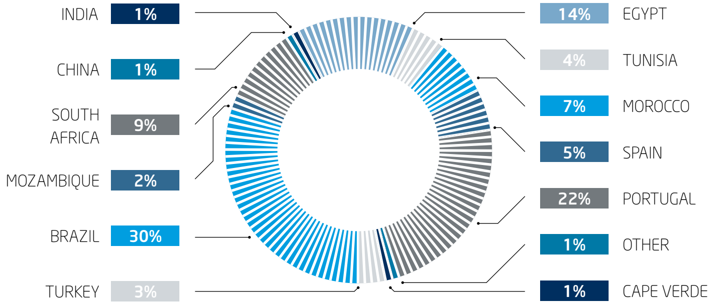
EBITDA MARGIN



EBIT MARGIN



CONTRIBUTION TO OPERATING CASH FLOW (EBITDA)



5.2. PORTUGAL

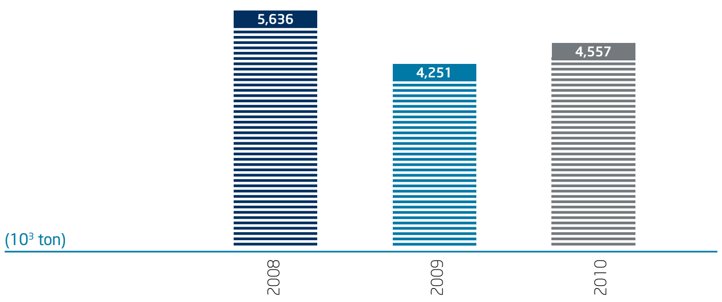
- Exports offset decline of domestic market
- EBITDA decreases 6.9% compared to 2009
- Working Capital falls by around EUR 5 million
- 100% takeover of the aggregates company Sanchez, S.A.

PORTUGAL

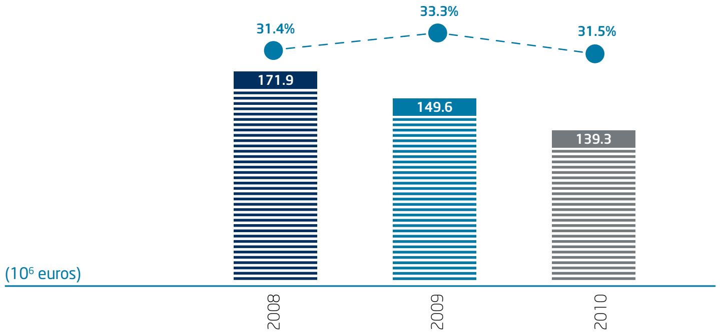
	UNIT	2010	2009	CHANGE
Installed Capacity [1]	10^3 ton	7,157	6,970	2.7%
Clinker installed capacity utilization [2]	%	67.5%	63.0%	4.5 p.p.
Cement and Clinker Sales	10^3 ton	4,557	4,251	7.2%
Market share [3]	%	55.5%	55.8%	-0.3 p.p.
Concrete Sales	10^3 m^3	2,061	2,253	-8.5%
Aggregates Sales	10^3 ton	5,651	6,431	-12.1%
Mortars Sales	10^3 ton	122	134	-8.9%
Turnover	10^6 euros	441.4	448.8	-1.6%
Cash-Costs	10^6 euros	302.2	299.2	1.0%
Operating Cash Flow (EBITDA)	10^6 euros	139.3	149.6	-6.9%
EBITDA Margin	%	31.5%	33.3%	-1.8 p.p.
Net Operating Income (EBIT)	10^6 euros	85.4	94.0	-9.2%
EBIT Margin	%	19.3%	21.0%	-1.6 p.p.
Working Capital [4]	10^6 euros	79.3	84.1	-5.7%
Return on Capital Employed (ROCE) [5]	%	13.1%	12.8%	0.3 p.p.
Employees (31 Dec.)	units	1,373	1,411	-2.7%
Operating Investments (without Acquisitions)	10^6 euros	18,0	20.0	-10.0%

[1] Cement production capacity with own clinker
[2] Clinker production/Installed capacity (clinker)
[3] Estimate
[4] Consolidated net working capital, directly associated with operations
[5] Current Operating Income (net of Cash Taxes)/Average Capital Employed

CEMENT AND CLINKER SALES



EBITDA AND EBITDA MARGIN



In 2010 the Portuguese economy reversed the recessive trend of previous years, and it is estimated that GDP grew by 1.4%, primarily driven by the increased exports of goods and services. The year was marked by the sovereign debt crisis of the peripheral countries of the euro zone, including Portugal.

The difficulties in obtaining credit and its increasing cost of credit had a very negative influence on the construction and public works sector. In this harsh economic environment, domestic cement consumption continued to decline. It is estimated to have receded by approximately 7%, standing at 5.6 million tons.

CIMPOR sales of cement and clinker registered 7.2% growth to around 4.6 million tons, driven by the 63.5% increase of exports.

However, CIMPOR cement and clinker sales rose by 7.2% to reach about 4.6 million tons, driven by a 63.5% increase in exports.

For concrete, although it is estimated that in 2010 the market declined about 12%, CIMPOR's sales only fell 8.5% to 2.1 million cubic metres. As for aggregates, the domestic market will have contracted about 20% as a result of the adverse macroeconomic environment and the suspension or postponement of a significant number of works, with CIMPOR registering a 12.1% decrease in sales to 5.7 million tons. Mortar sales were 122,000 tons, representing a decrease of 8.9% from 2009.

The cement sale price was not updated during 2010. Even so, average prices fell 1.8% year-on-year, by virtue of the different mix of products sold. The price of concrete and aggregates recorded slight positive variations which were based, in particular, on different types of products sold.

The lower price of cement and clinker exports and the drop in concrete and aggregates sales explain the evolution of consolidated turnover of Portugal, which fell 1.6% year-on-year to EUR 441.4 million.

Cash Costs rose 1.0% from 2009, amounting to EUR 302.2 million. In addition to the increase of about 10% in the clinker production, the main factors underlying this change are related with the 2.1% increase in the average cost of electricity (due to efficient energy management, since the tariff rise was more than 7%) and approximately an 11% rise of fuel. It is also to be highlighted that the increase in fuel costs did not have a higher impact due to the higher utilization rate of alternative fuels, which besides having a lower cost also provide clear environmental benefits.

The lower margin on cement and clinker exports, increased electricity and fuel costs and the decline of concrete and aggregates business led to the 6.9% reduction of EBITDA to EUR 139.3 million. EBITDA margin was 31.5%, down 1.8 percentage points on the previous year.

Operating investments decreased by about 10% to EUR 18 million and are mainly related to the improvement of operational, safety and environmental conditions of the cement plants. Also of note, although not included under operating investments, is the acquisition by Agrepor, SA of 100% of the share capital of Sanchez, SA, owner of a quarry operation in the Sesimbra area.

Working Capital was EUR 79.3 million, 5.7% lower year-on-year, as a direct result of efforts made to increase the average payment period to suppliers and to reduce stock levels.

It is expected that 2011 will be a difficult year for the Portuguese economy, with all forecasts pointing to a contraction of GDP as a result of measures to curb the budget deficit. For the construction sector in particular, no reversal of the trend of declining activity in recent years is envisaged. Therefore, cement consumption should continue to decline, albeit slightly, taking into account the substantial decrease in recent years.

Thus, given the conditions mentioned above, improvements to the various activities where CIMPOR is present are not expected. The use of exports to offset the reduction of domestic business will continue to be very important.

5.3. SPAIN

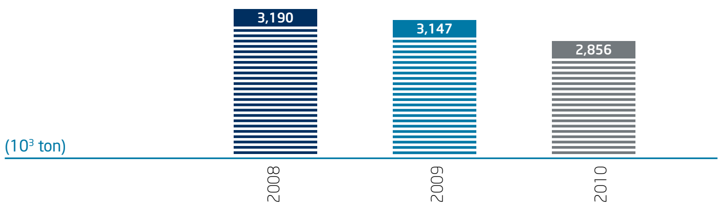
- Poor performance of the Spanish economy with an estimated 0.5% contraction in GDP
- Decrease of about 15% in domestic cement consumption
- 9.3% fall in cement and clinker sales
- Significant increase in fuel prices
- 30.2% reduction of EBITDA

SPAIN

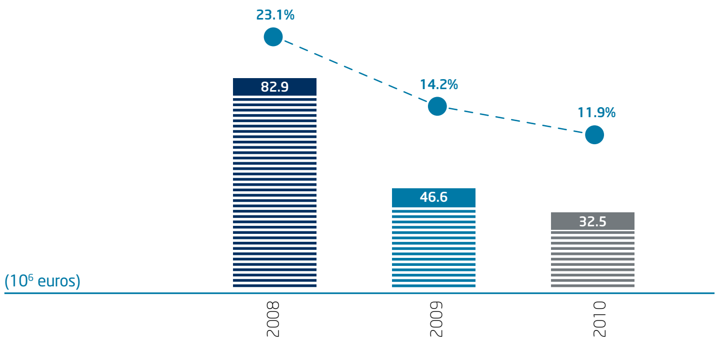
	UNIT	2010	2009	CHANGE
Installed Capacity [(1)]	10^3 ton	3,132	3,220	-2.7%
Clinker installed capacity utilization [(2)]	%	81.2%	81.7%	-0.5 p.p.
Cement and Clinker Sales	10^3 ton	2,856	3,147	-9.3%
MARKET SHARE [(3)]	%	10.5%	10.5%	0.0 p.p.
Concrete Sales	10^3 m^3	1,397	2,190	-36.2%
Aggregates Sales	10^3 ton	4,233	4,926	-14.1%
Mortars Sales	10^3 ton	143	200	-28.4%
Turnover	10^6 euros	272.5	328.8	-17.1%
Cash-Costs	10^6 euros	239.9	282.2	-15.0%
Operating Cash Flow (EBITDA)	10^6 euros	32.5	46.6	-30.2%
EBITDA Margin	%	11.9%	14.2%	-2.2 p.p.
Net Operating Income (EBIT)	10^6 euros	-10.5	0.5	s.s.
EBIT Margin	%	-3.8%	0.1%	s.s.
Working Capital [(4)]	10^6 euros	54.9	73.3	-25.0%
RETURN ON CAPITAL EMPLOYED (ROCE) [(5)]	%	-0.6%	0.7%	s.s.
Employees (31 Dec.)	unit	1.006	1.119	-10.1%
Operating Investments (without Acquisitions)	10^6 euros	11.5	19.2	-40.1%

[(1)] Cement production capacity with own clinker
[(2)] Clinker production/Installed capacity (clinker)
[(3)] Estimate
[(4)] Consolidated net working capital, directly associated with operations
[(5)] Current Operating Income (net of Cash Taxes)/Average Capital Employed

CEMENT AND CLINKER SALES



EBITDA AND EBITDA MARGIN



The Spanish economy, though showing some recovery from the preceding year (3.6% shrinkage in 2009) remained in recession, with GDP falling by about 0.5%. On the positive side, exports increased 10.3%. The major sovereign debt crisis of the peripheral countries in the euro zone, including Spain, prompted the decision to reduce public expenditure, which resulted in a budget deficit slight easing which stood at 9.3 % of GDP (10.4% in 2009).

CIMPOR will begin operating a cement grinding plant at Antequera (Málaga Province, Andalusia) from the beginning of 2011, through a facilities lease.

The unemployment rate, as a consequence of the economic downturn, remains one of the country's biggest problems, and it has already surpassed 20% in 2010.

In the construction sector, the downward trend continued to sharpen, with cement consumption standing at 24.5 million tons, i.e. 15% decrease from the previous year (less than half of the 56 million tons consumed in 2007). In CIMPOR operating markets, there were differences in performance, and it is estimated that Galicia has decreased significantly less than the national average (around 6.5%), while in Andalusia estimates point to a decline of about 12%, and the Canaries suffered a reduction higher than the national average, in the region of 17%.

CIMPOR's cement and clinker sales totalled 2.9 million tons, down 9.3% on the previous year. The increase of clinker sales, especially for export, partly offset the slump in the domestic market.

The slowdown of the construction industry eventually also negatively affected the development of concrete sales, which declined by around 36.2% to a total of about 1.4 million cubic metres.

The aggregates and mortars businesses were likewise penalised, with aggregates sales declining to 4.2 million tons and of mortar to 143,000 tons, 14.1% and 28.4% lower, respectively, than in 2009.

As in the previous two years, cement's sale price continued to be driven by declining demand, and it fell nearly 2% from the 2009 price. Of note is the fact that the sale price of concrete remained unchanged from the previous year, despite the sharp decline in terms of quantities.

Turnover in Spain demonstrated the decline in the CIMPOR business throughout the country, decreasing 17% to about EUR 273 million.

Cash Costs shrunk 15% to a total of EUR 239.9 million, which is explained by decreased business, namely the 13% fall in cement production. It should also be noted that the substantial increase of 44.5% in the average price of fuel (which cancelled out the improvements made in caloric intake) and the increase of over 7% in the price of electricity decisively contributed to the decline of Spain's results.

EBITDA decreased by 30.2% to EUR 32.5 million, as a result of the drop in sales in all business activities, the reduction of the cement sale price and rising fuel and electricity costs. EBITDA margins fell 2.2 percentage points to 11.9%.

The major investments in Spain, which totalled EUR 11.5 million (down 40.1% on the 2009 figure) were those related to reducing emissions of NOx at the Oural and Toral plants, and various investments to maintain the continuity of operations and increase equipment reliability.

It should also be noted that CIMPOR will begin operating a cement grinding plant at Antequera (Málaga Province, Andalusia) from the beginning of 2011, through a facilities lease.

Working Capital totalled EUR 54.9 million at the end of 2010, 25% less than in 2009, primarily reflecting the decrease in commercial activity. The average collection period grew by 17% in cement business, and 8% in the concrete business, as the result of strong competitive pressure experienced in a market with excess supply of cement.

As Spain was one of the last European economies to remain in recession in late 2010, it is only expected to reverse this trend in 2011, with expected moderate GDP growth. However, due to the serious real estate sector crisis in the country since 2008, together with pressure from the European Union to control the budget deficit, it is expected that cement consumption may still decrease between 5% and 10% in 2011.

In CIMPOR's case, despite the fact that the sales development is not expected to be positive, a certain improvement in the sale price as well as the implementation of cost reduction measures already underway forecast of a slight recovery of EBITDA.

5.4. BRAZIL

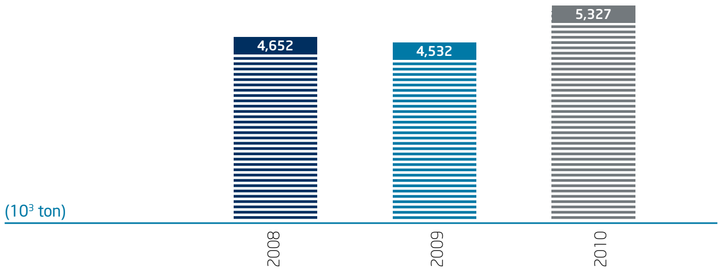
- Brazilian economy demonstrates remarkable growth
- According to latest estimates cement consumption increased 15%
- CIMPOR's cement and clinker sales rose 17.5%
- EBITDA reaches EUR 191 million, up 55.1% from the previous year
- CIMPOR announces ambitious investment plan

BRAZIL

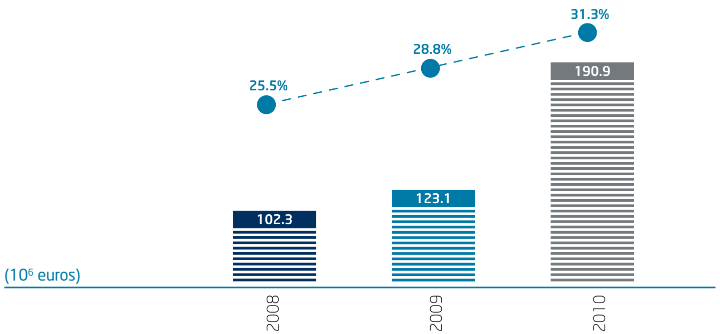
	UNIT	2010	2009	CHANGE
Installed Capacity [(1)]	10^3 ton	6,511	6,280	3.7%
Clinker installed capacity utilization [(2)]	%	79.9%	70.6%	9.3 p.p.
Cement and Clinker Sales	10^3 ton	5,327	4,532	17.5%
Market share [(3)]	%	9.2%	8.8%	0.4 p.p.
Concrete Sales	10^3 m^3	1,502	1,274	17.9%
Aggregates Sales	10^3 ton	160	165	-3.0%
Mortars Sales	10^3 ton	209	209	-0.1%
Turnover	10^6 euros	609.2	427.4	42.5%
Cash-Costs	10^6 euros	418.3	304.3	37.5%
Operating Cash Flow (EBITDA)	10^6 euros	190.9	123.1	55.1%
EBITDA Margin	%	31.3%	28.8%	2.5 p.p.
Net Operating Income (EBIT)	10^6 euros	162.4	88.4	83.7%
EBIT Margin	%	26.7%	20.7%	6.0 p.p.
Working Capital [(4)]	10^6 euros	88.8	61.1	45.4%
Return on Capital Employed (ROCE) [(5)]	%	12.1%	7.4%	4.7 p.p.
Employees (31 Dec.)	units	1,629	1,541	5.7%
Operating Investments (without Acquisitions)	10^6 euros	60.4	55.4	8.9%

[(1)] Cement production capacity with own clinker
[(2)] Clinker production/Installed capacity (clinker)
[(3)] Estimate
[(4)] Consolidated net working capital, directly associated with operations
[(5)] Current Operating Income (net of Cash Taxes)/Average Capital Employed

CEMENT AND CLINKER SALES



EBITDA AND EBITDA MARGIN



After a slight contraction in 2009, the Brazilian economy has recorded a remarkable performance in 2010 with a GDP growth rate estimated at 7.5%, based primarily on increased domestic demand. Despite 2010 being very positive for all economic sectors, the progress of construction activities is to be highlighted, which must have grown about 11%. Although inflation has risen to 5.9%, unemployment achieved a historic low of 6.7% in November 2010, and it is estimated that 2.5 million new jobs were created in 2010.

At the end of 2010, CIMPOR announced that it had given the green light to two important projects intended to accompany the forecast growth of the Brazilian market in forthcoming years.

Thus, in a scenario of strong public and private investments in infrastructure and housing, it is estimated that cement consumption may have been 59.1 million tons, which is an increase of about 15% compared to 2009. Although this increase in consumption is found throughout the country, the dynamism of the North and Northeast is to be emphasized, where many of the public and private investments are focused.

CIMPOR accompanied the growth of demand in 2010 and obtained its highest sales volume ever in Brazil, selling 5.3 million tons of cement and clinker, 17.5% more than in 2009.

It is estimated that domestic consumption of concrete was 37 million cubic metres in 2010, up 15% from the previous year. In CIMPOR, concrete sales were 1.5 million cubic metres, an increase of 17.9% from 2009, which were achieved by the opening of three new fixed plants (Feira de Santana in June, Petrolina in August and Maceió in November).

In the aggregates business, sales fell 3% to 160,000 tons as a result of some production problems at the Gurinhém quarry (Paraíba) during the first half of the year.

In terms of mortars, a business in which CIMPOR operates two industrial units in Brazil (Nova Santa Rita and Cajati), 209,000 tons were sold, the same amount as 2009.

Sale prices of both cement (+3.9%) and concrete (+2.8%) increased from the previous year.

As a result of strong increases in cement and concrete sales, prices increase and the real appreciation against the euro by about 16%, Turnover in Brazil reached EUR 609.2 million, up 42.5% compared to 2009.

Cash Costs increased 37.5% to EUR 418.3 million. This development which is primarily explained by increased production and the exchange rate impact, was also driven by positive contribution of the reduction of the average price of electricity by around 4%, mainly as a result of lower costs at the São Miguel dos Campos plant, following this unit's return to the regulated energy market. A negative influence mainly arose from the increased cost of fuel (mainly as a result of higher overall prices in the international arena) and the use of about 230,000 tons of clinker imported from Portugal, which has a higher cost than the localy produced.

The strong sales growth, coupled with positive developments in prices and a significant appreciation of the real against the euro, generated an EBITDA in Brazil of EUR 190.9 million, up 55.1% from the previous year. The EBITDA margin continued that trend, up 2.5 percentage points to 31.3%.

In terms of investments, it is noted that CIMPOR announced in late 2010 the decision to proceed with two major projects in order to accompany the expected growth of the Brazilian market in forth coming years: the construction of a new plant at Caxitu (about 15kms from the current João Pessoa plant, Paraíba, Northeast) and the installation of one more clinker line at the Cezarina unit (Goiás, Central West). Operating investment in 2010 amounted to EUR 60.4 million, with the most significant in cement business being the capacity increases at Candiota, Cajati, João Pessoa and Cezarina, the new cement grinder at Cezarina and the reactivation of cement grinder No. 2 at Nova Santa Rita. The most important investments related to the concrete business, in order to accompany the high growth rate of this activity, are the acquisition of three fixed concrete plants, five mobile concrete plants and 20 concrete mixer trucks.

Working Capital, as a result of increased activity and influenced by foreign exchange gains, totalled EUR 88.8 million, up 45.4% on 2009 (+ 28.4% excluding the currency effect). It is also to be noted that both the cement and the concrete businesses maintained the average collection time of receivables during 2010.

The outlook for 2011 in relation to the Brazilian economy is quite optimistic, with a forecast GDP growth rate of 4.5%, mainly driven by the continued increase of domestic demand. The construction sector is also expected to continue growing at a rapid pace (the forecast for 2011 is 6.6%), taking into account the investments in infrastructure and housing, as well as the hosting of the 2014 Football World Cup and the 2016 Olympic Games. It is expected that the construction sector's dynamism will continue to positively influence cement consumption, which according to latest forecasts will grow by about 9% in 2011.

In relation to CIMPOR, as a result of various investments to increase capacity that are already undertaken and ongoing, it is expected that sales growth in line with market developments may contribute to another year of EBITDA growth of the Brazil Business Area.

5.5. MOROCCO

- 3.5% fall in cement sales but an increase of more than 13% in concrete sales
- Slight year-on-year reduction of EBITDA
- Construction of new cement silo with 2,000 ton capacity has begun

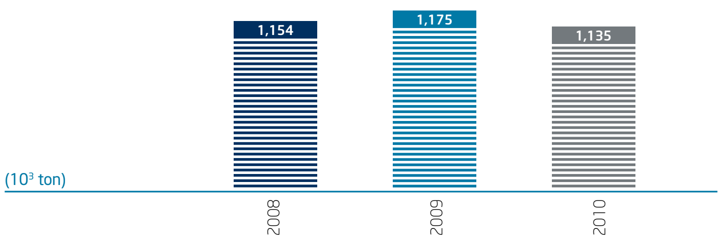
MOROCCO

	UNIT	2010	2009	CHANGE
Installed Capacity (1)	10^3 ton	1,327	1.280	3.7%
Clinker installed capacity utilization (2)	%	90.4%	88.7%	1.7 p.p.
Cement and Clinker Sales	10^3 ton	1,135	1,175	-3.5%
Market share (3)	%	7.8%	8.1%	-0.3 p.p.
Concrete Sales	$10^3 m^3$	351	311	13.1%
Aggregates Sales	10^3 ton	45	104	-56.8%
Turnover	10^6 euros	94.5	94.2	0.3%
Cash-Costs	10^6 euros	52.9	52.3	1.1%
Operating Cash Flow (EBITDA)	10^6 euros	41.6	41.8	-0.7%
EBITDA Margin	%	44.0%	44.4%	-0.4 p.p.
Net Operating Income (EBIT)	10^6 euros	35.8	33.2	7.8%
EBIT Margin	%	37.9%	35.3%	2.6 p.p.
Working Capital (4)	10^6 euros	29.3	25.6	14.3%
Return on Capital Employed (ROCE) (5)	%	30.1%	29.0%	1.0 p.p.
Employees (31 Dec.)	unidades	198	205	-3.4%
Operating Investments (without Acquisitions)	10^6 euros	5.4	9.9	-45.1%

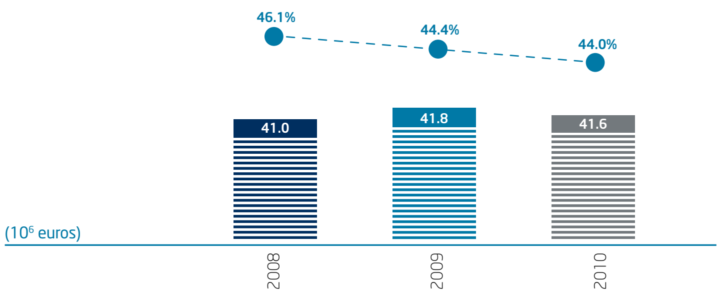
(1) Cement production capacity with own clinker
(2) Clinker production/Installed capacity (clinker)
(3) Estimate
(4) Consolidated net working capital, directly associated with operations
(5) Current Operating Income (net of Cash Taxes)/Average Capital Employed

Sales in this business rose 13.1% compared with the previous year, with six concrete plants in full operation during the 12 months of 2010.

CEMENT AND CLINKER SALES



EBITDA AND EBITDA MARGIN



The Moroccan economy in 2010 confirmed the growth trend recorded in 2009, when it showed strong resilience to the global economic crisis. It is estimated that GDP growth exceeded 4%, despite the declines observed in important areas such as exports and tourism revenue.

Construction and public works, which recorded a sharp slowdown following the global crisis began to show some recovery - albeit slowly and below the strong growth of 2006 to 2008 - based on major State projects in social areas that are expected to have the greatest impact during 2011.

Total cement consumption was identical to that of 2009, at around 14.5 million tonnes. The entry of a new competitor in the market led to the reduction of 3.5% of sales of Cimpor, which registered 1.1 million tons.

Sales in this business rose 13.1% compared with the previous year to 351,000 cubic metres, with six concrete plants in full operation during the 12 months of 2010, reflecting the start-up of two new plants in the last quarter of 2009.

Although cement sale prices underwent an average increase of 1.6% in March, annual growth was just 0.3%, mainly due to two factors: the important change in the sales mix of products and, in response to increased competition, a sales strategy covering greater distances leading to higher transport costs.

The evolution of the consolidated turnover of CIMPOR in Morocco thus shows a slight decline in cement sales, the slight price increase and the significant increase in sales of concrete. All these factors, together with a small appreciation of local currencies against the euro, led CIMPOR to obtain a turnover of EUR 94.5 million, which is almost identical to the previous year (+0.3%).

Cash Costs increased 1.1% to a total of EUR 52.9 million. This increase is mainly due to the increase of electricity consumption from the use of a limestone of greater hardness, as well as the rise in the costs of refractory bodies and grinding media. These effects were partially offset by lower fuel costs, due not only to the reduction of specific consumption but also the use of the large stock held at the beginning of the year, bought at prices far more competitive than existing ones.

The stagnation of the market and the start-up of a new operator are the main cause of a slight decrease (-0.7%) in EBITDA in Morocco, which totalled EUR 41.6 million. The margin remained virtually unchanged, decreasing only 0.4 percentage points to 44.0%.

Operating investments totalled EUR 5.4 million (45% lower than 2009), with the highlight being the start of construction of a new cement silo with a two thousand ton capacity.

Working Capital increased by 14% to EUR 29.3 million. This rise is largely explained by the increase of over 30% of the value of stocks, including mechanical and electrical maintenance parts to be consumed at the start of 2011. The average collection period of the cement business remained in line with that of 2009 while in the concrete business it underwent significant

improvement, with a decrease in the region of 30% of this indicator. CIMPOR also managed to extend the average payments period to suppliers.

After two years of sharp slowdown in demand for cement a recovery is expected during 2011, primarily through investments in social housing and public works.

The CIMPOR business in Morocco plans to start selling a new type of cement in 2011, allowing the company to fill an important gap in its supply. Despite the expected completion of some competitors' projects to increase capacity, the expected global market growth should allow Cimpor to increase turnover in 2011. It is also expecting to conclude a licensing agreement for the operation of a new limestone quarry that will substantially increase the available reserves.

5.6. TUNISIA

- Confirmation of the international crisis resilience with GDP rising
- Increase in cement consumption by almost 9%
- Incremento de 18,3% no EBITDA em relação a 2009
- Start-up of aggregates business

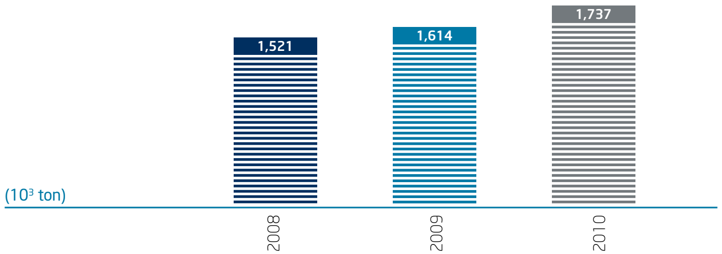
TUNISIA

	UNIT	2010	2009	CHANGE
Installed Capacity [1]	10^3 ton	1,668	1,640	1.7%
Clinker installed capacity utilization [2]	%	89.3%	91.2%	-1.9 p.p.
Cement Sales	10^3 ton	1,737	1,614	7.6%
Market share [3]	%	23.4%	23.4%	0.1 p.p.
Aggregates Sales	10^3 ton	264	0	s.s.
Turnover	10^6 euros	78.0	69.9	11.7%
Cash-Costs	10^6 euros	54.8	50.2	9.1%
Operating Cash Flow (EBITDA)	10^6 euros	23.3	19.6	18.3%
EBITDA Margin	%	29.8%	28.1%	1.7 p.p.
Net Operating Income (EBIT)	10^6 euros	16.0	11.9	34.2%
EBIT Margin	%	20.5%	17.1%	3.4 p.p.
Working Capital [4]	10^6 euros	13.7	14.6	-5.8%
Return on Capital Employed (ROCE) [5]	%	13.7%	10.4%	3.3 p.p.
Employees (31 Dec.)	units	211	209	1.0%
Operating Investments (without Acquisitions)	10^6 euros	5.9	5.1	16,3%

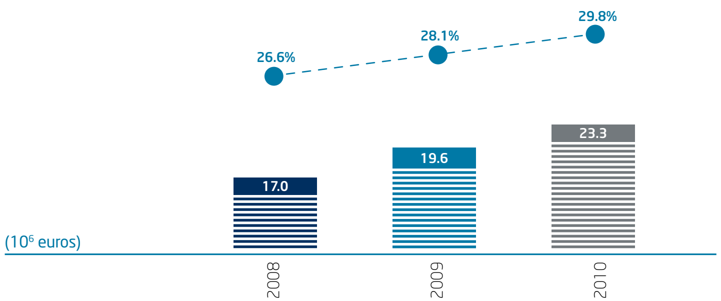
(1) Cement production capacity with own clinker
(2) Clinker production/Installed capacity (clinker)
(3) Estimate
(4) Consolidated net working capital, directly associated with operations
(5) Current Operating Income (net of Cash Taxes)/Average Capital Employed

CIMPOR's cement sales, recorded a sharp increase in the domestic market (8.9%).

CEMENT AND CLINKER SALES



EBITDA AND EBITDA MARGIN



According to latest estimates the Tunisian economy has recorded higher growth than in 2009, with GDP rising by around 3.8%, mainly driven by industrial and mining exports. The poor agricultural year and the resulting increases in food prices lifted inflation to an estimated 4.5%, which, coupled with social problems, especially unemployment, particularly among young people, caused prominent recent political developments in Tunisia.

It is estimated that cement consumption, essentially based on direct foreign and State investment has increased about 8.6% in 2010, exceeding 7 million tons. This development is very positive and surpassed the trend of the Tunisian national economy.

CIMPOR's cement sales, accompanying the rise in domestic consumption, recorded a sharp increase in the domestic market (8.9%), enabling maintenance of the 23.4% market share. Total sales were 7.6% higher than in 2009, at 1.7 million tons, despite the slight decrease in exports, from 74,000 to 59,000 tons. It should be noted that to meet market needs, Cimpor locally managed to negotiate the purchase of 167,000 tons of clinker, almost double the previous year's value.

Another mark that occurred in 2010 was the beginning of the aggregates business in Tunisia, with a total of 264,000 tons of aggregates sold.

The average cement sale price, which is determined by the government, rose 5.9% from the previous year. That fact, combined with sales growth, resulted in a significant increase in turnover of 11.7%, to over EUR 78 million.

Cash Costs rose 9.1% to EUR 54.8 million. The company has been affected by rising fuel prices (16.8%) and the increase in the quantities of clinker purchased, despite the gains generated by incorporating a greater proportion of slag in the cement production.

EBITDA, leveraged by the strong turnover growth totalled EUR 23.3 million (up 18.3% from 2009). EBITDA margin also followed this change, growing 1.7 percentage points to 29.8%.

Operating investments totalled approximately EUR 5.9 million (up 16.3% from 2009), focusing in particular on the installation of the crusher associated with the start of the aggregates business and the connection of cement silos 5, 6 and 7 to the bagging line 1.

Working Capital evolved favourably, and it was possible to harmonise the increase in commercial activity with the reduction of this indicator by 5.8% to a total of EUR 13.7 million. Of note is the fact that days sales outstanding of the cement business decreased from 37 to 28 days. It should also be noted that the acquisition of clinker produced no effect on the Working Capital, and the company could maintain its average level of stocks.

The political crisis at the start of 2011 will bring some instability to the Tunisian economy, with possible consequences in relevant sectors, particularly tourism. Nonetheless, it appears that sales of CIMPOR have not been particularly affected by events, based on the 2011 data already available.

5.7. EGYPT

- Reduction of the cement consumption growth rate of the country to around 3% (25% in 2009)
- Difficulties in increasing production forced the purchase of clinker and decline of sales in 2nd half of year
- *EBITDA* fell 16.9% compared to 2009
- Inauguration of the first concrete plant in the region of Alexandria

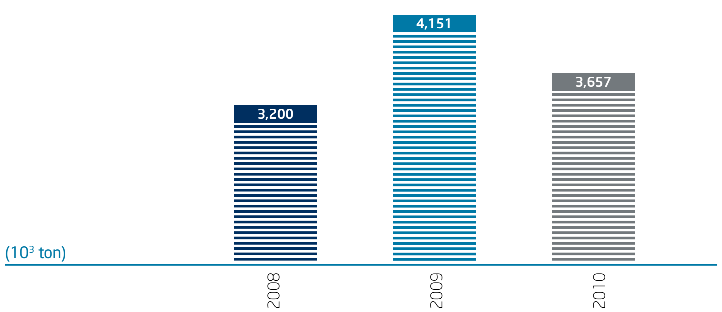
EGYPT

	UNIT	2010	2009	CHANGE
Installed Capacity [(1)]	10^3 ton	4,005	3,900	2.7%
Clinker installed capacity utilization [(2)]	%	85.9%	92.7%	-6.8 p.p.
Cement and Clinker Sales	10^3 ton	3,657	4,151	-11.9%
Market share [(3)]	%	7.4%	8.6%	-1.3 p.p.
Concrete Sales	10^3 ton	19	0	s.s.
Turnover	10^6 euros	226.6	240.6	-5.8%
Cash-Costs	10^6 euros	139.8	136.1	2.7%
Operating Cash Flow (EBITDA)	10^6 euros	86.9	104.5	-16.9%
EBITDA Margin	%	38.3%	43.4%	-5.1 p.p.
Net Operating Income (EBIT)	10^6 euros	72.6	93.2	-22.0%
EBIT Margin	%	32.1%	38.7%	-6.7 p.p.
Working Capital [(4)]	10^6 euros	79.1	49.9	58.4%
Return on Capital Employed (ROCE) [(5)]	%	25.0%	32.9%	-7.9 p.p.
Employees (31 Dec.)	units	500	493	1.4%
Operating Investments (without Acquisitions)	10^6 euros	5.6	9.7	-42.6%

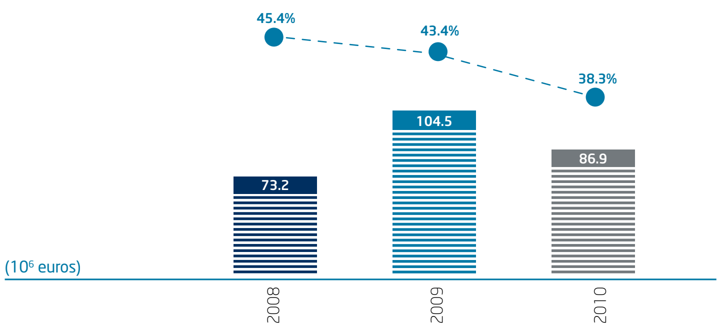
(1) Cement production capacity with own clinker
(2) Clinker production/Installed capacity (clinker)
(3) Estimate
(4) Consolidated net working capital, directly associated with operations
(5) Current Operating Income (net of Cash Taxes)/Average Capital Employed

2010 was marked by the start-up of the concrete business in Egypt for CIMPOR with the inauguration of a concrete plant in the Alexandria region, in July.

CEMENT AND CLINKER SALES



EBITDA AND EBITDA MARGIN



The Egyptian economy, in contrast to the slowdown of 2009, showed clear signs of recovery during 2010, reflected in GDP growth of around 5.1%. The continuing increase of domestic demand, the recovery of public consumption, and the sustainable development of important sectors such as construction and telecommunications, decisively contributed to the good economic performance.

The growth of the construction and public works sector led to an estimated increase in cement consumption of over 3% compared to 2009, to more than 49 million tons, which is higher than the local production capacity, thus meaning that cement has to be imported.

In relation to CIMPOR, although it had to import 535,000 tons of clinker (mainly during the first half of the year), the worse operating performance recorded in the second half of 2010 and the emergence of new competitors operating in the Delta region caused cement sales to fall 11.9%, to a total of 3.7 million tons.

2010 was marked by the start-up of the concrete business in Egypt for CIMPOR with the inauguration of a concrete plant in the Alexandria region, in July. This plant produced 19,000 cubic metres.

The average sale price of cement rose by about 3.4% compared to 2009.

The combined effect of rising prices and a slight appreciation of the Egyptian pound against the euro did not offset the decrease in sales of cement and thus the turnover of EUR 227 million was 5.8% less than that registered in 2009.

Cash Costs increased by 2.7% in consolidated terms, due to the increased consumption of clinker, with 187,000 more tons being purchased than in 2009 (the cost of imported clinker is significantly higher that produced domestically) as well as the rise of about 17% in the price of electricity and 48% in duties relative to the consumption of clay, both in the second half of the year.

EBITDA registered by the Egypt business area reflects the decline in the company's commercial activity and the increased operating costs, decreasing by around 17% to close on EUR 87 million in 2010. This fall was also reflected in the EBITDA margin which fell 5.1 percentage points to 38.3%.

Operating investments totalled EUR 5.6 million, 70% of which were related to the cement business. The most important of these were the beginning of the installation of a new bag filter on Line 1 and the increase of the capacity of the most recent raw grinder. The remaining investments were allocated to the start-up of the concrete business activity in Egypt and refer to the new plant already in operation and the equipment required for its normal operation.

Working Capital was EUR 79.1 million, which is growth of over 58% on the previous year, mainly due to the sharp rise in the stocks of clinker purchased and from own production, resulting from the drop in sales in the year's last quarter.

The outlook for the performance of the Egyptian economy in 2011 is rather uncertain given the recent political events. The installed capacity of cement in the country is expected to increase given the progress in the assembly of new lines, which may put some pressure on the sale price.

In relation to CIMPOR, production was halted for a week because of turmoil caused by the social crisis which occurred in the country. However, after the stoppage period operations were resumed at levels close to normal. The main goal of the concrete business is the consolidation of the activity by increasing sales volumes in the Alexandria market, which will be aided by the planned opening of a second plant.

5.8. TURKEY

- Strong economic growth and cement consumption
- Record sales volume of 2.9 million tons of cement and clinker
- Concrete and aggregates also recorded significant sales increases
- EBITDA almost doubled compared to 2009 (+98.7%)
- Working Capital down about EUR 4 million in year of strong growth

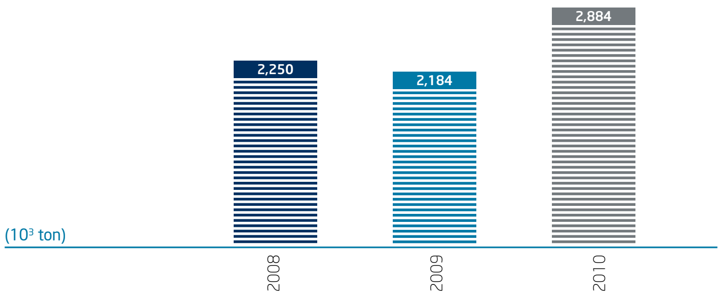
TURKEY

	UNIT	2010	2009	CHANGE
Installed Capacity [1]	10^3 ton	3,027	2,430	24.6%
Clinker installed capacity utilization [2]	%	87.3%	89.1%	-1.8 p.p.
Cement and Clinker Sales	10^3 ton	2,884	2,184	32.1%
Market share [3]	%	5.5%	5.3%	0.2 p.p.
Concrete Sales	10^3 m^3	1,088	870	25.1%
Aggregates Sales	10^3 ton	1,719	1,207	42.4%
Turnover	10^6 euros	154.5	107.5	43.7%
Cash-Costs	10^6 euros	132.6	96.5	37.4%
Operating Cash Flow (EBITDA)	10^6 euros	22.0	11.1	98.7%
EBITDA Margin	%	14.2%	10.3%	3.9 p.p.
Net Operating Income (EBIT)	10^6 euros	-0.6	-18.7	s.s.
EBIT Margin	%	-0.4%	-17.4%	s.s.
Working Capital [4]	10^6 euros	29.6	33.2	-10.9%
Return on Capital Employed (ROCE) [5]	%	0.4%	-0.6%	s.s.
Employees (31 Dec.)	units	824	825	-0.1%
Operating Investments (without Acquisitions)	10^6 euros	5.6	62.2	-91.0%

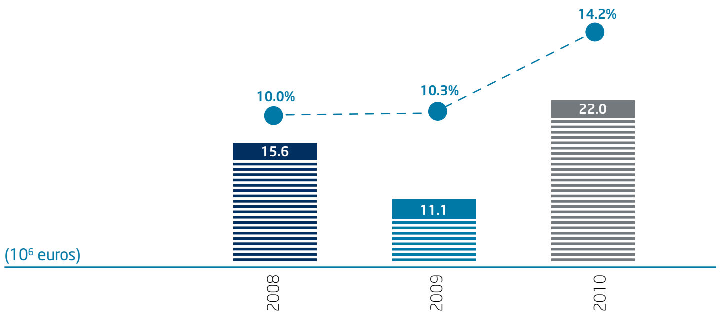
(1) Cement production capacity with own clinker
(2) Clinker production/Installed capacity (clinker)
(3) Estimate
(4) Consolidated net working capital, directly associated with operations
(5) Current Operating Income (net of Cash Taxes)/Average Capital Employed

CIMPOR's sales reached a record 2.9 million tons of cement and clinker, which is 700,000 tons higher than in 2009, equivalent to an increase of 32.1%

CEMENT AND CLINKER SALES



EBITDA AND EBITDA MARGIN



2010, following the trend initiated in the last quarter of 2009, was marked by strong dynamism of the Turkish economy. It is estimated that GDP grew by about 8%, which helped to reduce the unemployment rate from 14.0 % in 2009 to 11.2% in October 2010. The construction sector was one of the largest drivers of this growth with an increase in activity of more than 18% in the first nine months of the year.

Cement consumption increased about 14% to a total of 48.5 million tons, which represents its highest ever value. The regions where CIMPOR operates (Central Anatolia and Black Sea) were among those with the highest cement consumption growth rates, with rates of about 20%, surpassing the national average. The main drivers of these developments were the residential market and investments in infrastructure and energy production. It is estimated that exports of cement and clinker have fallen about 6% nationally, in response to increased domestic demand, although they still account for a significant volume (more than 15 million tons).

CIMPOR's sales reached a record 2.9 million tons of cement and clinker, which is 700,000 tons higher than in 2009, equivalent to an increase of 32.1%.

Both concrete and aggregates of CIMPOR also recorded significant increases in sales volumes. Sales of concrete were 1.1 million cubic metres and 1.7 million tons of aggregates were sold, equivalent to year-on-year growth of 25.1% and 42.4%, respectively.

The average price of cement rose about 4% in 2010, founded on the sound performance of the market. The price of concrete also recorded growth, of around 1.6%.

As a result of the increases in sales and prices in all businesses, and the appreciation of the value of the Turkish lira against the euro (around 8%), the turnover of CIMPOR in Turkey in 2010 amounted to EUR 154.5 million, which is equivalent to substantial growth of 43.7% on the previous year.

Cash Costs increased 37.4% to EUR 132.6 million. Besides higher production, the increases in the price of fuel and electricity contributed to this increase. The average price of fuel increased by around 6%, tempered by the constant search for more competitive alternatives, and the price of electricity rose 12%, influenced by production growth in the new Hasanoglan plant since this region has a more expensive tariff than the other areas where Cimpor operates in the country. A new contract for the purchase of electricity for this plant is currently being negotiated.

Thus, the EBITDA of Turkey Business Area almost doubled from the previous year (98.7%), to EUR 22 million, based primarily on increases in volumes and prices and the positive impact of the appreciation of the Turkish lira against the euro. The EBITDA margin also showed a substantial improvement to 14.2%, 3.9 pp more than in 2009.

The EBITDA of the Turkey Business Area almost doubled from the previous year (98.7%), to EUR 22 million, based primarily on increases in volumes and prices and currency appreciation.

Operating investments totalled EUR 5.6 million, a significant drop from the previous year (-91%). This variation is mainly due to the fact that in 2009 that value was influenced by the construction of the clinker line at Hasanoglan. The highlights of 2010 are also the amounts related to the completion of the investment at Hasanoglan as well as the modernisation of the cooler at the Sivas plant and a new concrete plant at Hasköy.

In a year of strong sales growth, Working Capital decreased by about 11% to EUR 29.6 million. This positive development was fuelled by the efforts to optimise all variables, in particular the improvement of the average collection period of receivables and reducing the value of stocks.

Forecasts for 2011 indicate strong growth by the Turkish economy. The Turkish government expects GDP growth of around 4.5%. As 2011 is an election year, we can expect an increase in public investment which should contribute to an increase in cement consumption of around 5%.

In relation to CIMPOR, it is expected to be another year of sales growth with the consequent positive impact on EBITDA.

5.9. MOZAMBIQUE

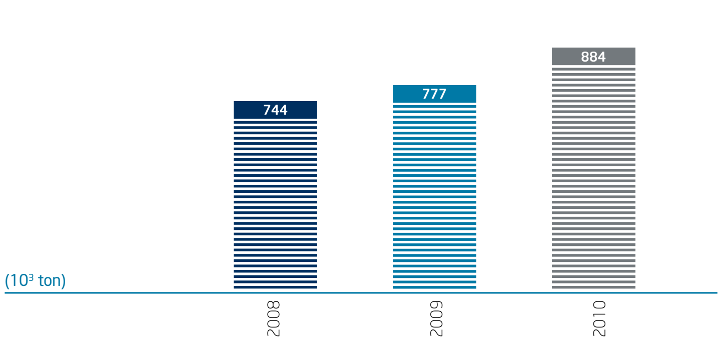
- Contract signed for purchase of 51% of a grinding facility in Nacala (northern Mozambique)
- Strong growth in cement consumption (about 10%)
- Substantial increase in sales and recovery of Market Share
- Devaluation of currency and some operational problems
- EBITDA 4.1% down on 2009
- Installation of new cement mill at Matola plant

MOZAMBIQUE

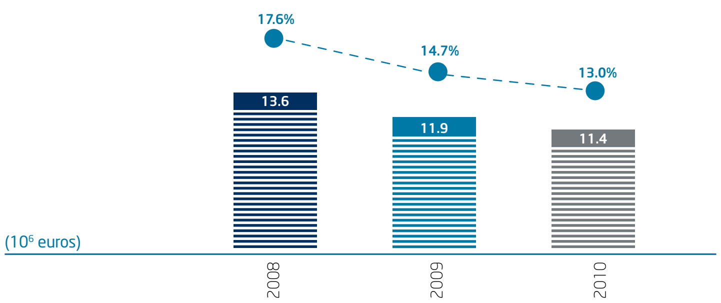
	UNIT	2010	2009	CHANGE
Installed Capacity [1]	10^3 ton	732	685	6.8%
Clinker installed capacity utilization [2]	%	39.2%	47.7%	-8.5 p.p.
Cement and Clinker Sales	10^3 ton	884	777	13.7%
Market share [3]	%	81.1%	77.0%	4.1 p.p.
Concrete Sales	$10^3 m^3$	139	151	-7.6%
Turnover	10^6 euros	88.1	80.9	8.8%
Cash-Costs	10^6 euros	76.6	69.0	11.0%
Operating Cash Flow (EBITDA)	10^6 euros	11.4	11.9	-4.1%
EBITDA Margin	%	13.0%	14.7%	-1.7 p.p.
Net Operating Income (EBIT)	10^6 euros	2.5	6.3	-60.1%
EBIT Margin	%	2.9%	7.8%	-5.0 p.p.
Working Capital [4]	10^6 euros	20.5	12.9	59.0%
Return on Capital Employed (ROCE) [5]	%	3.8%	9.6%	-5.9 p.p.
Employees (31 Dec.)	units	464	476	-2.5%
Operating Investments (without Acquisitions)	10^6 euros	15.6	12.1	29.6%

[1] Cement production capacity with own clinker
[2] Clinker production/Installed capacity (clinker)
[3] Estimate
[4] Consolidated net working capital, directly associated with operations
[5] Current Operating Income (net of Cash Taxes)/Average Capital Employed

CEMENT AND CLINKER SALES



EBITDA AND EBITDA MARGIN



The Mozambican economy continued to perform well in 2010 and it is expected to have grown around 7%. The construction sector contributed strongly to the positive performance of the economy and provided 18% growth in the first two quarters of the year and 12% in the third quarter. This increase in construction activity is underpinned by important projects for the rehabilitation of public infrastructure and private investment in the real estate, sea ports and mineral exploration activities. However, the continued increase in fuel prices, coupled with the sharp currency devaluation, has caused a very high inflation rate.

As a result of economic dynamism, it is estimated that cement consumption may have increased by about 10% in 2010, to 1.1 million tons, this variation is essentially justified by the increased import of cement into the country.

CIMPOR managed to increase its cement and clinker sales by 13.7%, to 884,000 tons, in 2010, despite some operational problems. It thus regained a market share above 80%. This volume of sales - the highest ever - was also achieved using the increased imports of clinker and cement and the use of outside grinding capacity in Nacala.

It is estimated that national concrete consumption remained at the same level as last year. However, CIMPOR's sales declined 7.6% compared to 2009, to 139,000 cubic metres, as a result of the completion of some major projects (the new airport and the football stadium).

The average sale price increased by around 11%, which is a growth rate lower than the average devaluation of the metical against the euro (around 17%), in order to counteract the increase of production factors (largely due to the devaluation of the local currency). The average sale price of concrete also increased by around 12%, for the same reason.

The consolidated turnover of CIMPOR in Mozambique in 2010 totalled EUR 88.1 million, an increase of 8.8% on the previous year.

Cash Costs, which recorded consolidated growth of 11.0% to EUR 76.6 million, were heavily influenced by operational problems that occurred during 2010 at the Matola plant, which resulted in low use of the installed capacity of clinker production. Clinker production was interrupted for 45 days due to a fire in the transformer station. This fact, combined with high calorific intake and recurring maintenance problems forced the use of a greater amount of imported clinker, which is priced much higher than that produced locally. Also of note was the significant increase in the price of gas, the main fuel used at Matola, and also electricity, which directly influenced the growth of Cash Costs.

In general, most of the factors of production of the country were put under pressure by the loss of value of the Metical and the high inflation associated with it. At the end of 2010, CIMPOR began to reduce the utilization of clinker, replacing it with fly ash, in order to minimize the increase in production costs.

In October 2010 a binding agreement was signed to acquire a 51% stake in CINAC, a company with a cement grinding plant in Nacala, northern Mozambique.

Hence, despite the significant increase in quantities and sale prices, operational difficulties and the devaluation of local currency did not allow EBITDA growth in 2010, which amounted to EUR 11.4 million, thereby registering a decrease of 4.1% on the 2009 value. EBITDA margin also declined about 1.7 percentage points on the previous year, to 13.0%.

Operating investments amounted to EUR 15.6 million, 29.6% more than in 2009. The notable investments are the new cement grinder (which is planned to enter into service in mid-2011), the purchase and installation of a gearbox for the raw grinder and the modernisation of the transformer stations at Matola, as well as the replacement of the bagging lines at all plants.

Working Capital was EUR 20.5 million at 31 December 2010, up about 59% on the same reference date of the previous year. This increase is largely explained by the increase of stocks of imported clinker. The average collection time of receivables in the cement business remained virtually unchanged from 2009, with some deterioration in this indicator in the concrete business.

It should be noted that in October 2010 a binding agreement was signed to acquire a 51% stake in CINAC, a company with a cement grinding plant in Nacala, northern Mozambique.

It is expected that in 2011, despite facing some challenges such as the currency exchange rate developments and inflation, the Mozambican economy will continue to grow at a pace similar to that of recent years. Thus, it is expected that cement consumption will also continue to increase at a significantly high rate.

In relation to CIMPOR, the start-up of the new cement grinder and the results of the optimisation programme at the Matola plant, as well as the conclusion of the acquisition agreement of CINAC, allow us to affirm that the prospects for increasing EBITDA and the respective margin generated by Mozambique in 2011 are favourable.

5.10. SOUTH AFRICA

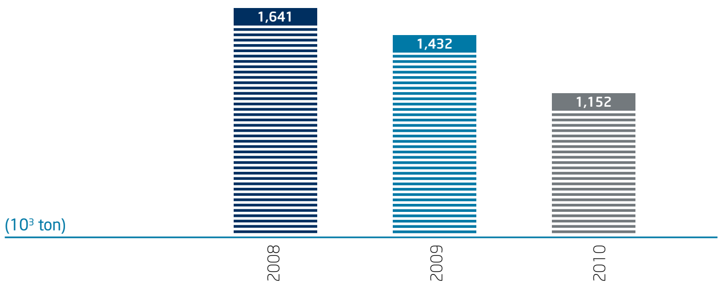
- Moderate recovery of the South African economy
- Estimated 8% fall in cement consumption
- 19.5% decline in cement and clinker sales
- 16.4% decline of EBITDA
- Reduction of over 40% in operating investments

SOUTH AFRICA

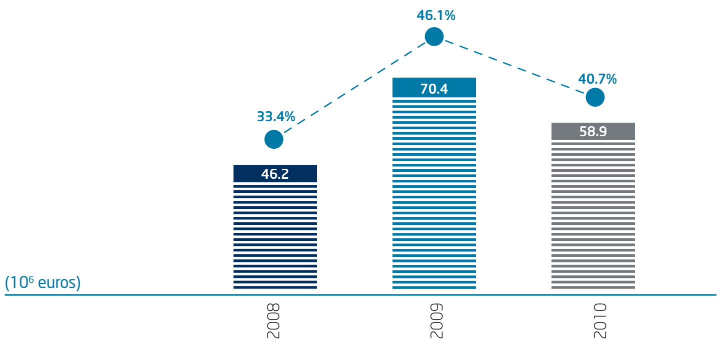
	UNIT	2010	2009	CHANGE
Installed Capacity (1)	10^3 ton	1,465	1,640	-10.7%
Clinker installed capacity utilization (2)	%	52.0%	80.4%	-28.4 p.p.
Cement and Clinker Sales	10^3 ton	1,152	1,432	-19.5%
Market share (3)	%	10.5%	12.0%	-1.5 p.p.
Concrete Sales	$10^3 m^3$	124	165	-24.8%
Aggregates Sales	10^3 ton	574	831	-30.9%
Turnover	10^6 euros	144.8	152.8	-5.2%
Cash-Costs	10^6 euros	85.9	82.4	4.3%
Operating Cash Flow (EBITDA)	10^6 euros	58.9	70.4	-16.4%
EBITDA Margin	%	40.7%	46.1%	-5.4 p.p.
Net Operating Income (EBIT)	10^6 euros	45.4	58.9	-23.0%
EBIT Margin	%	31.3%	38.6%	-7.2 p.p.
Working Capital (4)	10^6 euros	21.1	20.3	3.9%
Return on Capital Employed (ROCE) (5)	%	12.8%	20.6%	-7.8 p.p.
Employees (31 Dec.)	unit	534	595	-10.3%
Operating Investments (without Acquisitions)	10^6 euros	4.7	7.8	-40.5%

(1) Cement production capacity with own clinker
(2) Clinker production/Installed capacity (clinker)
(3) Estimate
(4) Consolidated net working capital, directly associated with operations
(5) Current Operating Income (net of Cash Taxes)/Average Capital Employed

CEMENT AND CLINKER SALES



EBITDA AND EBITDA MARGIN



The South African economy experienced moderate growth in 2010, around 2.6%, rebounding from the recession of 2009. Inflation, affected by the strong appreciation of the rand, registered a significant drop of 3.6 percentage points to 3.5%, the lowest it has been in the last five years. The positive impact of the appreciation of the local currency on import costs, particularly fuel, was offset by the negative effect on the competitiveness of exports, a sector of vital importance to the recovery of the South African economy.

The optimisation made in relation to the consumption of slag is to be noted, from 30% to 37%, which has resulted in a significant reduction in costs, despite its higher price.

The construction and public works sector did not accompany the economic recovery which occurred in 2010, significantly affecting the consumption of cement, which is estimated to have dropped by about 8% in comparison with 2009, at 10.9 million tons, mainly due to the end of the period of preparation for the 2010 Football World Cup.

The fact that there was a significant increase of cement and clinker imports in the Durban market adversely affected the sales of CIMPOR which fell 19.5% to 1.2 million tons. The reduction of about 26% in exports also contributed to that decline.

The concrete and aggregates sales, also affected by the reduced activity of the construction sector decreased to 124,000 cubic metres (-25%) and 574,000 tons (-31%), respectively.

The sharp fall in cement consumption and the increase in imports led to the sale price remained unchanged during 2010. Similarly, there was no change to concrete and aggregates prices.

Despite the sharp fall in sales in all businesses, the strong appreciation of the South African rand attenuated the decrease in turnover, which stood at EUR 144.8 million, a decrease of 5.2% on the previous year.

Cash Costs increased (4.3%) to EUR 85.9 million, despite the decrease in turnover, mainly due to the strong exchange rate. On the other hand, the significant increases in fuel prices (12%) and electricity (25%) are of note. The rise for fuel was mitigated by a lower specific fuel consumption, while in relation to electricity the efficient management of the tariff managed to reduce the impact to only 12.5%.

The optimisation made in relation to the consumption of slag is to be noted, the inclusion of which has evolved from 30% to 37%, which has resulted in a significant reduction in costs, despite its higher price.

The sharp decrease in quantities sold and rising fuel and electricity costs, combined with the strong appreciation of the rand, led to the South African EBITDA decreasing 16.4% to EUR 58.9 million, with the respective margin decreasing 5.4 pp, to 40.7%.

Operating investment decreased 40.5% to EUR 4.7 million. The most relevant investment in the cement business was the fly ash mixture and transport project and modernisation of the bagging at Newcastle and repair carried out on kiln No. 1 at Simuma. Of note in the aggregates business was the acquisition of a facility to wash sand.

Working Capital rose to EUR 21.1 million, up 3.9% from 2009. The strong appreciation of the rand decisively influenced the development of this indicator since its analysis with the currency exchange effect removed shows a decrease exceeding 13%. The significant improvements in the days sales outstanding of cement segment are a highlight, though that period slightly worsened in the concrete and aggregates businesses.

It is expected that the South African economy maintains is moderate growth trend in 2011, with estimated GDP growth of around 3%. The actions of the monetary authorities on interest rates, with the expectation of further cuts in 2011, may be a crucial stimulus for economic activity.

CIMPOR's main goal in 2011 will be increasing sales, whether through exports or by increasing the share of local market. The focus on the use of alternative fuels should also translate into cost savings, in addition to the evident environmental benefits.

5.11. CAPE VERDE

- Signing of a contract granting the concession of an exclusive zone of Praia's port for a 10-year period
- Opening a new facility on the island of Santo Antão
- Cement sales increase by 4.3%
- Slight 4.3% fall of EBITDA
- Construction of cement storage infrastructure on the island of Sal (completion in 2011)

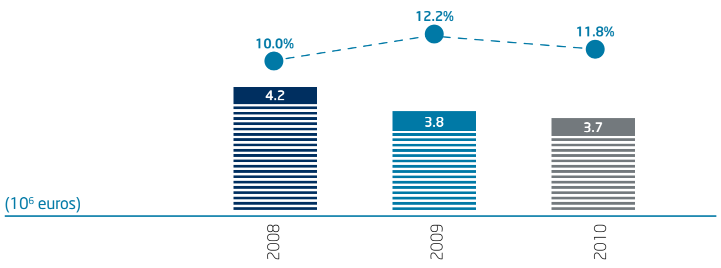
CAPE VERDE

	UNIT	2010	2009	CHANGE
Cement Sales	10^3 ton	234	224	4.3%
Market Share [1]	%	72.0%	72.1%	-0.1 p.p.
Concrete Sales	10^3 m^3	40	51	-22.3%
Aggregates Sales	10^3 ton	108	146	-25.6%
Turnover	10^6 euros	31.1	31.3	-0.6%
Cash-Costs	10^6 euros	27.4	27.5	-0.1%
Operating Cash Flow (EBITDA)	10^6 euros	3.7	3.8	-4.3%
EBITDA Margin	%	11.8%	12.2%	-0.5 p.p.
Net Operating Income (EBIT)	10^6 euros	2.7	2.9	-6.9%
EBIT Margin	%	8.6%	9.2%	-0.6 p.p.
Working Capital [2]	10^6 euros	5.6	6.7	-16.6%
Return on Capital Employed (ROCE) [3]	%	9.9%	9.2%	0.8 p.p.
Employees (31 Dec.)	units	123	127	-3.1%
Operating Investments (without Acquisitions)	10^6 euros	0.2	1.2	-87.1%

[1] Estimate
[2] Consolidated net working capital, directly associated with operations
[3] Current Operating Income (net of Cash Taxes)/Average Capital Employed

CEMENT AND CLINKER SALES

EBITDA AND EBITDA MARGIN



The Cape Verdean economy registered in 2010, according to latest estimates, GDP growth of around 4.1%, supported mainly on increasing revenues from tourism and the implementation of public investment programme.

The reactivation of important works in the tourism sector, as well as the inauguration of a new facility on the island of Santo Antão boosted CIMPOR's cement sales, which rose 4.3%, compared to the same period of 2009, reaching 234,000 tons (wholly imported from Portugal). Nevertheless, sales of concrete and aggregates evolved in the opposite direction to that of cement, affected by some operational problems and the conclusion of projects on the islands where CIMPOR's operations in these business areas are located (Santiago and Boavista), registering declines of 22.3% and 25.6% to 40,000 cubic metres and 108,000 tons, respectively.

The average sale price of cement decreased by about 5% in 2010, contributing to a slight decrease of 0.6% of CIMPOR's turnover in Cape Verde, which totalled EUR 31.1 million.

Consolidated cash costs in 2010 did not significantly change from the previous year, stabilising at EUR 27.4 million.

Against this background, income fell a fraction, slightly affected by the drop in the average sale price of cement and the rise in price of maritime freighting. EBITDA registered EUR 3.7 million, 4.3% less than in 2009. The EBITDA margin developed in the same direction, falling 0.5 percentage points to 11.8%.

After heavy investment in 2009 (EUR 1.2 million), including the improvement of operating conditions on the island of Boavista and equipment for the activities of concrete and aggregates, in 2010 the operating investments amount decreased by about 87.1%, to EUR 152,000. These investments include the building of an infrastructure for storing cement on the island of Sal, which will significantly improve CIMPOR's operating conditions and thus ensuring significant competitive advantages on that island.

The sharp reduction in cement's days sales outstanding (30 to 19 days), despite a slight worsening in terms of stocks, allowed Working Capital to decrease by about 16.6% to EUR 5.6 million.

It is expected that in 2011 there is an increase in public investment, through the development of social welfare programs and the construction of some State infrastructures, and economic growth should be around 6%, which bodes well for CIMPOR's income in Cape Verde.

5.12. INDIA

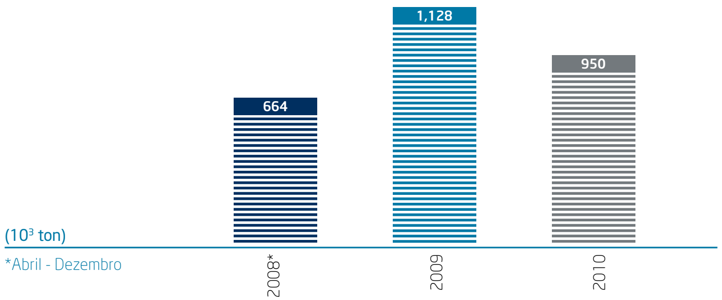
- Very adverse weather conditions
- Dynamism of the Indian economy leads to increased cement consumption
- New market operators and fall in exports leads to excess supply
- Decrease in sales volume and a certain price deterioration
- General increase in costs, especially fuel and electricity
- 56% decline of EBITDA

INDIA

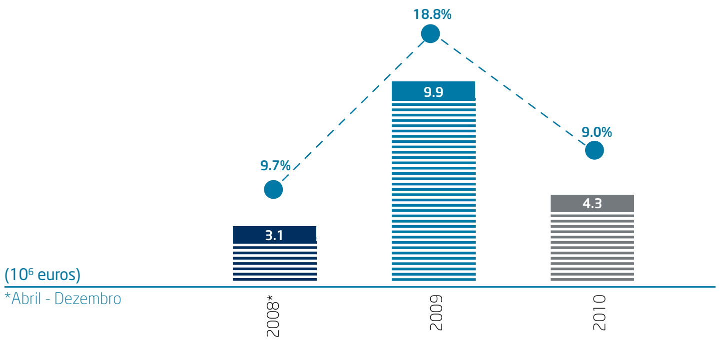
	UNiT	2010	2009	CHANGE
Installed Capacity [1]	10^3 ton	1,149	1,180	-2.6%
Clinker installed capacity utilization [2]	%	89.3%	94.3%	-5.0 p.p.
Cement and Clinker Sales	10^3 ton	950	1,128	-15.8%
Turnover	10^6 euros	48.2	52.9	-8.9%
Cash-Costs	10^6 euros	43.8	42.9	2.1%
Operating Cash Flow (EBITDA)	10^6 euros	4.3	9.9	-56.4%
EBITDA Margin	%	9.0%	18.8%	-9.8 p.p.
Net Operating Income (EBIT)	10^6 euros	-2.0	3.8	s.s.
EBIT Margin	%	-4.2%	7.2%	s.s.
Working Capital [3]	10^6 euros	11.9	3.7	223.0%
Return on Capital Employed (ROCE) [4]	%	-1.5%	3.3%	s.s.
Employees (31 Dec.)	units	502	537	-6.5%
Operating Investments (without Acquisitions)	10^6 euros	1.1	3.8	-70.5%

(1) Cement production capacity with own clinker
(2) Clinker production/Installed capacity (clinker)
(3) Consolidated net working capital, directly associated with operations
(4) Current Operating Income (net of Cash Taxes)/Average Capital Employed

CEMENT AND CLINKER SALES



EBITDA AND EBITDA MARGIN



In 2010, the Indian economy continued to perform remarkably well. It is estimated that GDP grew over 8.5%, with particular emphasis on the contribution by the industrial sector which grew by 10% in the first nine months of 2010. However, one of the latent concerns of this country is the high inflation rate, which must have reached a value exceeding 9% in 2010.

Against a background of strong GDP growth, cement consumption in India, according to latest estimates, was 220 million tons in 2010, which is a 10% increase on the previous year. In Gujarat state, where the CIMPOR plant is located, the increase will have been higher, with forecasts pointing at growth of about 16%.

However, sales of CIMPOR fell by 15.8% due to a combination of several adverse factors, standing at 950,000 tons. On the one hand, the rainy season was particularly harsh in the region of the plant and caused some production problems. Furthermore, despite the significant increase in demand for cement in the region, new competitors entered the market during 2010, which resulted in oversupply. The fall in exports by more than 50% is also to be highlighted, due to the low competitiveness of production in India and the contraction of some of the markets that are usually the export target markets.

There was also a decline in the average sale price of approximately 5.3%, due to oversupply.

Consolidated turnover in India suffered a decrease of 8.9% in 2010, down to EUR 48.2 million, as a result of declining sales and prices.

Cash Costs, contrary to turnover, rose 2.1% to EUR 43.8 million, due to various factors, the most significant of which are increased specific consumption of fuel and electricity (partly caused by the frequent stoppages of equipment due to rains) as well as the rises of approximately 5% in the price of fuel and approximately 17% in the price of electricity. It should also be noted that there were significant increases in the cost of transporting raw materials and royalties for the operation of quarries.

Several measures are being prepared to counteract the rise in Cash Costs, such as the increased incorporation of fly ash, the installation of a system for generating electricity by recovering energy from production process gases and the search for quarries closer to the plant.

Although the Indian rupee appreciated about 10% against the euro, the decrease in quantities sold, lower prices and higher costs resulted in EBITDA falling 56.4% in comparison with the previous year. EBITDA for 2010 was EUR 4.3 million. The EBITDA margin also fell significantly to 9.0%, 9.8 pp less than in 2009.

Operating investments amounted to EUR 1.1 million, the most significant being those related to the start of the project to generate electricity from production process gases, the fly ash transportation system from the thermal power station producing the fly ash to the plant and the implementation of SAP software.

Working Capital increased by about EUR 8.2 million to EUR 11.9 million, primarily as a result of larger clinker stocks due to the drop in sales and as the result of a supply of coal received at the end of 2010.

The Indian economy is expected to continue to grow at a rapid pace in 2011. It is also envisaged that the consumption of cement, both nationwide and in Gujarat, will maintain the high growth rates registered in 2010.

CIMPOR expects that the improved sale price at the end of 2010 and the various projects underway to reduce Cash Costs may contribute to EBITDA growth in 2011.

5.13. CHINA

- The new plant Zaozhuang has started to produce
- Economic growth rate keeps high
- Total cement and clinker sales exceeded 4 million tons for the first time
- Cement sale prices reached record high in the 4th quarter
- Substantial increase of 87.7% in EBITDA
- Investment decreases by 87.1% due to completion of works at Zaozhuang

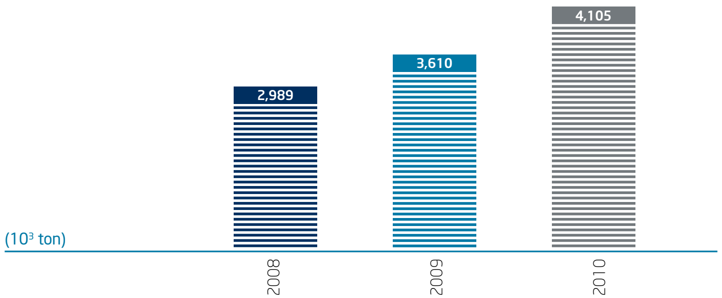
CHINA

	UNIT	2010	2009	CHANGE
Installed Capacity [(1)]	10^3 ton	5,270	2,725	93.4%
Clinker installed capacity utilization [(2)]	%	73.1%	101.7%	-28.6 p.p.
Cement and Clinker Sales	10^3 ton	4,105	3,610	13.7%
Turnover	10^6 euros	106.1	81.1	30.8%
Cash-Costs	10^6 euros	97.2	76.3	27.3%
Operating Cash Flow (EBITDA)	10^6 euros	8.9	4.7	87.7%
EBITDA Margin	%	8.4%	5.9%	2.5 p.p.
Net Operating Income (EBIT)	10^6 euros	0.5	0.2	235.7%
EBIT Margin	%	0.5%	0.2%	0.3 p.p.
Working Capital [(3)]	10^6 euros	28.9	6.5	342.6%
Return on Capital Employed (ROCE) [(4)]	%	0.3%	0.3%	0.1 p.p.
Employees (31 Dec.)	units	1,022	1,051	-2.8%
Operating Investments (without Acquisitions)	10^6 euros	6.4	49.8	-87.1%

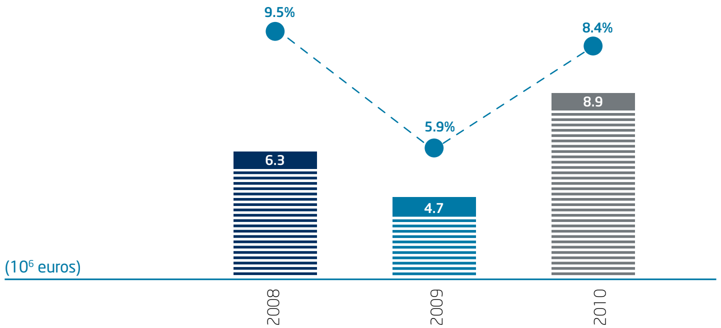
[(1)] Cement production capacity with own clinker
[(2)] Clinker production/Installed capacity (clinker)
[(3)] Consolidated net working capital, directly associated with operations
[(4)] Current Operating Income (net of Cash Taxes)/Average Capital Employed

The combination of increased sales and improved prices resulted in turnover improving by more than 30% to the total amount of EUR 106.1 million.

CEMENT AND CLINKER SALES



EBITDA AND EBITDA MARGIN



2010 was another year of strong growth for China, with the latest estimates indicating GDP growth of +10.5%. The industrial sector (along with telecommunications) remained one of the drivers of this development with an estimated rise of 15%.

Cement consumption in the Chinese market continued its upward trend observed in previous years and, during 2010 it is estimated to have registered an increase of around 10% to a total of 1.8 billion tons, which is equivalent to more than half of world consumption.

The operational start-up of the new Zaozhuang plant and the full 12 months of operation of the Huainan grinding plant allowed CIMPOR to increase sales of cement and clinker by 13.7% to a total of 4.1 million tons. This amount, which is the Group's highest ever in China, is even more remarkable if we highlight the fact that the company achieved a significant 39% increase in cement sales (the most profitable product) compared to a decrease of 28% of sales of clinker.

The restrictions on energy consumption in Jiangsu province in the last quarter of 2010, the district in which CIMPOR has its operations, caused a shortage of cement in the market prompting a sharp rise in the sale price to record highs, even increasing by 100% in some regions when compared to the price at the start of the year. Despite this fact, and due to a fall in early 2010, the rise in the average sale price over 2010 was 1.8%.

The combination of increased sales and the price improvement resulted in turnover growing more than 30%, to a total of EUR 106.1 million.

The evolution of operational activity, with increases in clinker and cement production of 23% and 62%, respectively, and increased electricity and fuel prices, have contributed decisively to the growth of Cash Costs by about 27%, to EUR 97.2 million.

Accordingly, based on the increase in sales as well as the appreciation of around 6% by the yuan against the euro, CIMPOR's EBITDA grew by 88% to EUR 8.9 million. The EBITDA margin also reflected this trend showing an increase of 2.5 percentage points to 8.4%.

The completion of the construction of the Zaozhuang plant and Huainan grinding facility substantially reduced operating investments, which fell from a total of EUR 49.8 million in 2009 to EUR 6.4 million in 2010. About 90% of investments are still earmarked for the completion of construction work at the plants mentioned above.

Working Capital rose considerably, reaching the amount of EUR 28.9 million at the end of the year. This growth is explained by the increase in stocks resulting from the overall business growth of the company and the start-up of operations at the Zaozhuang plant. Cumulatively, and despite the continued credit risk and the extensively positive impact of EBITDA, changes in business conditions extended the average collection period on receivables, which also contributed to the increase of Working Capital.

It is estimated that China will continue to register considerable GDP growth

in 2011, largely founded on exports despite the pressure that is beginning to be exerted in international markets for the appreciation of its currency.

The promised closure of obsolete units with high levels of pollution still in operation must be intensified during 2011. This should have an effect on cement supply, which could provide important competitive advantages to CIMPOR. Thus, it is expected that the path of good results achieved in the closing months of 2010 is carried on, based on sales volume and prices, although the latter will be at a lower level than that reached at the end of 2010 .

5.14. TRADING

CIMPOR conducts the umbrella management of its cement and clinker trading operations in order to, firstly, meet market fluctuations in some countries without the need to invest in operational units that might create over-capacities and, secondly, to place the surplus of installed capacity in certain geographic areas.

In 2010, 1,280,873 tons of clinker was sold to Brazil, Morocco, Mozambique, Ivory Coast, Spain, Egypt, Equatorial Guinea, Mauritania and Cameroon.

The quantities of cement sold amounted to 455,267 tonnes, in regions such as Cape Verde, Brazil, Guinea-Bissau, Mozambique, Equatorial Guinea, Namibia, Algeria, Sao Tome and Principe and Angola.

Trading was also carried out to a lesser extent in slag, mortar, plaster, fly ash and pozzolana.

CIMPOR Trading registered the following results:

TRADING (Million euros)

	2010	2009	VAR.	2008
Turnover	147.9	71.1	108.0%	113.6
Operating Cash Costs	(138.2)	(64.7)	113.5%	(106.1)
Operating Cash Flow (EBITDA)	9.7	6.4	52.1%	7.3
Depreciation and Provisions	(1.8)	(2.5)	-26.1%	2.6
EBIT	7.9	3.9	102.3%	4.8
Financial Income	(0.8)	(0.7)	17.2%	(1.1)
Pre-Tax Income	7.1	3.2	119.8%	3.8
Income Tax	(1.6)	(0.7)	145.2%	(0.8)
Net Income	5.5	2.6	113.2%	3.0

BUSINESS SUPPORT

Share existing know-how with all CIMPOR companies through the Knowledge Networks.

6. BUSINESS SUPPORT

6.1. CIMPORTEC

CIMPORTEC - Engenharia e Serviços Técnicos de Apoio ao Grupo, S.A. is a company providing technological and technical support to the CIMPOR Group.

The organisation of the company develops three major areas of activity:

- CIMPOR Performance Program - developing and implementing performance management tools in the operational, process engineering, environmental, geological and raw material fields;
- Investments, Engineering, Equipment and Safety - covering the investment and project management, automation and control, equipment and maintenance management and occupational health and safety fields;
- Products & Quality/Technical Training - which, in addition to acting in those designated areas, includes the Central Laboratory and R&D.

CIMPORTEC carried out an organisational restructuring at the end of 2010, with the aim of assuring an effective response to organisational growth needs and the acquisitions policy established by the Board of Directors of CIMPOR. Its business activities following that restructuring became centred on the CIMPOR Performance Programme, Investments, Engineering, Equipment & Security, and Sustainable Development.

This new area of activity aims to promote the implementation of the Sustainability Agenda of the CIMPOR Group, guaranteeing the internal alignment of the various business areas with the principles of Sustainable Development and also ensuring the implementation of a corporate policy for the use of alternative fuels and raw materials.

CIMPORTEC's Business

The CIMPOR Performance Programme carried on the work of the so-called Annual Benchmarking Programme, which involves the systematic comparison of around two hundred key performance indicators stored since 2010 in an

Six training sessions were also held (totalling 245 hours and training 83 technicians from different countries), besides the 3rd CIMPOR Production Seminar, on the subject of Energy Optimisation & Sustainability.

SQL database. The intention is to measure the operating performance of the different units of the Cement Business. This activity, which precedes the drawing up of the annual budget and the update of the business plan, allows the managers of the mentioned operational units, supported by CIMPOR TEC, to pinpoint priority lines of action for each unit and the resulting measures to be taken over the next three years, setting these down in the Performance Improvement Plan.

CIMPORTEC's Process Engineering and Environment, and Geology and Raw Materials departments also performed various studies in 2010 to evaluate the process conditions of various manufacturing units. The aim was to identify the best alternatives for the implementation of performance improvement actions, capacity increases or undertake new investment. It also carried out research work, operational planning and the control of raw material reserves.

The Investments, and Engineering and Equipment departments continued to provide coordination and technical assistance services throughout 2010 to the different maintenance and investment projects undertaken by CIMPOR in different Business Areas, most of which are mentioned in the previous section.

The highlights of the many activities of the Products, Quality and Technical Training of Staff department were: the completion of various audits and technical studies in virtually all Business Areas, the implementation of the Inter-laboratory Programme of CIMPOR; following up on partnership agreements signed with Instituto Eduardo Torroja (Spain) for the development of belite cements, and with the Massachusetts Institute of Technology (USA), supported by the Sustainable Development Advisory Office, for the decoding of the nanostructure of Calcium-Silicate-Hydrate, the second phase of which will be extended to the end of 2011, at least. Six training sessions were also held (totalling 245 hours and training 83 technicians from different countries), besides the 3rd CIMPOR Production Seminar, on the subject of Energy Optimisation & Sustainability.

The Sustainable Development Advisory Office, created in 2009, is responsible for supporting the Board of Directors in the implementation of CIMPOR's Sustainability Agenda. It has continued to develop activities to consolidate the implementation of several corporate protocols and guidelines, as well as coordinate the drawing up of the CIMPOR Sustainability Report.

6.2. AGGREGATES AND CONCRETE COMPETENCE CENTRE

The Aggregates and Concrete Competence Centre (CC) was created during 2010, given the importance of the Concrete and Aggregates Business, which is already present in 10 of the 12 countries where the Group operates. Its mission is the strategic development of the business in the technical and commercial fields, combined with the promotion and dissemination of the know-how and best practices of concrete and aggregates activities in the CIMPOR Group.

The CC answers directly to the Executive Committee and it is divided into three main areas: Performance & Benchmarking, Investment & Engineering, and Production, Products and Quality.
The first activity carried out as the Competence Centre was the creation of four working groups, each composed of three staff members from different business areas, selected to create multidisciplinary teams with knowledge in different areas and of specific contexts, thus enriching the end result:

- Group 1 –Concrete Logistics Outsourcing and Equipment Optimization – has the theme of the logistics of concrete transport, subcontracting and the optimization of equipment. It is important to define procedures and adopt uniform standards throughout the Group, since the concrete distribution cost is the second largest of the Business, accounting for about 15% of the total.
- Group 2 – Concrete Formula Optimization – concerns the optimization of concrete mixtures and the standardisation of criteria for the selection of raw materials, which is of crucial importance in the ready-mix concrete business since the cost of raw materials accounts for about 65% of total costs.
- Group 3 – Concrete Operational Model - devoted to the development, standardisation and dissemination of operational procedures, targeting the implementation of methods providing better performance of the operation of concrete plants.
- Group 4 –Management Information – the main objectives being the standardisation and homogenisation of management information and the implementation of the Benchmarking process.

The Concrete Portal was created in 2010. This is the first common tool shared by all Business Areas, which supports the standardization of practices and procedures, management information and other related matters. The Competence Centre has been collaborating with the different Business Areas in this regard, so that all reporting within the CIMPOR Group becomes identical in form and content, promoting standardisation in countries which already have their own reporting format and even implementing the methodology in those where, to date, such a procedure did not exist.

The Benchmarking programme for the Concrete Business has also begun. Moreover, several Key Performance Indicators (KPIs) likely to characterise the different areas of the Business have been selected in partnership with all the Business Areas in which the CIMPOR Group operates the Ready-Mix Concrete Business. It is now possible, through the monthly updating of benchmarking information, to monitor performance in various sectors and identify opportunities for improvement as well as best practices.

Six KPIs of major impact on the Ready-Mix Concrete Business were selected from the Benchmarking Programme for the launch of the first phase of the 3-Year Action Plan Programme (AP).

The Investments and Engineering area was primarily devoted to two types of action: the development and monitoring of projects to build new production centres, or the modernisation of existing ones, and evaluation and support in choosing the most suitable equipment to each circumstance and the options targeting technological innovation and research applied to the Ready-Mix Concrete Business, in search of the market's best technical solutions.

The success of a group depends on the performance of each team member. The Competence Centre is responsible for the implementation of a programme to assess employee performance in various Business Areas. The assessment of the all employees is a baseline tool to evaluate our human resources, align goals and identify where action is needed.

Lastly, the 2011 Agenda was drafted and approved by the Executive Committee in December. That document defines and schedules the actions to be undertaken throughout the year within the CIMPOR Group, in the various areas of the Aggregates and Concrete Competence Centre.

The sucess of a Group depends on the performance of each team member.

6.3. INFORMATION SYSTEMS

The Information Systems Department (DSI) had a productive 2010 in terms of developments and updates.

During 2010, the Projects and Development Area again focused on the standardisation of the information system of the CIMPOR Group, with the highlight being the launch of the project to fully implement the SAP ERP solution in the India Business Area, aiming to follow the template of the CIMPOR Group.

Another highlight was the development of phase 1 of the Credit Analysis and Decision project, installing an "add-on" to directly integrate with SAP. That programme automatically retrieves information on third parties and the validation of credit ceilings, originating from D&B and GDM (Global Decision Maker), as well as implementing the relevant credit approval workflows for companies in Portugal, but with the roll-out goal for the Business Areas in which this solution is to be applied.

Also noteworthy is the project to install EUROXXI in Morocco with SAP Online, where several improvements were made that led to the validation and permanent control of credit from the concrete plants, regardless of whether or not there was communication.

The recently opened operations in China, as well as the existing companies, were equipped throughout the year with an ERP solution by the Kingdee company.

The Accounting Standardisation System (SNC) was implemented in Portugal, which implied significant restructuring of accounting procedures and led to the creation of the Automated Management and Accounting of Bad Debt Customers. This automated system comprised the installation of new automatic processes for processing and reporting the account movements of bad debt customers, in association with the system developed in SharePoint for the Legal Matters department in Portugal. A secure wireless solution was implemented in production centres in Portugal.

In Egypt, SAP was fully implemented in a new Concrete company and EUROXXI in its primary production centre. A new planning system of loads for shipment was developed in Egypt through a new process for planning daily loads in SAP, in order to ensure the good management and control of the shipping capabilities of this Business Area.

The Information Systems Department (DSI) had a productive 2010 in terms of developments and updates.

A new Quality, Safety and Hygiene System was developed and rolled out in the Spain Business Area. In Tenerife, the Canary Islands, the installation of SAP/PM (Plant Maintenance) was completed for all plant maintenance processes.

In the Mozambique, South Africa and Turkey business areas the lines of communication were extended. In South Africa the model of communications was also reformulated.

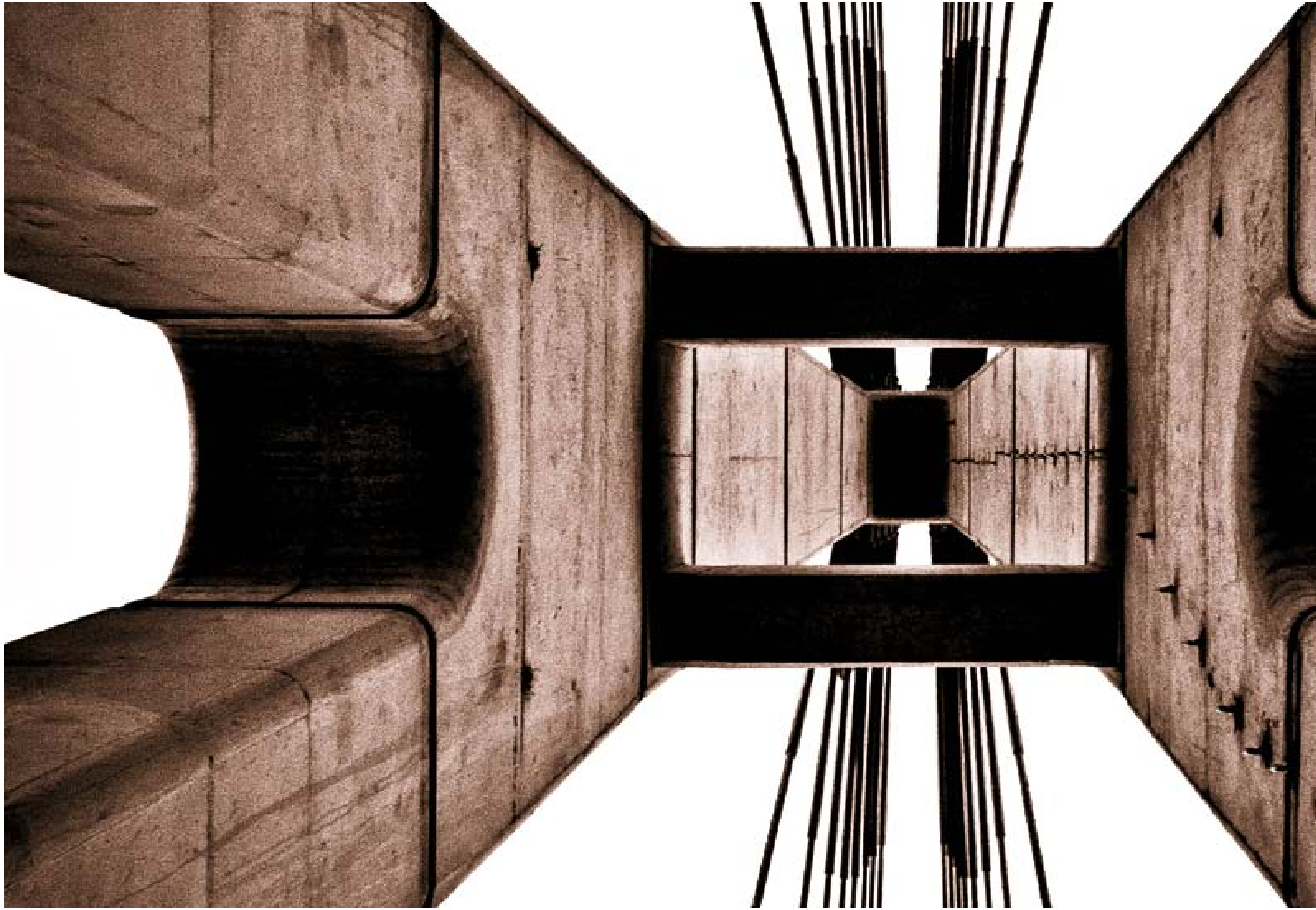
Dashboards were developed using the QlikView tool to display working capital management indicators.

CIMPORnet, the infrastructure of the intranet of CIMPOR, was enhanced and updated, and a new version was designed with improved ergonomics and enhanced content. In Portugal, wage slips ceased to be physically printed and were made available to employees in electronic format on the CIMPORnet portal, with the possibility of viewing/printing wage slips of the previous five years.

It has been possible, given the fact that the Information Systems structure is centralised, in Portugal, to step up the use of Microsoft Communicator on the Group's network as a tool for unified voice and message communications between computers.

Centralised Firewall, Vmware, Epolicy, Data Protector and Web Marshall consoles were implemented, which increased the productivity and versatility of the infrastructure support team.

The quality of the performance monitoring of the Group's ERP, SAP, has been significantly enhanced by the introduction of the Tidal tool, which is specifically for this purpose. The installation of the Windows 7 operating system on personal computers was also initiated in 2010.



MANAGEMENT ANALYSIS

The economies of emerging and developing countries registered remarkable dynamism, with average GDP growth that will have been over 7%.

7. MANAGEMENT ANALYSIS

7.1.MAIN OPERATING TRENDS

Overall, 2010 was marked by the world's major economies return to growth, albeit moderate. Recent data point to an average GDP growth of about 3% for developed countries in 2010. In contrast, the emerging and developing countries' economies registered remarkable dynamism, with an average GDP growth that will have been over 7%.

Another 2010´s striking fact was the significant rise in oil prices, increasing on average by about 30%.

In the cement sector, worldwide consumption will have grown by 8% to about 3.2 billion tons - an increase that would only be 3% if we excluded China, whose latest figures show an increase in consumption of 10% surpassing 1.8 billion tons for the first time.

However, cement consumption in the world demonstrated different trends depending on the countries development degree, as is the case with actual economic growth. While consumption is expected to have declined about 3% in developed countries, compared to 2009, in emerging and developing countries consumption has increased 10% (or about 5% if we do not include China).

This was CIMPOR's backdrop for achieving in 2010 its largest ever Operating Cash Flow (EBITDA), of EUR 629.8 million, which represents an increase of 3.9% on the previous year. However, EBITDA margin fell by about 1.0 percentage point to 28.1%.

In order to understand the factors that led to growth of nearly 4% of EBITDA, but with a decrease in margin, it is important to highlight the operational aspects that marked 2010 and that will be discussed below:

- Increased exposure to emerging markets and their contribution to results;
- Brazil´s strong growth;
- Turkey and China´s Recovery;
- Increased internal Trading and exports;

- General rise of fuel and power prices;
- Positive currency exchange impact.

In 2010 the emerging markets' weight grew in CIMPOR´s portfolio.

WEIGHT OF EMERGING MARKETS

	2010	2009	CHANGE
Cement and clinker sales	78%	76%	+2.3 p.p.
Sales of concrete	49%	39%	+9.7 p.p.
Sales of aggregates	23%	17%	+5.3 p.p.
Turnover	70%	64%	+6.6 p.p.
EBITDA	72%	66%	+5.6 p.p.

Emerging markets are considered to be all countries where CIMPOR is present, with the exception of Portugal and Spain. In terms of EBITDA, the parties relating to Trading and Shipping and "Others" were imputed to the mature markets since, in the first case, most transactions are carried out from the Iberian Peninsula and, in the latter these are essentially costs/income of a corporate nature.

For cement and clinker sales, CIMPOR´s main activity, the weight of emerging markets is already at 78%, having increased about 2 percentage points between 2009 and 2010. This evolution was driven not only by increased sales in all emerging geographies, notably Brazil, China and Turkey, but also the decline in the Iberian Peninsula, though Portugal´s exports have helped to surpass the quantities sold in 2009, offsetting the fall in the domestic market.

In concrete, the majority of operations are located in the Iberian Peninsula. However, the high growth rate of this activity in Brazil in 2010 led to the rising of the emerging markets' share by about 10 percentage points to almost 50%. In aggregates, the concentration in Portugal and Spain is even higher than that of concrete. Even so, Turkey's good performance and the beginning of this activity in Tunisia resulted in an increased share for emerging markets, up more than 5 percentage points to 23%.

In Turnover, the emerging economies' weight is also very visible, and these now account for 70%, up 6.6 p.p. on the previous year. This growth was not only driven by increased sales in several emerging countries but also by the positive evolution of prices in most of these markets.

In relation to EBITDA, the substantial increases of Brazil and Turkey and the declines in the Iberian Peninsula meant the emerging markets are already responsible for 72% of contributions.

Brazil took on a prominent role during 2010 among the countries where CIMPOR is present.

MAIN INDICATORS - BRAZIL

	2010	2009	CHANGE
Cement consumption - country (1) (Million ton)	59.2	51.5	+15%
Cement and clinker sales (thousand ton)	5,327	4,532	+18%
Sales of concrete (thousand m^3)	1,502	1,274	+18%
Turnover (EUR million)	609.2	427.4	+43%
EBITDA (EUR million)	190.9	123.1	+55%
EBITDA Margin	31.3%	28.8%	+2.5 p.p.
Weight in CIMPOR EBITDA	30.3%	20.3%	+10.0 p.p.

(1) Provisional data

In harmony with the dynamism of its economy, with GDP growth in 2010 of around 7.5%, mainly based on domestic demand and where investment in infrastructure and housing has played a significant role, all major CIMPOR performance indicators in Brazil have evolved extremely positively in 2010. Brazil, with a per capita cement consumption of just over 300kg, shows excellent prospects for forthcoming years, which is why CIMPOR set forth an ambitious investment plan for this country at the end of 2010 (in addition to the on-going investments).

This plan, with an estimated cost of around EUR 240 million, will increase the installed production capacity of cement with own clinker from the current 6.5 million tons, to 8.8 million tons.

While the latest figures indicate that cement consumption in Brazil grew by around 15% in 2010 (to 59 million tons), CIMPOR's sales of cement and clinker increased even faster, reaching 5.3 million tons, up more than 18% on 2009. This growth is mainly explained by the presence of CIMPOR in high growth regions like the Northeast, Midwest and Southeast.

Concrete consumption in Brazil was in line with that of cement, increasing by about 15% to 37 million cubic metres. CIMPOR's concrete sales, like cement, grew at a faster pace than the market´s, totalling 1.5 million cubic metres, up 18% from 2009. This growth was driven not only by the mentioned presence in high growth areas, but also as a result of the attention that has been given to the development of this business. For example, three new concrete plants, located at Feira de Santana, Petrolina and Maceió, started-up operations during 2010 under the strategic development plan for the concrete business in Brazil.

As a result of high growth rates of cement and concrete consumption and with the positive impact of the real appreciation against the euro, of around 16%, Brazil saw its EBITDA grow by about 55% to EUR 191 million, making it CIMPOR's main contributor, with a weight of around 30%.

Another notable aspect was both Turkey and China's sales and income recovery .

MAIN INDICATORS TURKEY

	2010	2009	% Change 10/09	2008
Cement and clinker sales (thousand ton)	2,884	2,184	+32%	2,250
Sales of Concrete (thousand m^3)	1,088	870	+25%	1,360
Sales of Aggregates (thousand ton)	1,719	1,207	+42%	2,293
Turnover (EUR million)	154.5	107.5	+44%	156.1
EBITDA (EUR million)	22.0	11.1	+99%	15.6
EBITDA Margin	14.2%	10.3%	+3.9 p.p.	10.0%
Weight in CIMPOR EBITDA	3.5%	1.8%	+1.7 p.p.	2.7%

MAIN INDICATORS CHINA

	2010	2009	% Change 10/09	2008
Cement and clinker sales (thousand ton)	4,105	3,610	+14%	2,989
Turnover (EUR million)	106.1	81.1	+31%	65.6
EBITDA (EUR million)	8.9	4.7	+88%	6.3
EBITDA Margin	8.4%	5.9%	+2.5 p.p.	9.5%
Weight in CIMPOR EBITDA	1.4%	0.8%	+0.6 p.p.	1.1%

The Turkish economy had been seriously affected by the global crisis in 2009, with GDP falling about 5% and the construction sector being most affected, shrinking 20%. Cement consumption was also affected and declined about 6%. In this context, and simultaneously with the constant increase of installed capacity and a significant drop in prices continuing from the previous year. 2009 was particularly difficult for the concrete industry in Turkey. CIMPOR was not immune to this scenario and its main indicators deteriorated in 2008 and 2009. EBITDA went from EUR 38.6 million in 2007 (referring to only 10 months) to just EUR 11.1 million in 2009, with the margin falling by about half (23.6% in 2007 and 10.3% in 2009). This scenario radically changed in 2010 as Turkey presented remarkable economic growth (with GDP growth of 8%) largely based on the construction sector and it is expected that cement consumption has increased about 14% to 48.5 million tons, the highest ever level in the country. The Central Anatolia and Black Sea regions (where CIMPOR's operations are concentrated) recorded even higher growth rates than the national average, of around 20%. In this climate, CIMPOR's cement and clinker sales substantially increased by 32%, totalling 2.9 million tons. The concrete and aggregates business activities also showed remarkable growth in sales, 25% and 42% respectively. On the other hand, strong domestic demand meant that prices also developed positively, increasing by approximately 4% in the cement business. Simultaneously with the good results of a series of cost reduction measures taken during 2009 , these developments ensured that Turkeys EBITDA recovered significantly in 2010, almost doubling from the previous year (EUR 22.0 million, up more than 99% on 2009). Given the good prospects for the Turkish economy in 2011, it is expected that CIMPOR can continue to recover strongly over the next year.

In China's case, CIMPOR has been steadily increasing its cement and clinker sales , from 1.4 million tons for only 6 months of 2007 to 4.1 million tons in 2010. This development has been decisively driven by the increase of CIMPOR's assets in that country, which has been through acquisitions, such as the Liyang company at the end of 2008, and the construction of new production centres, such as the grinding facility at Huaian and the plant at Zaozhuang, which began production in late 2009 and early 2010 respectively. Nonetheless, although China has continuously shown high levels of economic growth in recent years, the impressive increase in installed capacity as well as the closure postponement of numerous existing obsolete units, placed great pressure on sale prices, having CIMPOR's EBITDA decreased substantially between 2008 (EUR 6.3 million) and 2009 (EUR 4.7 million), i.e. down 24.1%.

2010 was marked, during the first nine months, by the continuation of previous years conditions , i.e. significant growth in cement consumption in parallel with a heavy increase in installed capacity. However, in the last quarter of 2010, the decrease in supply caused by the restrictions on energy consumption in Jiangsu Province, CIMPOR´s activity area , led to a sharp rise in sale prices which had a very positive impact on the company's results.

The start-up of the new Zaozhuang plant , in March 2010 (located in Shandong province), meant that CIMPOR was well positioned to take advantage of the cement shortage and high prices in the marketplace, which contributed to an EBITDA increase of 88%, up to EUR 8.9 million. While prices should not stay at the high levels of late 2010, it is expected that they may keep more interesting values than those in place before the phenomenon referred to earlier, given that, the Chinese government has given signs to accelerate the closure of obsolete units. This should therefore create the framework for the continue improving of CIMPOR's results in China.

The increased movement of clinker and cement between the various countries of the Group in 2010 was of note, as well as the increased exports from the more recessive markets.

CEMENT AND CLINKER SALES (Thousand ton)

	2010				2009			
	Domestic	Exp.	Total	Group	Domestic	Exp.	Total	Group
CIMPOR Group	27,823	446	**28,269**	1,208	27,103	299	**27,402**	824

	CHANGE 2010 / 2009 (%)			
	Domestic	Exp.	Total	Group
CIMPOR Group	2.7%	49.0%	**3.2%**	46.6%

Intra-group cement and clinker sales grew 46.6%, from 824 thousand tons in 2009 to 1,208 thousand tons in 2010. Thus, it was possible for countries with more recessive economies to offset that sales decline on other areas where the dynamism of the market or production difficulties led to shortages of cement or clinker. The vast majority of these transactions originated from Portugal (more than 1 million tons) and primarily consisted of clinker bound for Egypt and Brazil.

Exports to third parties also increased significantly, from about 300 thounsand to 446 thousand tons, representing an increase of 49% between 2009 and 2010. The vast majority of these exports were also from Portugal, mostly to African countries.

Both fuel and power prices increased substantially in most countries where CIMPOR is present.

FUEL AND POWER

	CHANGE % 2010 vs 2009
Change in clinker production	6%
Change in fuel costs	27%
Change in weight of fuel in Cash-Costs	+2.2 p.p.
Change in cement production	6%
Change in power costs	20%
Change in weight of power in Cash-Costs	+1.1 p.p.

With regard to fuels, one of the most important cost components of cement production, CIMPOR's total costs increased about 27% in 2010, while clinker production increased by only 6%.The weight of the item in total Cash Costs rose by about 2.2 pp. This increase in fuel price is directly related to the increase of about 30% in the price of oil during 2010 - petroleum coke and fuel oil account for about 60% of the fuel used by CIMPOR. Despite some differences between countries due to the type of fuel used, there was a general increase in prices, having the average amount of Gcal consumed (unit of heat energy) increased by almost 20% from the previous year. In this background, CIMPOR has developed several projects to increase the use of various types of alternative fuels (tyres, used oils, household waste, etc.), which, besides having a lower price, also generate clear environmental advantages. In this regard, Brazil stands out, with an alternative fuel usage of about 20%.

It is also to be noted that for several years now CIMPOR has been negotiating and acquiring much of the fuel used by the Group in a centralised manner, in order to achieve better purchasing conditions related to economies of scale.

CIMPOR's total power costs increased 20% in 2010, having cement production only risen 6%. These costs weight in total Cash Costs increased by 1.1 pp. As was the case with fuel, the power price increased in most countries where CIMPOR operates, at varying increase degrees, with the price per MWh registered an uprising of about 17% on average. This increase would have been even greater had CIMPOR not carried out a series of measures to optimise equipment electricity tariffs, where market conditions allowed, such as in Portugal and South Africa.

CIMPOR has been investing in WHR systems (Waste Heat Recovery) with a view to reducing power costs. These systems generate electricity by recovering the energy of production process gases. Such systems were initially implemented in China and now in India.

CIMPOR's results in 2010 where positively impacted by the exchange rate effect

FOREIGN EXCHANGE IMPACT ON EBITDA

(EUR million)

	2010			2009	% CHANGE	
	L-f-L (1)	Exchange	Total	Total	L-f-L (1)	Total
EBITDA	586.2	43.6	**629.8**	**605.9**	-3.3%	3.9%

(1) Like-for-Like: without exchange effect

The appreciation of most currencies in countries where CIMPOR operates against the euro positively influenced the 2010 results, generating an increase of approximately EUR 43.6 million in EBITDA. In other words, without the currency exchange rate developments (the equivalent to the Like-for-like change since there are no significant sales or purchases in 2010), EBITDA would have decreased 3.3% compared to 2009.

Among the countries, Brazil again holds a place of prominence, not only for the sharp appreciation of the real against the euro (16%) but also the weight of its contribution to the results. Also of note are the appreciation of the South African rand (17%), the Indian rupee (10%) and the Turkish lira (8%), although in the Indian currency's case with a minor impact for CIMPOR. The Mozambican Metical evolved in the opposite direction, losing about 17% of its value against the euro in 2010 and preventing the growth of CIMPOR's EBITDA equivalent in that country.

Income Statement

INCOME STATEMENT			(EUR million)
	2010	2009	CHANGE %
Turnover	**2,239.4**	**2,085.5**	**7.4%**
Cost of goods sold	642.7	578.9	11.0%
External supplies and services	758.0	676.6	12.0%
Payroll expenses	260.3	249.6	4.3%
Other operating costs (net)	(36.7)	(27.5)	s.s.
Sub-total	**1,624.2**	**1.477,6**	**9.9%**
Production variation	(14.6)	2,0	s.s.
Net operating cash costs	**1,609.6**	**1,479.6**	**8.8%**
Operating Cash flow (EBITDA)	**629.8**	**605.9**	**3.9%**
EBITDA Margin	**28.1%**	**29.1%**	**-1.0 p.p.**
Amortization and Provisions	220.7	229.0	-3.6%
Net Operating Income (EBIT)	**409.1**	**376.9**	**8.6%**
EBIT Margin	**18.3%**	**18.1%**	**0.2 p.p.**
Financial Income	(60.6)	(63.1)	s.s.
Earnings before Tax	**348**	**314**	**11.1%**
Income tax	96.8	68.1	42.1%
Net Income	**251.7**	**245.7**	**2.5%**
Attributable to:			
Shareholders	241.8	237.0	2.0%
Minority Interests	9.9	8.7	14.1%
	27.8%	**21.7%**	**6.1**

CIMPOR's turnover grew 7.4% to EUR 2.2394 billion. The increase in turnover was mainly due to sharp increases of the contributions of Brazil, Turkey and China, driven by the appreciation of their currencies, which offset the more significant decreases in Portugal, South Africa, Egypt and particularly Spain.

The increase in Cash Costs (net of Other Income and Change in production) by 8.8% to EUR 1.6096 billion was mainly due to the depreciation of the euro against most currencies, the increase in clinker production and cement by about 6%, and the widespread increases in fuel and power prices. As mentioned earlier, fuel costs rose about 27% and power costs increased approximately 20%.

Payroll expenses rose by 4.3%, though it would only be 3.5% if we exclude the non-recurring costs associated with claims relating to restructuring and compensation paid to members of the Board who are no longer in office. The remaining Cash Costs rose 4.1%.

Thus, Operating Cash Flow (EBITDA) reached its highest ever value, at EUR 629.8 million, up almost 4% from the previous year.

EBITDA margin, negatively impacted by non-recurring costs, and especially by rising fuel and power prices, decreased by approximately 1.0 p.p. to 28.1%. It should be noted that this figure is still one of the highest among international cement groups.

Depreciation and amortization decreased by 3.6% to EUR 220.7 million euros. CIMPOR adopted an investment containment policy in the 2009 and 2010 financial years. The value of operating investments in 2008 was around EUR 615 million, while the values in 2009 and 2010 were significantly lower, EUR 218 and 164 million respectively.

As a result of the higher EBITDA and the reduction in amortizations and provisions, Operating Income (EBIT) rose 8.6% to EUR 409.1 million and its margin grew by 0.2 p.p. to 18.3%.

Financial income improved by approximately EUR 2.5 million, to negative EUR 60.6 million. This development was mainly driven by the increase of interest income, resulting from increased cash resources on account of the strong operating performance and the policy focused on increasing the Group's liquidity levels.

Income Tax increased by 42.1%, well above the growth in Profit before Income Tax (+ 11.1%), to EUR 96.8 million. The effective tax rate thus raised about 6.1 p.p. from 21.7% in 2009 to 27.8% in 2010. The main reasons for this increase relate to the reporting in current and deferred tax in Portugal of the State Surcharge (responsible for an increase of about 2 percentage points on the effective tax rate of the Group), the increase of non-taxable income (including the registration of an impairment loss of approximately EUR 13 million) and the increased income in jurisdictions with higher tax rates.

As a result of all the above-mentioned, CIMPOR's net income was EUR 251.7 million, up 2.5% from the previous year. However, due to the increase of income in countries where CIMPOR does not hold all the share capital, particularly China, the net income attributable to shareholders grew 2.0% to EUR 241.8 million, while the value attributable to minority interests increased about 14%.

The company's business activity, when measured in individual terms, resulted in a turnover in 2010 of EUR 4,543 million (approximately equal to the previous year), derived exclusively from the provision of management services to the Group companies. Operating costs before depreciation and provisions were approximately EUR 28.1 million. The main source of company income, in accordance with the nature of its business, lies in the gains made in group and associate companies (resulting from the dividends received), which amounted to EUR 321.7 million in 2010 (64% higher than the previous year).

Hence, the net income of the Company in individual terms amounted to EUR 298.2 million, which is a 62.1% increase on the previous year.

7.2. CASH-FLOW MANAGEMENT

FREE CASH-FLOW (EUR million)

	2010	2009	% CHANGE	2008
Cash-Flow (1)	472.4	474.7	-0.5%	427.0
Change in Working Capital	(60.3)	25.9	s.s.	(96.1)
Operating Investments	(163.8)	(217.6)	-24.7%	(614.6)
Free Cash-Flow (FCF)	**248.3**	**283.0**	**-12.2%**	**(283.7)**

(1)Net Income + Depreciation and Provisions

CIMPOR kept a high degree of cash-flow generation in 2010, and the Free Cash Flow was EUR 248.3 million, which is substantially better than the negative EUR 283.7 million recorded in 2008.

The main contribution to this development is the good operating performance that allowed the Cash Flow to be kept at EUR 472 million, identical in value to the previous year.

Working Capital evolved negatively by approximately EUR 60 million, due to the depreciation of the euro against the currencies of most countries where CIMPOR is present and the increases observed in Brazil (EUR 27.7 million), Egypt (EUR 29.1 million) and China (EUR 22.3 million). The increase in Brazil, besides the impact of foreign exchange that was more than EUR 10 million, was mainly due to the increased level of activity, most notably keeping the average collection period of receivables, in both the cement and concrete business. In the case of Egypt, the change to Working Capital resulted from the needs for the purchase of foreign clinker and the consequent increase in stocks of this product. Lastly, in China's case , the increase was due to the formation of stocks associated with the start of the new plant at Zhaozuang in early 2010 and the change in commercial conditions, without any additional credit risk and with good results in terms of increased sales, which caused a certain increase of the average collection period. It is however to be noted that during 2009 CIMPOR launched a comprehensive plan to optimise Working Capital that resulted in a number of different measures to reduce the average collection period of receivables, in the adjustment of stock levels and the extension of payment periods to suppliers. Despite this indicator's overall increase in 2010, for the above-stated reasons, the decreases registered in Portugal (-EUR 4.8 million), Spain (-EUR 18.4 million) and especially in Turkey (-EUR 3.6 million, in a year when business grew substantially), showed the good results achieved by the programme.

CIMPOR, considering the world situation, and as a means of making its financial situation more sound, has adopted a policy of curbing heavy investment over the last two years, not making any significant acquisitions and limiting operating investment. Thus, investment in 2010 dropped by almost 25% from 2009, to EUR 163.8 million, a value that is substantially lower than the value of over EUR 600 million invested in 2008. In 2010, about half the total value of investments was aimed at maintaining operational conditions at the plants and the improvement of environmental and safety standards. The other half was mainly devoted to projects to increase capacity, such as the completion of the new plant at Zaozhuang, China, the new cement grinding facility at Matola, Mozambique, as well as the various projects underway in Brazil. The highlights of these being the capacity increases in Candiota, Cajati, João Pessoa and Cezarina, as well as the new cement grinding facility also at Cezarina.

Hence, with a good operating contribution, controlled investment policy and despite the moderate increase in Working Capital, Free Cash Flow of around EUR 250 million could be generated, which allowed CIMPOR to meet the key financial targets it had set for 2010.

RETURNS

RETURNS

	2010	2009	CHANGE
Return on Equity (ROE) (1)	13.5%	15.4%	-1.9 p.p.
Return on Capital Employed (ROCE) (2)	8.0%	8.8%	-0.8 p.p.
Return on Invested Capital (ROIC) (3)	7.8%	8.2%	-0.4 p.p.

(1) Current Net Income/Average Shareholder's Equity
(2) Current Operating Income (net of Cash Taxes) / Average Capital Employed
(3) Current Operating Income (net of Cash Taxes) / Average Invested Capital

Despite improvements in most of the operational and financial indicators, the returns on capital fell in 2010. The main contributors to this decline were the increase in value of assets as a result of the depreciation of the euro against most currencies of the group, with particular emphasis on the appreciation of the real, given Brazil's weight in the various Group indicators.

Regarding Return on Equity (ROE), which reached 13.5%, 1.9 p.p. less than in 2009, despite the Current Net Income growth, the decrease is explained mainly by the significant increase in equity due to currency effects.

As regards the Return on Capital Employed (ROCE), which stood at 8.0% in 2010, 0.8 p.p. less than in previous years, this reduction is due, firstly, to the increase of capital employed (again, mainly due to the currency effects on the accrual of Working Capital and Tangible Fixed Assets and Goodwill), and secondly, the significant increase of the effective income tax rate, which was already mentioned.

Return on Invested Capital (ROIC) decreased 0.4 p.p. to 7.8%, which is mainly due to the increased in capital employed since, due to the curbing of investment policy, there was a slight decrease in the value of investments in progress.

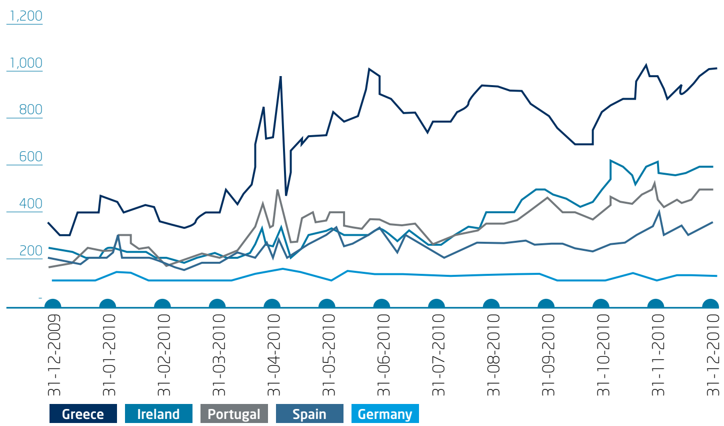
It is worth noting that despite the declines in 2010, largely driven by currency effects, CIMPOR continues to have return on capital ratios higher than most of the world's cement groups, thus proving the excellence of the operational and financial strategy it has implemented in recent years.

7.3. DEBT MANAGEMENT

Under the debt management scope, the main conditioning factor for CIMPOR's business activity was undoubtedly the difficulty of access to the European capital markets.

Until last May, CIMPOR's rating remained under CreditWatch with negative implications, introduced at the launch of the takeover bid for the company, which prevented it from taking advantage of good credit and liquidity conditions available in that period and refinance part of its financial liabilities. Since then, with the outbreak of the financial crisis in Greece and its rapid spread to other countries of southern Europe, the situation has repeatedly deteriorated and the market remained virtually closed until the end of the year.

CREDIT DEFAULT SWAPS PERFORMANCE IN 2010



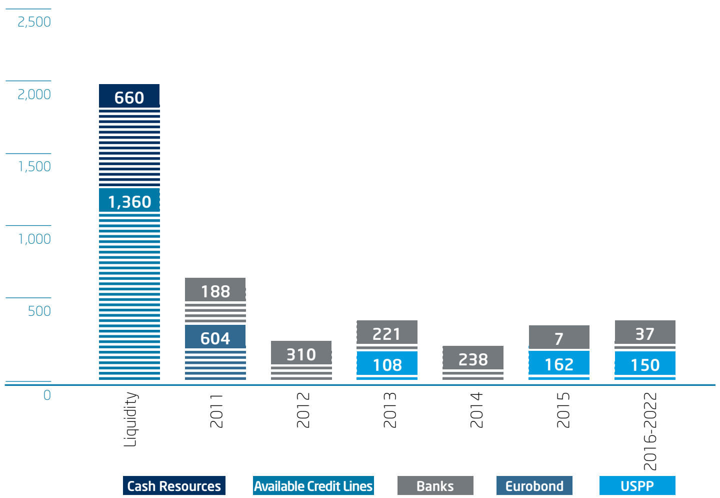
In this context, CIMPOR placed the focus of its action on liquidity management, either by raising ceilings and extending the maturity of bank credit lines, or by raising new funds, such as the private placement on the US market of two bonds of 10 and 12 years, totalling USD 200 million and contracting a bilateral bank loan amounting to EUR 100 million.

With regard to backup credit lines, the most significant action was the contracting, in last November, of two operations with maturities of two years and possible extension to a third year, one amounting to EUR 320 million, exclusively reserved for the Eurobond EUR 600 million payment in May 2011 and the other in the amount of EUR 150 million, which can be used without restrictions.

The contracting of the above instruments was part of a wider range of operations that involved about EUR 1,000 million in terms of liquidity enhancement and the extension of maturities, allowing the average maturity of the Group's debt to increase by about two years.

This resulted in a comfortable distribution of the debt's amortization from 2012 and beyond, as indicated in the chart below, while also providing sufficient resources to settle the Eurobond in May 2011 without the need to use additional debt operations.

LIQUIDITY AND DEBT PROFILE - MAIN INSTRUMENTS



The rating agency acknowledged in its report of 30 November that the realization of such operations was sufficient to meet planned refinancing needs for 2011 and reaffirmed the credit rating of BBB - with a stable outlook that had been previously awarded.

In general, 2010 was characterised by a shortage of credit in the financial system that particularly affected issuers tied to southern Europe - primarily States, under pressure from high budget deficits that the markets have been unwilling to finance under past conditions, then banking systems and, lastly, businesses.

Even though the CIMPOR's business profile of is mainly based on geographically diverse emerging markets, the widening of spreads on Portuguese sovereign debt had negative effects that are evident in the Group's financing costs, either through a strong increase in margins, or the cost of fixed credit lines.

CIMPOR responded to this adversity through a substantial strengthening of communication with the banking and capital markets, drawing attention to the benefits of its diverse investment portfolio and the strength of its operating performance, a fact recognised by the rating agency itself.

These actions are supplemented by the stepping up of contacts with potential investors in debt markets in which CIMPOR is not yet present in order to achieve a substantial enlargement of its financing base.

At year end, the Consolidated Net Debt stood at EUR 1,562 million, i.e. EUR 137 million less than at the end of 2009 as a result of the good freeing up of funds by operations and the curbing of investment.

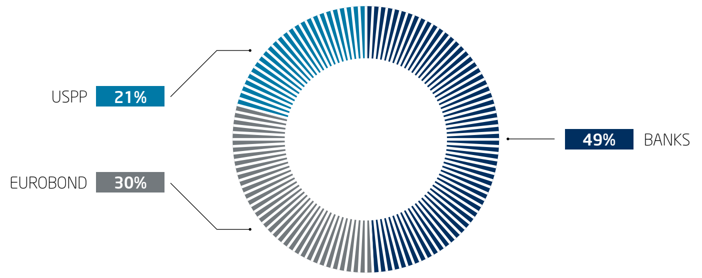
FINANCIAL DEBT AT DECEMBER, 31 2010 (Million euros)

BUSINESS AREA	CASH	GROSS DEBT	NET DEBT
CIMPOR Holding + Shared Areas	178.0		-178.0
CIMPOR BV	4.6	1,050.6	1,046.0
CIMPOR Inversiones	248.9	967.1	718.2
Portugal	16.6	34.3	17.7
Spain	17.0	2.9	-14.1
Brazil	62.6	10.8	-51.8
Egypt	40.0	12.7	-27.3
Morocco	16.5	1.4	-15.1
Turkey	1.6	75.8	74.2
China	5.8	48.2	42.4
Tunisia	15.0	1.0	-14.0
Mozambique	1.8	9.1	7.3
Cape Verde	1.4	1.3	-0.1
South Africa	39.8	0.0	-39.8
India	3.0		-3.0
Peru	4.0		-4.0
Trading	3.1		-3.1
Financial Leasings		6.2	6.2
	659.7	**2,221.3**	**1,561.6**

The backup lines available at the end of the year stood at EUR 1,360 million, which, added to the Cash reported on the Balance Sheet, EUR 660 million, provides a global liquidity value of about EUR 2,000 million at end of 2010.

Lastly, the breakdown of the consolidated gross debt at 31 December 2010 shows notable equilibrium between the various sources of bank financing and capital markets - European and US – which the company deems to be particularly positive.

DEBT BREAKDOWN BY INSTRUMENTS



7.4. MAIN RISKS AND COVERAGE POLICY

In its business the CIMPOR Group is exposed to various risks that may significantly more or less affect its financial statements.

As regards the management of assets and liabilities, the interest rate and foreign exchange risks stand out, arising from the fact that the Group holds financial assets and liabilities denominated in currencies other than the consolidation currency.

CIMPOR, in addition to adopting a set of procedures and practices generally accepted in the implementation of policies to cover risks, has defined some basic principles with regard to its funding policy and allocation of cash resources, which are summarized as follows:

- Whenever possible, contracting financing in local currencies, with the purpose of financing investment projects or working capital in various business areas. The contracting of several credit lines in Turkey and China in 2010 illustrates this policy;

- Maximising cash movements from the various business areas to the top of the group, usually through dividends channelled through Cimpor Inversiones, the main financial holding of Cimpor, in order to keep cash positions (assets) on currencies other than the Euro to a minimum, and to simultaneously strengthen the liquidity situation at the top of the Group, where about 90% of consolidated financial debt is placed.

Around EUR 200 million were transferred from the various business areas to Cimpor Inversiones in 2010, as dividends and similar forms of return on capital.

These two conditions contribute to the shrinkage of Net Positions denominated in currencies other than that of the consolidation, thus naturally minimising the exchange rate impact on the consolidation of the balance sheet.

Besides these two situations, the decision to keep the dollar-denominated issue of USPP, undertaken last December and previously disclosed, should be noted. This is a means of natural hedging of liabilities, taking into account the better correlation between several of the currencies the Group is exposed to and the U.S. dollar, compared with the euro.

It was also decided to maintain the fixed rate on this tranche of debt in order to bring the mix of fixed rate and floating rate instruments closer to the interval determined by Cimpor for the composition of liabilities.

Many of the mentioned measures seek to mitigate the lack of coverage of net positions in foreign investments with derivatives (net investment hedge), given the significant cost of such coverage - resulting from high interest rate differentials between the euro and the emerging currencies that the Group is exposed to - and the lack of liquidity and depth of such operations.

However, it should be noted that the market valuation of industrial assets is strongly pegged to the dollar in the cement industry, which means that the impacts of exchange rate changes are relatively limited to the accounting sphere.

8. SUBSEQUENT EVENTS

The political changes and social upheavals that have occurred since January to the present date in Tunisia, Egypt and other countries bordering the Mediterranean have been the focus of the special attention of CIMPOR and have required that appropriate action be taken. Those events have not originated significant impacts on the operation of local units. However, CIMPOR is evaluating with concern the possibility of adverse developments on its operations.

9. PROPOSED APPROPRIATION OF PROFITS

As reflected in the Financial Statements, the consolidated profit of 2010 attributable to the shareholders amounted to EUR 241,836,827.31 and the net profit on an individual basis for 2010 was EUR 298,250,476.68.

In accordance with the provisions of Article 20 of the Articles of Association of CIMPOR and the dividend distribution policy set forth in the Corporate Governance Report, the Board of Directors proposes to the Shareholders that the net profits for the 2010 financial year are appropriated as follows:

- The allocation of bonuses to the members of the Executive Committee and other employees on the payroll of CIMPOR – Cimentos de Portugal, SGPS, S.A. at the end of December 2010, of a maximum of EUR 2,200,000.00 and EUR 800,000.00, respectively (already considered in the financial statements);
- The payment of a gross dividend of 0.205 euros per share to shareholders;
- Transfer of the remaining balance to Retained Earnings.

10. DECLARATION OF CONFORMITY

The members of the Board of Directors, pursuant to Article 245(1)c) of the Portuguese Securities' Code, state that to their full knowledge the annual report and accounts and other accounting documents were drawn up in conformity with applicable accounting standards, providing an accurate and appropriate image of the assets and liabilities, the financial situation and the profits of CIMPOR – Cimentos de Portugal, SGPS, S.A. and the companies included in the consolidation perimeter, and that the annual report faithfully provides an account of the evolution of the business, the performance and the position of CIMPOR and the companies included in the consolidation perimeter, and it contains a description of the main risks and uncertainties it is faced.

THE BOARD OF DIRECTORS

António José de Castro Guerra

José Manuel Baptista Fino

Albrecht Curt Reuter Domenech

Walter Schalka

João José Belard da Fonseca Lopes Raimundo

António Sarmento Gomes Mota

Francisco José Queiroz de Barros de Lacerda

António Carlos Custódio de Morais Varela

Jorge Humberto Correia Tomé

José Edison Barros Franco

Álvaro Luís Veloso

Manuel Luís Barata de Faria Blanc

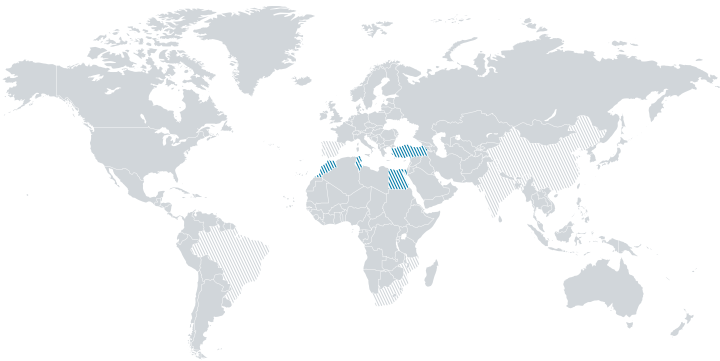
José Neves Adelino

Luís Filipe Sequeira Martins

Luís Miguel da Silveira Ribeiro Vaz

CIMPOR

OUR SOUNDNESS IS IN YOUR LIFE



MEDITERRANEAN BASIN

	Installed Capacity* Million ton	Turnover Million Euros	Operating Cash Flow Million Euros	Employees Units - 31 Dec.
MOROCCO Since 1996	1.3	94.5	41.6	198
TUNISIA Since 1998	1.7	78.0	23.3	211
EGYPT Since 2000	4.0	226.6	86.9	500
TURKEY Since 2007	3.0	154.5	22.0	824

* - Cement production capacity with own clinker

II
FINANCIAL STATEMENTS

CONSOLIDATED STATEMENTS

of Comprehensive Income for the years ended 31 December 2010 and 2009

(Amounts stated in thousand of euros)

	NOTES	2010	2009
Operating income:			
Sales and services rendered	7	2,239,426	2,085,498
Other operating income	8	76,479	62,914
Total operating income		**2,315,905**	**2,148,412**
Operating expenses:			
Cost of goods sold and material used in production	9	(642,745)	(578,921)
Changes in inventories of finished goods and work in progress		14,622	(1,968)
Supplies and services		(757,966)	(676,553)
Payroll costs	10	(260,256)	(249,610)
Depreciation, amortisation and impairment losses on goodwill, tangible and intangible assets	7, 17 and 18	(216,387)	(226,256)
Provisions	7 and 36	(4,303)	(2,770)
Other operating expenses	11	(39,743)	(35,432)
Total operating expenses		**(1,906,778)**	**(1,771,510)**
Net operating income	7	**409,127**	**376,901**
Net financial expenses	7 and 12	(47,103)	(52,149)
Share of profits of associates	7 and 12	(993)	156
Other investment income	7 and 12	(12,553)	(11,117)
Profit before income tax	7	**348,478**	**313,791**
Income tax	7 and 13	(96,771)	(68,113)
Net profit for the year	7	**251,707**	**245,679**
Other comprehensive income:			
Derivative financial instruments		2,010	3,469
Available-for-sale financial assets		(64)	(167)
Actuarial gain and loss on employee's responsabilities		(6,087)	(4,091)
Currency translation adjustments		211,745	202,963
Adjustments in investments in associates		21	-
		207,625	**202,174**
Total comprehensive income for the year		**459,332**	**447,853**
Net profit for the year attributable to:			
Equity holders of the parent	15	241,837	237,025
Non-controlling interests	7 and 33	9,870	8,653
		251,707	**245,679**
Total comprehensive income for the year attributable to:			
Equity holders of the parent		435,458	444,453
Non-controlling interests		23,874	3,399
		459,332	**447,853**
Earnings per share:			
Basic	15	0.36	0.36
Diluted	15	0.36	0.36

The accompanying notes form an integral part of the financial statements for the year ended 31 December 2010

(Translation from the Portuguese original – Note 53)

CONSOLIDATED STATEMENTS

of Financial Position at 31 December 2010 and 2009

(Amounts stated in thousand of euros)

	NOTES	2010	2009
Non-current assets:			
Goodwill	16	1,445,229	1,352,251
Intangible assets	17	69,933	69,645
Tangible assets	18	2,188,328	2,127,773
Investments in associates	7 and 19	23,083	24,992
Other investments	20	13,443	9,939
Accounts receivable-other	22	12,496	11,871
Taxes recoverable	23	33,851	28,033
Other non-current assets	24	22,218	32,188
Deferred tax assets	25	128,935	107,305
Total non-current assets		**3,937,516**	**3,763,996**
Current assets:			
Inventories	26	362,008	294,300
Accounts receivable-trade	27	284,359	264,202
Accounts receivable-other	22	24,713	28,855
Taxes recoverable	23	60,292	52,660
Cash and cash equivalents	46	659,678	439,182
Other current assets	24	22,314	25,912
		1,413,364	1,105,111
Non-current assets held for sale	21	34,000	58,256
Total current assets		**1,447,364**	**1,163,366**
Total assets	7	**5,384,880**	**4,927,362**
Shareholders' equity:			
Share capital	28	672,000	672,000
Treasury shares	29	(32,986)	(39,905)
Currency translation adjustments	30	256,337	58,587
Reserves	31	280,678	287,456
Retained earnings	32	714,928	615,340
Net profit for the year	15	241,837	237,025
Equity before non-controlling interests		**2,132,794**	**1,830,503**
Non-controlling interests	33	97,437	92,488
Total shareholders' equity		**2,230,231**	**1,922,991**
Non-current liabilities:			
Deferred tax liabilities	25	272,800	233,853
Employee benefits	34	19,071	19,984
Provisions	36	170,828	153,704
Loans	37	1,253,345	1,637,157
Obligations under finance leases	38	3,072	4,784
Accounts payable-other	41	26,191	28,037
Taxes payable	23	521	984
Other non-current liabilities	42	79,995	122,418
Total non-current liabilities		**1,825,822**	**2,200,921**
Current liabilities:			
Employee benefits	34	4,236	4,552
Provisions	36	1,101	962
Loans	37	934,629	453,523
Obligations under finance leases	38	3,092	2,955
Accounts payable-trade	43	199,370	182,734
Accounts payable-other	41	73,851	61,051
Taxes payable	23	44,166	37,096
Other current liabilities	42	68,381	60,576
Total current liabilities		**1,328,827**	**803,450**
Total liabilities	7	**3,154,649**	**3,004,371**
Total liabilities and shareholders' equity		**5,384,880**	**4,927,362**

The accompanying notes form an integral part of the financial statements for the year ended 31 December 2010.

(Translation from the Portuguese original - Note 53)

CONSOLIDATED STATEMENTS

of Changes in Shareholders' Equity for the years ended 31 December 2010 and 2009
(Amounts stated in thousand of euros)

	NOTES	SHARE CAPITAL	TREASURY SHARES	CURRENCY TRANSLATION ADJUSTMENTS	RESERVES	RETAINED EARNINGS	NET PROFIT	SHAREHOLDERS' EQUITY ATTRIBUTABLE TO EQUITY HOLDERS	NON-CONTROLLING INTEREST	TOTAL SHAREHOLDERS' EQUITY
Balances at 1 January 2009		**672,000**	**(41,640)**	**(149,706)**	**283,112**	**521,858**	**219,441**	**1,505,065**	**110,720**	**1,615,786**
Consolidated net profit for the year	7	-	-	-	-	-	237,025	237,025	8,653	245,679
Results recognised directly in equity		-	-	208,293	(865)	-	-	207,428	(5,254)	202,174
Total comprehensive income for the year		**-**	**-**	**208,293**	**(865)**	**-**	**237,025**	**444,453**	**3,399**	**447,853**
Appropriation of consolidated profit of 2008:										
Transfer to legal reserves and retained earnings	31 and 32	-	-	-	7,700	211,741	(219,441)	-	-	-
Dividends	14, 32 and 33	-	-	-	-	(122,777)	-	(122,777)	(13,260)	(136,037)
(Purchase) / Sale of treasury shares		-	1,735	-	(200)	-	-	1,534	-	1,534
Share purchase options		-	-	-	(2,291)	4,552	-	2,261	-	2,261
Fair value allocation in acquired subsidiaries		-	-	-	-	-	-	-	5,288	5,288
Variation in financial investments and others		-	-	-	-	(34)	-	(34)	(13,658)	(13,692)
Balances at 31 December 2009		**672,000**	**(39,905)**	**58,587**	**287,456**	**615,340**	**237,025**	**1,830,503**	**92,488**	**1,922,991**
Consolidated net profit for the year	7	-	-	-	-	-	241,837	241,837	9,870	251,707
Results recognised directly in equity		-	-	197,750	(4,129)	-	-	193,621	14,004	207,625
Total comprehensive income for the year		**-**	**-**	**197,750**	**(4,129)**	**-**	**241,837**	**435,458**	**23,874**	**459,332**
Appropriation of consolidated profit of 2009:										
Transfer to legal reserves and retained earnings	31 and 32	-	-	-	7,235	229,790	(237,025)	-	-	-
Dividends	14, 32 and 33	-	-	-	-	(132,954)	-	(132,954)	(14,595)	(147,549)
(Purchase) / Sale of treasury shares		-	6,919	-	(1,874)	-	-	5,045	-	5,045
Share purchase options		-	-	-	(770)	2,420	-	1,651	-	1,651
Variation in financial investments and others		-	-	-	(7,240)	331	-	(6,909)	(4,330)	(11,239)
Balances at 31 December 2010		**672,000**	**(32,986)**	**256,337**	**280,678**	**714,928**	**241,837**	**2,132,794**	**97,437**	**2,230,231**

The accompanying notes form an integral part of the financial statements for the year ended 31 December 2010.

(Translation from the Portuguese original – Note 53)

CONSOLIDATED CASH FLOW STATEMENTS

for the years ended 31 December 2010 and 2009

(Amounts stated in thousand of euros)

	NOTES	2010	2009
Operating activities:			
Receipts from clients		2,608,829	2,452,178
Payments to suppliers		(1,546,051)	(1,350,714)
Payments to employees		(253,457)	(243,746)
Cash flows generated by operations		**809,321**	**857,717**
Income tax recovered/(paid)		(71,256)	(62,876)
Other payments related to operating activities		(227,301)	(179,482)
Cash flows from operating activities(1)		**510,765**	**615,359**
Investing activities:			
Receipts relating to:			
Changes in consolidation perimeter		300	5,368
Investments	46	-	128,904
Tangible assets		16,825	6,112
Investment subsidies		530	2,722
Interest and similar income		36,055	13,730
Dividends		1,195	214
Others		6	597
		54,911	**157,647**
Payments relating to:			
Changes in consolidation perimeter		(7,192)	(3,670)
Investments	46	(20,432)	(10,862)
Tangible assets		(170,398)	(236,628)
Intangible assets		(5,943)	(7,616)
Others		(143)	-
		(204,108)	**(258,776)**
Cash flows from investing activities (2)		**(149,197)**	**(101,128)**
Financing activities:			
Receipts relating to:			
Loans obtained	46	558,334	320,354
Sale of treasury shares		4,370	1,504
Others		1,165	2,637
		563,869	**324,495**
Payments relating to:			
Loans obtained	46	(509,906)	(362,178)
Interest and similar costs		(86,706)	(91,269)
Dividends	14	(132,954)	(122,777)
Others	46	(16,931)	(13,867)
		(746,497)	**(590,091)**
Cash flows from financing activities (3)		**(182,628)**	**(265,596)**
Variation in cash and cash equivalents (4) = (1) + (2) + (3)		**178,940**	**248,635**
Effect of currency translation and other non monetary transactions		**19,253**	**5,544**
Cash and cash equivalents at the beginning of the year	46	**380,657**	**126,479**
Cash and cash equivalents at the end of the year	46	**578,851**	**380,657**

The accompanying notes form an integral part of the financial statements for the year ended 31 December 2010.

(Translation from the Portuguese original - Note 53)

INDIVIDUAL STATEMENTS

of Comprehensive Income for the years ended 31 December 2010 and 2009

(Amounts stated in thousand of euros)

	NOTES	2010	2009
Operating income:			
Services rendered	47	4,543	4,548
Other operating income	8 and 47	900	676
Total operating income		**5,443**	**5,224**
Operating expenses:			
Outside supplies and services		(9,288)	(3,981)
Payroll costs	10	(18,336)	(12,230)
Depreciation, amortisation and impairment losses on goodwill, tangible and intangible assets	17 and 18	(3,504)	(2,315)
Other operating expenses	11	(467)	(341)
Total operating expenses		**(31,594)**	**(18,868)**
Net operating income		**(26,151)**	**(13,644)**
Financial income, net	12	(1,819)	(2,381)
Investment income	12	321,698	196,338
Profit before income tax		**293,727**	**180,313**
Income tax	13	**4,523**	**3,566**
Net profit for the year		**298,250**	**183,879**
Total comprehensive income for the year		**298,250**	**183,879**
Earnings per share:			
Basic	15	0.45	0.28
Diluted	15	0.45	0.28

The accompanying notes form an integral part of the financial statements for the year ended 31 December 2010.

(Translation from the Portuguese original – Note 53)

INDIVIDUAL STATEMENTS

of Financial Position at 31 December 2010 and 2009

(Amounts stated in thousand of euros)

	NOTES	2010	2009 RESTATED	01/01/2009 RESTATED
Non-current assets:				
Intangible assets	17	4,111	7,279	540
Tangible assets	18	6,228	6,265	6,331
Investments in subsidiaries and associates	19	1,104,768	1,096,967	1,096,967
Other investments	20	87	73	73
Accounts receivable-other	22	7	2	-
Deferred tax assets	25	698	699	682
Total non-current assets		**1,115,898**	**1,111,285**	**1,104,594**
Current assets:				
Accounts receivable-trade	27	476	26	23
Accounts receivable-other	22	85,989	3,791	11,579
Taxes recoverable	23	6,026	6,642	1,363
Cash and cash equivalents	46	160,166	70,495	616
Other current assets	24	289	121	253
Total current assets		**252,946**	**81,074**	**13,833**
Total assets		**1,368,844**	**1,192,359**	**1,118,427**
Shareholders' equity:				
Share capital	28	672,000	672,000	672,000
Treasury shares	29	(32,986)	(39,905)	(41,640)
Reserves	31	309,760	305,170	299,961
Retained earnings	32	52,516	6,405	132,330
Net profit for the year	15	298,250	183,879	-
Total shareholders' equity		**1,299,541**	**1,127,549**	**1,062,652**
Non-current liabilities:				
Deferred tax liabilities	25	254	269	274
Provisions	36	59,931	54,195	48,584
Other non-current liabilities	42	-	2,493	-
Total non-current liabilities		**60,185**	**56,957**	**48,858**
Current liabilities:				
Accounts payable-trade	43	1,390	1,013	749
Accounts payable-other	41	1,214	859	545
Taxes payable	23	224	334	2,003
Other current liabilities	42	6,290	5,647	3,621
Total current liabilities		**9,119**	**7,853**	**6,917**
Total liabilities		**69,303**	**64,810**	**55,775**
Total liabilities and shareholders' equity		**1,368,844**	**1,192,359**	**1,118,427**

The accompanying notes form an integral part of the financial statements for the year ended 31 December 2010.

(Translation from the Portuguese original - Note 53)

INDIVIDUAL STATEMENTS

of Changes in Shareholders' Equity for the years ended 31 December 2010 and 2009

(Amounts stated in thousand of euros)

	NOTES	SHARE CAPITAL	TREASURY SHARES	CURRENCY TRANSLATION ADJUSTMENTS	RESERVES	RETAINED EARNINGS	NET PROFIT	TOTAL SHAREHOLDERS' EQUITY
Balances at 1 January 2009		**672,000**	**(41,640)**	**147,954**	**296,606**	**(10,132)**	**-**	**1,064,788**
Restatement adjustments to IFRS	51	-	-	(147,954)	3,355	142,462	-	(2,137)
Balances at 1 January 2009, restated to IFRS		**672,000**	**(41,640)**	**-**	**299,961**	**132,330**	**-**	**1,062,652**
Net profit for the year		-	-	-	-	-	183,879	183,879
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**-**	**183,879**	**183,879**
Appropriation of profit of 2008:								
Transfer to legal reserves and retained earnings		-	-	-	7,700	(7,700)	-	-
Dividends	14 e 32	-	-	-	-	(122,777)	-	(122,777)
(Purchase) / Sale of treasury shares		-	1,735	-	(200)	-	-	1,534
Share purchase options		-	-	-	(2,291)	4,552	-	2,261
Balances at 31 December 2009		**672,000**	**(39,905)**	**-**	**305,170**	**6,405**	**183,879**	**1,127,549**
Net profit for the year		-	-	-	-	-	298,250	298,250
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**-**	**298,250**	**298,250**
Appropriation of profit of 2009:								
Transfer to legal reserves and retained earnings		-	-	-	7,235	176,644	(183,879)	-
Dividends	14 e 32	-	-	-	-	(132,954)	-	(132,954)
(Purchase) / Sale of treasury shares		-	6,919	-	(1,874)	-	-	5,045
Share purchase options		-	-	-	(770)	2,420	-	1,651
Balances at 31 December 2010		**672,000**	**(32,986)**	**-**	**309,760**	**52,516**	**298,250**	**1,299,541**

The accompanying notes form an integral part of the financial statements for the year ended 31 December 2010.

(Translation from the Portuguese original – Note 53)

INDIVIDUAL CASH FLOW STATEMENTS

for the years ended 31 December 2010 and 2009
(Amounts stated in thousand of euros)

	NOTES	2010	2009
Operating activities:			
Receipts from clients		5,501	5,654
Payments to suppliers		(9,393)	(4,056)
Payments to employees		(15,206)	(9,796)
Cash flows generated by operations		**(19,098)**	**(8,198)**
Income tax recovered/(paid)		3,101	5,860
Other payments related to operating activities		(1,680)	(514)
Cash flows from operating activities(1)		**(17,678)**	**(2,852)**
Investing activities:			
Receipts relating to:			
Investments	46	3,099	-
Loans granted	46	55,000	5,500
Tangible assets		50	-
Interest and similar income		622	68
Dividends	12	321,680	196,338
		380,451	**201,906**
Payments relating to:			
Investments	46	(10,900)	-
Loans granted	46	(130,000)	(4,000)
Tangible assets		(368)	(185)
Intangible assets		(2,636)	-
		(143,904)	**(4,185)**
Cash flows from investing activities(2)		**236,548**	**197,721**
Financing activities:			
Receipts relating to:			
Sale of treasury shares		4,370	1,504
Loans obtained	46	64,000	1,000
		68,370	**2,504**
Payments relating to:			
Interest and similar costs		(620)	(3,712)
Dividends	14	(132,954)	(122,777)
Loans obtained	46	(64,000)	(1,000)
		(197,574)	**(127,489)**
Cash flows from financing activities(3)		**(129,204)**	**(124,985)**
Variation in cash and cash equivalents (4) = (1) + (2) + (3)		**89,666**	**69,884**
Effect of currency translation and other non monetary transactions		**5**	**(5)**
Cash and cash equivalents at the beginning of the year	46	**70,495**	**616**
Cash and cash equivalents at the end of the year	46	**160,166**	**70,495**

The accompanying notes form an integral part of the financial statements for the year ended 31 December 2010.

(Translation from the Portuguese original - Note 53)

LATIN AMERICA

BRAZIL

Since
1997

Installed Capacity* Million ton	Turnover Million Euros	Operating Cash Flow Million Euros	Employees Units - 31 Dec.
6.5	609.2	190.9	1,629

* - Cement production capacity with own clinker

NOTES TO FINANCIAL STATEMENTS

CONTENTS

Notes to the Consolidated and Individual Financial Statements
For the year ended 31 December 2010
(Amounts stated in thousands of euros)

(Translation of notes originally issued in Portuguese – Note 53)

Notes to the Consolidated and Individual Financial Statements
For the year ended 31 December 2010
(Amounts stated in thousands of euros)

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 with operations in Portugal, Spain, Morocco, Tunisia, Egypt, Turkey, Brazil, Peru, Mozambique, South Africa, China, India 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, mortar, concrete and related activities in Portugal; and (ii) Cimpor Inversiones, S.A., which holds the investments in companies operating abroad.

2. SUMMARY OF ACCOUNTING POLICIES

2.1. BASIS OF PRESENTATION

The accompanying consolidated and non-consolidated financial statements were prepared on a going concern basis from the books and accounting records of the companies included in the consolidation (Note 4), maintained in accordance with general accepted accounting principles in Portugal and in the headquarter of each country, restated in the consolidation process to the International Financial Reporting Standards as adopted by the European Union, effective for the years beginning 1 January 2010. Such standards include the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"), the International Accounting Standards ("IAS") issued by the Accounting Standards Committee ("IASC") and the interpretations issued by the IFRS Interpretation Committee ("IFRIC") and Standing Interpretation Committee ("SIC") which were adopted by the European Union. These standards and interpretations are hereinafter referred to collectively as "IAS/IFRS".

Up to 31 December 2009 the Company prepared, approved and published individual financial statements, for purposes of complying with the current commercial legislation in accordance with generally accepted accounting principles in Portugal up to that date, contained in the Portuguese Official Chart of Accounts, accounting directives and other supplementary legislation, which was revoked by Decree-Law 156/2009 of 13 July, which introduced the new Accounting Standards System. In compliance with that Decree-Law, the Company opted to adopt the IAS/IFRS. The individual statement of financial position as of 31 December 2009 and individual statements of comprehensive income, cash flows and changes in equity at 31 December 2009, presented for comparative purposes, were adjusted to be in accordance with IFRS. The adjustments made as of 1 January 2009, date of transition, were made in accordance with the requirements of IFRS 1 – First Adoption of International Financial Reporting Standards. The disclosures required by IFRS 1 relating to transition to the accounting standards in force at 31 December 2009 in Portugal to IFRS are presented in Note 51.

(Translation of notes originally issued in Portuguese – Note 53)

2.2. NEW STANDARDS AND INTERPRETATIONS, REVISIONS AND AMENDMENTS ADOPTED BY THE EUROPEAN UNION

The following standards, interpretations, amendments and revisions endorsed by the European Union with mandatory application in the financial years beginning on or after 1 January 2010, and that are applicable to financial statements, were adopted for the first time in the year ended 31 December 2010:

STANDARD / INTERPRETATION	EFFECTIVE DATE (YEARS BEGINNING ON OR AFTER)	BREIF DESCRIPTION
New standards and interpretations:		
IFRIC 16 - Hedges of a net Investment in a foreign operation	1 Jul 09	The Interpretation provides guidance on the detailed requirements for net investment hedging for certain hedge accounting designations.
"IFRIC 17 - Distributions of non-cash assets to owners	1 Jul 09	The Interpretation provides guidance on the appropriate accounting treatment when an entity distributes assets other than cash as dividends to its shareholders.
Revisions:		
IFRS 3 – Business combinations and IAS 27 – Consolidated and separate financial statements (as revised in 2008)	1 Jul 09	Introduces changes regarding the recording of business combinations, namely in what regards: (a) measurement of non-controlling interests (previously referred to as minority interests); (b) the recognition and subsequent accounting requirements for contingent consideration; (c) the treatment of acquisition-related costs; and (d) the recording of purchase of interests in previously controlled entities and sale of interests without loss of control.
IAS 28 (revised in 2008) - Investments in associates	1 Jul 09	The abovementioned principles adopted for IAS 27 (2008) in what concerns the determination of the result from the sale are also extended to IAS 28.
IFRS 1 (revised) – First-time adoption of international financial reporting standards	1 Jul 09	This standard was revised to aggregate all the amendments that have occurred since its first version.
Improvements to International Financial Reporting Standards - 2009	Several (generally 1 Jan 10)	This process involved the revision of 12 accounting standards.
IAS 39 – Amendments (Eligible hedged items)	1 Jul 09	The amendments provide clarification on two aspects of hedge accounting: identifying inflation as a hedged risk or portion, and hedging with options.
Amendments:		
IFRS 2 - Amendment (Transactions of share-based payments between entities of the same group)	1 Jan 10	This amendment clarifies certain aspects related to share-based payments settled financially within the same group.

The impact on the Group's financial statements for the year ended 31 December 2010 arising from the adoption of these new standards, interpretations, amendments and revisions occurred in relation to the presentation and disclosure of financial information and in terms of the recording of non-controlling interests. In the revision of the standard applicable to the business combinations, IFRS 3 – Business Combinations ("IFRS 3") in the year ended 31 December 2010, it is particularly noteworthy the acquisition of 2.74% of the share capital of the Egyptian company Amreyah Cement Company (AMCC) for approximately 10.3 million euros, with the Group remaining with a stake of 99.13%, and the difference between the abovementioned acquisition cost and the corresponding part in non-controlling interests (previously called "minority interests"), of the approximate total value of 3.6 million euros, having been recorded under a specific heading in equity (previously it would have been recorded as an increase in goodwill).

The following standards, interpretations, amendments and revisions endorsed by the European Union by the date of approval of these financial statements, with potential impact on the Group's financial statements, are of mandatory application in future financial years:

STANDARD / INTERPRETATION	EFFECTIVE DATE (YEARS BEGINNING ON OR AFTER)	BREIF DESCRIPTION
New standards and interpretations:		
IFRIC 19 – Extinguishing financial liabilities with equity	1 Jul 10	IFRIC 19 addresses the accounting by an entity when the terms of a financial liability are renegotiated and result in the entity issuing equity instruments to a creditor to extinguish all or part of the financial liability. It does not address the accounting by the creditor.
Revisions:		
IAS 24 – Related party disclosures (revised)	1 Jan 11	This review brings some clarifications related to the disclosures to be made in related parties, in particular with respect to the government related entities.
Amendments:		
IAS 32 Amendment (Classification of emission rights)	1 Feb 10	This amendment clarifies the conditions in which emission rights can be classified as equity instruments).
IFRIC 14 – Amendment - Prepayments of a minimum funding requirement	1 Jan 11	This amendment is aimed at correcting the unintended treatment of prepayments for future contributions. In some circumstances, it is not permitted to recognise as an asset some prepayments for minimum funding contributions.

These standards although endorsed by the European Union were not adopted by the Group for the year ended 31 December 2010 because their application is not yet mandatory. The evaluation of the impact of the adoption of these standards is not concluded, though impacts of significant effect on the financial statements are not expected.

2.3. CRITICAL ACCOUNTING JUDGEMENTS/ESTIMATES

The preparation of financial statements in accordance with IFRS recognition and measurement principles requires the Board of Directors of Cimpor to make judgements, estimates and assumptions that can affect the amount of assets and liabilities presented, the disclosure of contingent assets and liabilities as of the date of the financial statements, as well as of income and expenses.

These estimates are based on the best knowledge existing at each moment and the planned actions, and are regularly reviewed based on the information available. Changes in facts and circumstances can lead to a revision of the estimates and so actual results may differ from these estimates.

The significant estimates and assumptions made by the Board of Directors in preparing these financial statements include assumptions used in estimating the following items:

- Impairment of non-current assets

The determination of a potential impairment loss can arise as result from the occurrence of several events, many of them external to the Cimpor Group, such as future availability of financing, capital cost or any other changes, either internal or external, to Cimpor Group.

The identification of impairment indicators and the determination of the assets' recoverable amount, are subject of a Management's judgement referring to the identification and evaluation of the different impairment indicators, expected cash flows, applicable discount rates, useful lives and transaction values.

- Impairment of goodwill

Goodwill is subjected to annual impairment tests or whenever there are indications of a possible loss in value, in accordance with the policy mentioned in Note 2.4. e). The recoverable amounts of the cash-generating units to which goodwill has been allocated, is the higher between the market value, determined according with transaction multiples, and the value in use, determined according to the expected cash flows. The calculation of these amounts requires the use by the Management of estimates regarding the future evolution of the activity and the discount rates considered.

- Useful lives of intangible and tangible fixed assets

The useful life of an asset is the time period during which an entity expects that an asset will be available for use and it must be reviewed at least at the end of each economical year.

The determination of the assets useful lives, amortization/depreciation method to apply and of the estimated losses resulting from the early replacement of equipments, due to technological obsolescence, is essential to determine the amount of amortization/depreciation charge to the consolidated income statement of each year.

These parameters are defined according to Management's best estimate, for the assets and businesses in question, considering as well the best practices adopted by companies operating in the same sectors.

- Provisions recognition

Cimpor Group periodically analyses possible obligations that arise from past events that should be recognized or disclosed. The subjectivity inherent to the determination of the probability and amount of internal resources required to settle the obligations, might lead to significant adjustments, either by the variation of the assumptions used or by the future recognition of provisions previously disclosed as contingent liabilities.

- Recognition of deferred tax assets

Deferred tax assets are only recognised when there is strong expectation that there will be sufficient future taxable income to utilise them or when there are deferred tax liabilities whose reversal is expected to occur in the same period of the reversal of the deferred tax assets. The carrying amount of deferred tax assets is reviewed by Management at the end of each reporting period and takes into consideration the expectation about the future performance.

- Accounts receivable impairment

The credit risk associated to accounts receivable is evaluated at the end of each reporting period, taking into account the debtor's historical information and his risk profile. The accounts receivable are adjusted by the assessment performed by the Management of the estimated collection risks at the balance sheet dates, which might differ from the effective risk to incur.

- Retirement and healthcare benefits

An actuarial valuation made by independent experts and based on economic and demographic indicators is performed each year in order to assess the liabilities resulting from retirement and healthcare benefits granted to Group's employees.

2.4. CONSOLIDATION PRINCIPLES

a) Controlled companies

Controlled companies have been consolidated in each accounting period using the full consolidation method. Control is considered to exist where the Group holds, directly or indirectly, a majority of the voting rights at Shareholders' General Meetings, or has the power to determine the companies' financial and operating policies.

Third party participation in shareholders' equity and net profit of such companies is presented separately in the consolidated balance sheet and consolidated statement of profit and loss under the caption "Non-controlling interests".

Where losses attributed to minority shareholders exceed the non controlled interest in shareholders' equity of controlled companies, the Group absorbs such excess and any additional losses, except where the minority shareholders are required and are able to cover such losses. If the subsidiary subsequently reports profits, the Group appropriates them up to the amount of the losses absorbed by the Group.

The results of controlled companies acquired or sold during the period are included in the statement of profit and loss from the date of their control is obtained to the date of their control is lost.

Significant balances and transactions between controlled companies were eliminated in the consolidation process. Capital gains within the Group on the sale of subsidiary and associated companies are also eliminated.

Whenever necessary, adjustments are made to the financial statements of subsidiary and associated companies to conform to the Group's accounting policies.

b) Jointly controlled companies

Investments in jointly controlled companies are consolidated in accordance with the proportional consolidation method as from the date joint control is acquired. Under this method, assets, liabilities, income and expenses of these entities are included in the accompanying consolidated financial statements, caption by caption, in proportion to the Group's control.

The excess of cost over the fair value of the identifiable assets and liabilities of jointly controlled companies as of the acquisition date is recognised as Goodwill. If the difference between cost and the fair value of the net assets acquired is negative, it is recognised as income for the period.

Transactions, balances and dividends distributed between these companies are eliminated in proportion to the Group's control.

c) Business combinations

Business combinations, namely the acquisition of controlled and subsidiary companies are recorded in accordance with the purchase method.

Acquisition cost is determined by the sum of the fair value of the assets given, liabilities incurred or assumed and equity instruments issued by the Group in exchange for the assumption of control in the entity acquired. Costs relating to the acquisition are recognized as expenses when incurred. Where applicable, cost includes the fair value of the contingent payments measured as of the date of acquisition. Subsequent changes in the value of the contingent payments are recorded in accordance with the accounting standard that sets the recording of the assets and liabilities in question except where they qualify as adjustments in the period of provisional measurement.

The identifiable assets, liabilities and contingent liabilities of a subsidiary that meet the criteria to be recognised in accordance with IFRS 3 - Business Combinations ("IFRS 3"), are measured by their fair value as of the purchase date, except for non-current assets (or groups of assets) that are identified as held for sale in accordance with IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations ("IFRS 5"), which are recognised and measured by their respective fair values less costs to sell.

Any excess of cost plus the amount of the non-controlling interests over the fair value of the identifiable assets and liabilities acquired as of the purchase date is recorded as Goodwill. Where cost is lower than the fair value of the net assets identified, the difference is recorded as a gain in the statement of profit and loss for the period in which the acquisition is made after reconfirmation of the fair value attributed.

If the process for recording combinations of business activities is incomplete at the end of the year in which the combination occurs, the Group discloses the situation and the amounts provided can be adjusted during the measuring period (the period between the date of acquisition and the date the Group obtains complete information on the facts and circumstances that existed as of the date of acquisition, up to a maximum of 12 months), or new assets and liabilities can be recognized to reflect facts and circumstances that existed as of the balance sheet date which, if recognized, would affect the amounts recognized on the date of acquisition.

Interests of shareholders without control are reflected separately in equity from the interests of the Parent company's shareholders. Interests without control can initially be measured at their fair value or by the proportion of the fair value of the assets and liabilities of the subsidiary acquired. This option is made separately for each transaction.

After initial recognition, the book value of the non-controlling interests is determined as the amount initially recognized plus the proportion of changes in equity of the subsidiary. Comprehensive income of a subsidiary is attributed to non-controlling interests even if it is negative.

The results of subsidiaries acquired or sold during the period are included in the statement of profit and loss as from the date of acquisition or up to the date of sale.

In specific situations in which the Group has in substance control of other entities created for a specific purpose, even if it does not have participations directly in the entities, they are consolidated by the full consolidation method.

Changes in the percentage of control over subsidiaries that do not result in loss of control are recorded as equity transactions. The value of the Group's non-controlling interests is adjusted to reflect changes in percentages. Any difference between the amount for which the non-controlling interests is adjusted and the fair value of the transaction is recorded directly in equity and attributed to the shareholders of the parent company.

When the Group loses control over a subsidiary, the gain or loss on the sale is calculated as the difference between (i) the amount added to the fair value of the interests retained and (ii) the book value of the assets (including goodwill) and liabilities of the subsidiary and the non-controlling interests. Amounts previously recognized as Other comprehensive income are transferred to the statement of profit and loss for the year or transferred to retained earnings in the same way as would happen if related assets or liabilities were sold. The fair value of the interests retained corresponds to the fair value at the initial recognition for purposes of the subsequent recording in accordance with IAS 39 – Financial instruments or, where applicable, cost for purposes of the initial recognition of an investment in an associate or jointly controlled entity.

d) Investments in associates

An associated company is one over which the Group exercises significant influence, but does not have control or joint control, through participation in decisions relating to its financial and operating policies.

Investments in the majority of associated companies (Note 19) are recorded in accordance with the equity method, except where they are classified as held for sale. Investments are initially recorded at cost which is then increased or decreased by the difference between cost and the proportional value of the equity of such companies as of the purchase date or the date the equity method was first applied.

In accordance with the equity method investments are recorded at cost, adjusted periodically by the amount of comprehensive income in the associate (including net results of associated companies) by corresponding entry to net profit for the year or other comprehensive income, respectively, and dividends received.

Losses in associated companies in excess of the investment in them are not recognised, unless the Group has assumed commitments to participate in the losses.

Any excess of cost over the fair value of the identifiable net assets is recorded as "Investments in associates – Goodwill". Where cost is less than the fair value of the net assets identified, the difference is recorded as a gain in the consolidated statement of comprehensive income for the period in which the acquisition is made.

In addition, dividends received from these companies are recorded as decreases in the amount of the investments.

Unrealised gains on transactions with associated companies are eliminated in proportion to the Group's interest in such companies, by corresponding entry to the amount of the corresponding investment. Unrealised losses are also eliminated, but only up to the point in which the loss does not show that the asset transferred is in a situation of impairment.

A valuation is made of investments in associated when there are indications that the asset may be impaired, any impairment losses being recognized. When impairment losses recognized in previous periods cease to exist, they are reversed.

e) Goodwill

Differences between the cost of investments in Group companies and associates, plus in the case of subsidiaries, the amount of non-controlling interests, and the fair value of the identifiable assets and liabilities of these companies as of the date of acquisition, if positive, are recognized as goodwill or maintained in the caption investments in associates.

Goodwill is recorded as an asset and is not amortised, being reflected in a separate balance sheet caption or in the caption "Investments in associates" (Notes 16 and 19). Annually, or whenever there are indications of a possible loss in value, goodwill is subjected to impairment tests the recoverable amount being determined based on the business plans used by management. Any impairment loss is immediately recorded as a cost in the statement of profit and loss for the period and is not subject to subsequent reversal.

Goodwill is included in determining the gain or loss on the sale of a subsidiary, associated company or jointly controlled entity.

Goodwill is stated in the currency of the subsidiary, being translated to the reporting currency (Euros) at the rate of exchange as of the balance sheet date. Exchange differences generated in that translation are recorded in the equity caption "Currency translation adjustments".

Goodwill on acquisitions prior to 31 December 1998 was maintained at the former amount, being subject to annual impairment tests as from that date.

Where cost is less than the fair value of the net assets identified, the difference is recorded as a gain in the statement of profit and loss for the period in which the acquisition takes place.

2.5. INTANGIBLE ASSETS

Intangible assets, which comprise essentially contractual rights and costs incurred on specific projects with future economic value, are stated at cost less accumulated amortisation and impairment losses. Intangible assets are only recognised if it is probable that they will produce future economic benefits for the Group, they are controllable by the Group and their value can be determined reliably.

Internally generated intangible assets, namely current research and development costs, are recognised as costs when incurred.

Internal costs relating to the maintenance and development of software are recorded as costs in the statement of profit and loss when incurred, except where such costs relate directly to projects which will probably generate future economic benefits. In such cases these costs are capitalised as intangible assets.

Amortisation of such assets is provided on a straight-line basis as from the date the assets start being used, in accordance with their estimated useful life.

2.6. TANGIBLE ASSETS

Tangible assets used in production, rendering services or for administrative use are stated at cost, including expenses incurred with their purchase, less accumulated depreciation and, when applicable, impairment losses.

Assets relating to the cement operations on 1 January 2004 were revalued as allowed by the transition provisions of IFRS 1, the resulting amount being considered as the deemed cost.

Depreciation of tangible fixed assets is provided on a straight-line basis over their estimated useful lives, except when another method is shown to be more adequate based on its use, as from the date the assets become available for their intended use, in accordance with the following estimated periods of useful life:

	AVERAGE USEFUL LIFE
Buildings and other constructions	10 - 50
Basic equipment	7 - 30
Transportation equipment	4 - 8
Tools and dies	2 - 8
Administrative equipment	2 - 14
Other tangible fixed assets	2 - 10

The amount subject to depreciation does not include, when determinable and significative, the estimated residual value of the assets at the end of their useful lives. Additionally, the assets stop being depreciated when they are classified as assets held for sale.

Land used for quarries is depreciated over its estimated period of operation, less, where applicable, its residual value.

Improvements are only recognised as assets when they increase the useful life or efficiency of the assets, resulting in increased future financial benefits.

Tangible assets in progress correspond to tangible assets under construction/promotion and are recorded at cost less possible impairment losses. These assets are depreciated as from the date they become available for their intended use.

Gains and losses arising from the sale or write off of tangible assets, which are determined by the difference between the proceeds of the sale of the assets and their net book value at the date of sale, are recognised by its net amount in the profit and loss caption "Other operating income" or "Other operating expenses".

2.7. INVESTMENTS IN SHAREHOLDINGS (COMPANY'S FINANCIAL STATEMENTS)

Investments in shareholdings are recognized at cost, except for those already existing on 1 January 2009, for which the option of recording them at the amount as of that date was followed (deemed cost) in accordance with the options established for transition to IAS/IFRS. Investments are subject to impairment tests whenever there are indications that their book value is higher than their recoverable value considering the higher of value in use and sale.

2.8. LEASES

Lease contracts are classified as: (i) finance leases, if substantially all the risks and benefits of ownership are transferred under them; and (ii) operating leases, if substantially all the risks and benefits of ownership are not transferred under them.

Leases are classified as finance or operating leases based on the substance and not form of the contract.

Fixed assets acquired under finance lease contracts, as well as the corresponding liabilities are recorded in accordance with the financial method. In accordance with this method the fixed assets are recorded as tangible assets, the corresponding liability is recognised and the interest included in the lease instalments and depreciation of the assets, calculated as explained above, are recognised in the consolidated statement of comprehensive income for the period to which they relate.

In the case of operating leases, the lease instalments are recognised, on a straight- basis, in the consolidated statement of comprehensive income over the period of the lease contracts.

2.9. IMPAIRMENT OF NON-CURRENT ASSETS, EXCLUDING GOODWILL

Impairment valuations are made whenever an event or change in circumstances is identified that indicates that the book value of an asset may not be recovered. Where such indications exist, the Group determines the recoverable value of the asset, so as to determine the possible extent of the impairment loss. In situations in which the individual asset does not generate cash flows independently of other assets, the recoverable value is estimated for the cash generating unit to which the asset belongs.

Whenever the book value of an asset exceeds its recoverable amount, an impairment loss is recognised by charge to the consolidated statement of comprehensive income caption "Depreciation, amortisation and impairment losses on goodwill, tangible and intangible assets".

The recoverable amount is the higher between the net selling price (selling price, less costs to sell) and the usable value of the asset. Net selling price is the amount that would be obtained from selling the asset in a transaction between knowledgeable independent entities, less the costs directly attributable to the sale. Usable value is the present value of the estimated future cash flows resulting from the continued use of the asset and sale thereof at the end of its useful life. The recoverable amount is estimated for each asset individually or, where this is not possible, for the unit generating the cash flows to which the asset belongs.

Impairment losses recognised in prior periods are reversed when there are indications that such losses no longer exist or have decreased. Impairment losses are reversed by credit to the consolidated statement of comprehensive income caption "Depreciation, amortisation and impairment losses on goodwill, tangible and intangible assets". However, the impairment loss is reversed up to the amount that would have been recognised (net of amortisation or depreciation) if the impairment loss had not been recorded in prior periods.

2.10. FOREIGN CURRENCY ASSETS, LIABILITIES AND TRANSACTIONS

Transactions in currencies other than euro are recorded at the rates of exchange in force on the date of the transaction. Foreign currency monetary assets and liabilities at the balance sheet dates are translated to euros at the rates of exchange in force on that dates. Non monetary assets and liabilities recorded at their fair value in foreign currencies are translated to euros using the rate of exchange in force on the date the fair value was determined.

Exchange gains and losses resulting from differences between the exchange rates in force on the dates of the transactions and those in force on the dates of collection, payment or the balance sheet date are recognised as income or costs in the consolidated statement of profit and loss, except for those relating to non monetary items where the change in fair value is recognised directly in shareholders' equity ("Currency translation adjustments"), namely:

- Exchange differences resulting from the translation of medium and long term foreign currency intra Group balances which, in practice, are extensions of investments;
- Exchange differences on financial operations to hedge exchange risk on foreign currency investments as established in IAS 21 - The effects of changes in foreign exchange rates ("IAS 21"), provided that they comply with the efficiency criteria established in IAS 39 – Financial instruments: Recognition and measurement ("IAS 39")

The foreign currency financial statements of subsidiary and associated companies are translated as follows: assets and liabilities at the exchange rates in force on the balance sheet dates; shareholders' equity captions at the historical exchange rates; and consolidated statement of comprehensive income and statement of cash-flow captions at the average exchange rates.

The exchange effect of such translations after 1 January 2004 is recognized as income and costs and reflected as in the shareholders' equity caption "Currency translation adjustments" in the case of subsidiary companies and in the shareholders' equity caption "Reserves - Adjustments in investments in associates" in the case of investments in associated companies, and is transferred to the statement of profit and loss caption "Net financial expenses" when the corresponding investments are sold.

In accordance with IAS 21, goodwill and fair value corrections determined on the acquisition of foreign entities are considered in the reporting currency of such entities, and are translated to euros at the exchange rate in force on the balance sheet date. Exchange differences arising from these translations are reflected as income and costs in the equity caption "Currency translation adjustments".

The Group contracts derivative financial hedging instruments when it wishes to reduce its exposure to exchange rate risk.

2.11. BORROWING COSTS

Costs incurred on loans obtained directly to finance the acquisition, construction or production of assets that necessarily take a substantial period of time to get ready for its intended use or sale (qualifying assets) are capitalised as part of the cost of the assets during that period.

To the extent that variable interest rate loans, attributable to finance the acquisition, construction or production of qualifying assets, are being covered through a cash flow hedge relation, the effective portion of fair value of the derivative financial instrument is recognized in Reserves and transferred to profit and loss when the qualifying asset has an impact on results.

Additionally, to the extent that fixed interest rate loans used to finance a hedged item are covered by a fair value hedge relation, the financial burden in addition to the cost of the asset should reflect the interest rate covered.

Any financial income generated by loans obtained in advance to finance specific capital expenditure is deducted from the capital expenditure subject to capitalisation.

2.12. SUBSIDIES

Subsidies are recognised based on their fair value, when there is reasonable certainty that they will be received and that the Group will comply with the conditions required for them to be granted.

Operating subsidies, namely those for employees training, are recognised in the profit and loss, and also as costs incurred.

Investment subsidies relating to the acquisition of tangible fixed assets are recorded in the caption "Other non-current liabilities" and transferred to the statement of profit and loss for the period on a consistent straight-line basis in proportion to depreciation of the subsidised assets.

2.13. INVENTORIES

Merchandise and raw, subsidiary and consumable materials are stated at average cost.

Finished and semi-finished products and work in progress are stated at production cost, which includes the cost of the raw materials incorporated, labour and production overheads.

Inventories are adjusted when market value is lower than book value, through the recognition of an impairment loss, the reduction being reversed when the reasons that gave rise to it cease to exist.

2.14. NON-CURRENT ASSETS HELD FOR SALE

Non-current assets (or discontinued operations) are classified as held for sale if their value is realizable through a sale transaction rather than through its continued use. This situation is only considered to arise when: (i) the sale is highly probable and the asset is available for immediate sale in its present condition; (ii) the management is committed to a plan of sale; and (iii) the sale is expected to take place within a period of twelve months.

Non-current assets (or discontinued operations) classified as held for sale are measured at the lower of the book value or their fair value less the costs incurred in their sale.

2.15. SEGMENT REPORTING

A segment is a distinguishable component of an entity that is engaged in providing a product or service or a group of related products or services which are different from those of other segments.

The Group reports its assets and liabilities, as well as its operations, as main segments the geographical segments, following the way Management carries out businesses.

2.16. BALANCE SHEET CLASSIFICATION

Assets to be realized and liabilities to be settled within one year of the balance sheet date are classified as current.

In addition the liabilities are also classified as current, when there is no unconditional right to defer its settlement for a period of at least twelve months after the balance sheet date.

2.17. NET OPERATING INCOME

Net operating income includes operating income and expenses, whether recurring or not, including restructuring costs and operating income and expenses associated to tangible assets and intangible assets. Also comprise, gains or losses on the sale of companies consolidated using the full or proportional integration method. The net financial expenses, share of results of associates, other financial investment (Notes 12, 19 and 20) and income tax, are excluded.

2.18. PROVISIONS

Provisions are recognised when: (i) exists an obligation (legal or constructive) resulting from a past event; (ii) under which it is probable that it will have an outflow of resources to resolve the obligation; and (iii) the amount of the obligation can be reasonably estimated. At each balance sheet date provisions are reviewed and adjusted to reflect the best estimate as of that date.

When one of the conditions described is not completed the Group disclosures the events in question as contingent liabilities, unless the possibility of outflow of resources is remote, in which case they are not subject to disclosure.

a) Provisions for restructuring costs

Provisions for restructuring costs are recognised by the Group whenever there is a formal detailed restructuring plan which has been communicated to the parties involved.

b) Environmental rehabilitation

In accordance with current legislation and practices in force in several business areas in which the Group operates, land used for quarries must be environmentally rehabilitated.

In this respect, provisions are recorded to cover the estimated cost of environmentally recovering and rehabilitating the land used for quarries, whenever this can be reasonably determined. Such provisions are recorded together with a corresponding increase in the amount of the underlying assets, based on the conclusions of landscape rehabilitation studies, being recognised in the statement of profit and loss as the corresponding assets are depreciated.

In addition, the Group has the procedure of progressively rehabilitating the areas freed up by the quarries, using the recorded provisions.

2.19. FINANCIAL INSTRUMENTS

Financial assets and liabilities are recognised when the Group becomes a party to the contractual relationship.

a) Cash and cash equivalents

The caption Cash and cash equivalents includes cash, bank deposits, term deposits and other treasury applications which mature in the short term (three months or less), highly liquid and immediately convertible into cash with insignificant risk of change in value.

For the purpose of cash flow statement the caption Cash and cash equivalents also includes bank overdrafts, which are included in the statement of financial position in the caption Loans.

b) Accounts receivable

Accounts receivable are measured at fair value on the initial recognition and are subsequently stated at amortised cost in accordance with the effective interest rate method. When there is evidence that the accounts receivable are impaired, the corresponding adjustment is recorded by corresponding charge to the statement of profit and loss. The adjustment is recognised and measured by the difference between the book value of the accounts receivable and the present value of the cash flows discounted at the effective interest rate determined upon initial recognition of the accounts receivable.

c) Investments

Investments are recognised (and derecognised) as of substantially all the risks and benefits of ownership are transferred under them, irrespective of the settlement date.

Investments are initially recognised at cost, which is the fair value of the price paid, including transaction costs.

Investments are classified as follows:

- Held-to-maturity investments;
- Assets at fair value through the statement of profit and loss;
- Available-for-sale financial assets.

Held-to-maturity investments are classified as non-current assets, except if they mature in less than twelve months from the balance sheet date, investments with a defined maturity date which the Group intends and has the capacity to hold up to that date being recorded in this caption. These investments are recognised at amortised cost, using the effective interest rate, net of capital repayments and interest received. Impairment losses are recognised in the profit and loss when the recorded amount of the investment is higher than the estimated value of the cash flows discounted at the effective interest rate determined at the time of initial recognition. Impairment losses can only be reversed subsequently when there is an increase in the recoverable amount of the investment can be objectively related to an event occurring after the date in which the impairment loss was recognised. In any case the recognised amount of the investment cannot exceed the amount corresponding to amortised cost of the investment had the impairment loss not been recognised.

After initial recognition, assets measured at fair value through profit and loss and available-for-sale financial assets are revalue to fair value by reference to their market value as of the balance sheet date with no deduction for transaction costs that could arise up to the date their sale. Investments in equity instruments not listed on regulated markets, where it is not feasible to estimate their fair value on a reliable basis, are maintained at cost less possible impairment losses.

Available-for-sale financial assets are classified as non-current assets. Gains and losses due to changes in the fair value of available-for-sale financial assets are reflected in the shareholders' equity caption "Fair value reserve" until the instrument is sold, collected or in any other way realised, or where impairment losses are believed to exist, in which case the accumulated gain or loss is recorded.

Those who do not have listed in an active market and whose fair value cannot be reliably measured are kept at cost adjusted for estimated impairment losses.

d) Financial liabilities and equity instruments

Financial liabilities and equity instruments issued by the Group are classified in accordance with the substance of the contract independently of its legal form. Equity instruments are contracts that have a residual interest in the Group's assets after deducting its liabilities.

Equity instruments issued are recorded at the amount received net of costs incurred to issue them.

e) Bank loans

Loans are initially recorded as liabilities at the amount received, net of loan issuing costs, which corresponds to their fair value on that date. Loans are subsequently measured at amortised cost, being the corresponding financial costs calculated at the effective interest rate, except as follows:

- Loans that form part of a relationship qualified as a fair value hedge, which are measured at fair value as regards the part attributed to the risk hedged. Variations in fair value are recognised in the statement of profit and loss for the period and compensated by the variation in fair value of the hedging instrument, as regards the corresponding effective component;
- Loans designated as financial liabilities, measured at fair value through profit and loss.

f) Accounts payable

Accounts payable are initially recognised at fair value and subsequently measured at amortised cost in accordance with the effective interest rate method.

g) Derivative financial instruments and hedge accounting

The Group has the policy of resorting to financial derivative instruments to hedge the financial risks to which it is exposed as a result of changes in interest and exchange rates.

The Group resorts to financial derivative instruments in accordance with internal policies set and approved by the Board of Directors.

Financial derivative instruments are measured at fair value. The method of its recognition depends on the nature and purpose of the transaction.

Hedge accounting

Derivative financial instruments are designated as hedging instruments in accordance with the provisions of IAS 39, as regards their documentation and effectiveness.

Changes in the fair value of derivative instruments designated as fair value hedges are recognised as financial income or expense for the period, together with changes in the fair value the asset or liability subject to the risk.

Changes in the fair value of derivative financial instruments designated as cash flow hedging instruments are recorded as Other comprehensive income in the caption Reserves - Hedging operations regarding their effective component and in financial income or expense for the period regarding their non effective component. The amounts recorded under Hedging operations are transferred to the statement of profit and loss in the period in which the effect on the item covered is also reflected in profit and loss.

Changes in the fair value of derivative financial instruments hedging net investments in a foreign entity, are recorded as other income and costs in the equity caption Currency translation adjustments regarding their effective component. The ineffective component of such changes is recognised immediately as financial income or expense for the period. If the hedging instrument is not a derivative, the corresponding variations resulting from changes in the exchange rate are recorded as income and costs in the equity caption "Currency translation adjustments".

Hedge accounting is discontinued when the hedging instrument matures, is sold or exercised, or when the hedging relationship ceases to comply with the requirements of IAS 39.

Trading instruments

Changes in the fair value of derivative financial instruments which are contracted for financial hedging purposes in accordance with the Group's risk management policies, but do not comply with all the requirements of IAS 39 to qualify for hedge accounting, are recorded in the statement of comprehensive income for the period in which they occur.

h) Treasury shares

Treasury shares are recorded at cost, as a decrease in shareholders' equity. Gains and losses on the sale of treasury shares are recorded in equity.

i) Fair value of financial instruments

The fair value of financial assets and financial liabilities is determined as follows:

- The fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets is determined with reference to quoted market prices;
- The fair value of other financial assets and financial liabilities (excluding derivative instruments) is determined in accordance with generally accepted pricing models based on discounted cash flows analysis using prices from observable current market transactions.

The fair value of derivative financial instruments is calculated using market prices. Where such prices are not available, fair value is determined based on discounted cash flows, which includes some assumptions that are supportable by observable market prices or rates.

2.20. IMPAIRMENT AND ADJUSTMENTS OF FINANCIAL ASSETS

At each balance sheet date, the Group reviews for any indication that a financial asset or a group of financial assets may be impaired.

Available-for-sale financial assets

For the financial assets classified as available-for-sale, a continuous or a significant decline in the fair value of the instrument below its cost, is considered as an indicator of impairment. If such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the asset's carrying amount and the present fair value, less any impairment loss already recognised in profit and loss – is removed from equity and recognised in profit and loss for the period. Impairments losses on equity instruments recognized in profit and loss are not reversed through profit and loss for the period, directly affecting other income recognized in equity.

Clients, debtors and other financial assets

Impairment losses are recorded whenever there are clear indicators that the Group will not be able to collect all the amounts it should receive, according to the original terms contracted. To identify these losses, several indicators are used, such as:

- accounts receivable ageing;
- debtor's financial difficulties;
- debtor's bankruptcy probability.

The impairments are determined by the difference between the recoverable amount and the book value of the financial asset and recognized by corresponding entry to profit and loss. Whenever a trade or other receivable it is considered as uncollectible it is derecognized using the respective impairment. Subsequent recovery of these amounts is recorded in profit and loss.

2.21. RETIREMENT BENEFITS

Retirement benefits are recorded in accordance with IAS 19 - Employee benefits.

Defined benefit plans

Costs of these benefits are recognised as the services are rendered by the beneficiary employees.

Therefore, at the end of each accounting period actuarial valuations are obtained from independent entities to determine the amount of the liability as of that date and the pension cost to be recognised in the period, in accordance with the "projected unit credit" method. The liability thus estimated is compared with the market value of the pension fund, so as to determine the amount of the difference to be recorded in the consolidated statement of financial position.

As established in the above mentioned standard, pension costs are recognised in the caption Payroll costs, based on the amounts determined on an actuarial basis, and include current service costs (increase in the liability), which corresponds to the additional benefits accrued to the employees during the period and interest costs, which result from updating the past service liability. These amounts are reduced by the estimated return on the assets relating to the plan. Actuarial gains and losses are recorded directly in equity.

Past service costs are recognised immediately, as the related benefits have already been recognised or, alternatively, recognised on a straight-line basis over the estimated period in which they are obtained.

Defined contribution plans

Contributions made by the Group to defined contribution plans are recorded as costs when they are due.

2.22. HEALTHCARE BENEFITS

Some Group companies provide supplementary healthcare benefits to their employees in addition to those provided by the Public Social Security, extensive to their families, early retired and retired personnel. The liability resulting from these benefits is recorded in a similar manner to the retirement pension liability, in the caption "Payroll costs - healthcare benefits".

As in the case of retirement benefits, actuarial valuations made by an independent entity are obtained at the end of each accounting period, so as to determine the amount of the liability as of that date. Actuarial gains and losses are recognized directly in the statement of comprehensive income.

2.23. SHARE-BASED PAYMENTS

Share-based payments to employees, according to incentive share purchase plan and share option plan, are recorded in accordance with IFRS 2 - Share-based payment.

In accordance with IFRS 2, equity settled payment transactions (equity instruments) are recognised at their fair value on the date they are granted.

Fair value as of the date the benefits are granted is recognised as operational cost on a straight-line basis over the vesting period as a result of services rendered.

2.24. CONTINGENT ASSETS AND LIABILITIES

A contingent liability is (i) a possible obligation that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of uncertain future events or (ii) a present obligation that arises from past events, but that is not recognized because an outflow of funds are not probable or the amount cannot be reliably measured.

Contingent liabilities are not recognised in the consolidated financial statements but are disclosed in the notes to the financial statements, unless the possibility of an outflow of funds affecting future economic benefits is remote, in which case they are not subject to disclosure.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future events.

Contingent assets are not recognised in the consolidated financial statements, but are disclosed in the notes to the financial statements when a future economic benefit is probable.

2.25. REVENUE RECOGNITION AND ACCRUALS BASIS

Income resulting from sales is recognised in the consolidated statement of comprehensive income when the risks and benefits of ownership of assets are transferred to the purchaser and the amount of income can be reasonably quantified. Sales are recognised at the fair amount received or receivable, net of taxes, discounts and other costs incurred to realise them, by the fair value of the amount received or receivable.

Income from services rendered is recognised in the consolidated statement of comprehensive income in the period in which they are rendered considering the phase of completion of the transaction as of the balance sheet date.

Interest and financial income are recognised on an accrual basis in accordance with the effective interest rate.

Costs and income are recognised in the period to which they relate independently of when they are paid or received. Costs and income, the amount of which is not known, are estimated.

Costs and income attributable to the current period which will only be paid or received in future periods, as well as amounts paid and received in the current period that relate to future periods and will be attributed to each of the periods by the amount corresponding to them, are recorded in the captions Other current assets and Other current liabilities.

Dividends relating to investments recorded at cost or in accordance with IAS 39 are recognized when the Company is given the right to receive them.

2.26. INCOME TAX

Tax on income for the year is calculated based on the taxable results of the companies included in the consolidation and takes into consideration deferred taxation.

Current income tax is calculated based on the taxable results (which differ from the accounting results) of the companies included in the consolidation, in accordance with the tax rules applicable to the area in which the head office of each Group company is located.

Deferred taxes refer to temporary differences between the amounts of assets and liabilities for accounting purposes and the corresponding amounts for tax purposes.

Deferred tax assets and liabilities are calculated and assessed periodically using the tax rates expected to be in force when the temporary differences reverse, and are not subject to discounting.

Deferred tax assets are only recognised when there is reasonable expectation that there will be sufficient future taxable income to utilise them. Temporary differences underlying the deferred tax assets are reappraised annually in order to recognise or adjust the deferred tax assets based on the current expectation of their future recovery.

2.27. EARNINGS PER SHARE

Earnings per share are calculated dividing the result attributable to the ordinary shareholders of the parent company, by the weighted average number of shares in circulation during the period.

The diluted earnings per share are calculated dividing the result attributable to the ordinary shareholders of the parent company, by the weighted average number of shares in circulation during the period, adjusted by potential ordinary diluting shares.

Potential ordinary diluting shares can result from options over shares and other financial instruments issued by the Group, convertible to shares of the Parent company.

2.28. SUBSEQUENT EVENTS

Events that occur after the date of the balance sheet that provide additional information on conditions that existed as of the balance sheet date are reflected in the financial statements.

Events that occur after the date of the balance sheet, that provide information on conditions that exist after the balance sheet date, if material, are disclosed in the notes to the financial statements.

2.29. CO_2 EMISSION LICENCES – EMISSIONS MARKET

Some of the Group's production units in Portugal and Spain are covered by the European greenhouse effect gas emissions market. While the IASB does not issue accounting policies covering the granting and trading of emission licences, the Group adopts the following policy:

- Emission licences granted at no cost, as well the corresponding emissions covered by that licences, do not give rise to the recognition of any asset or liability;
- Gains from the sale of emission rights are recognised in Net operating income;

- When it is estimated that annual CO_2 emissions will exceed the licences granted annually, a liability, measured in accordance with the price at the end of the year, is recognised by corresponding charge to Other operating expenses;
- Licences acquired are recognised at cost, in a specific intangible assets account under the Industrial property and other rights caption.

3. CHANGES IN POLICIES, ESTIMATES AND ERRORS

In the year ended 31 December 2010, the most significant changes in estimates relate to the changes on the fixed assets useful lives in Brazil operating segment, and as same then occurred on the year ended 31 December 2009, the changes in the actuarial assumptions used to determine the liability due to employee benefits, disclosed in Note 34.

There were no other changes in accounting policies identified in these years, beyond the effect of the adoption of new standards and interpretations, revisions and amendments mentioned in Note 2, nor any error that should have been corrected.

4. COMPANIES INCLUDED IN THE CONSOLIDATION

4.1. COMPANIES CONSOLIDATED IN ACCORDANCE WITH THE FULL CONSOLIDATION METHOD

The parent company, Cimpor - Cimentos de Portugal, SGPS, S.A., and the following subsidiaries, in which it has majority participation (control), have been consolidated using the full consolidation method:

NAME	FULL NAME / HEADQUARTERS	EFFECTIVE PARTICIPATION 2010	EFFECTIVE PARTICIPATION 2009
HOLDING AND SUB-HOLDINGS			
CIMPOR SGPS	CIMPOR - CIMENTOS DE PORTUGAL, SGPS, S.A. Rua Alexandre Herculano, 35 1250 - 009 Lisboa		
CIMPOR PORTUGAL	CIMPOR PORTUGAL, SGPS, S.A. Rua Alexandre Herculano, 35 1250 - 009 Lisboa	100.00	100.00
CIMPOR INTERNACIONAL	CIMPOR INTERNACIONAL, SGPS, S.A. Rua Alexandre Herculano, 35 1250 - 009 Lisboa	-	100.00
CIMPOR INVERSIONES	CIMPOR INVERSIONES, S.A. Calle Brasil, 56 36204 Vigo	100.00	100.00
CEMENT AREA (Portugal)			
CIMPOR INDÚSTRIA	CIMPOR – INDÚSTRIA DE CIMENTOS, S.A. Rua Alexandre Herculano, 35 1250 - 009 Lisboa	100.00	100.00

NAME	FULL NAME / HEADQUARTERS	EFFECTIVE PARTICIPATION 2010	EFFECTIVE PARTICIPATION 2009
SCIAL	ESTABELECIMENTOS SCIAL DO NORTE, S.A. Rua Alexandre Herculano, 35 1250 - 009 Lisboa	100.00	100.00
CECISA	CECISA - COMÉRCIO INTERNACIONAL, S.A. Rua Alexandre Herculano, 35 1250 - 009 Lisboa	100.00	100.00
CTA	CEMENT TRADING ACTIVITIES - COMÉRCIO INTERNACIONAL, S.A. Rua Alexandre Herculano, 35 1250 - 009 Lisboa	100.00	100.00
MOSSINES	MOSSINES – CIMENTOS DE SINES, S.A. Rua Alexandre Herculano, 35 1250 - 009 Lisboa	100.00	100.00
CIMENTAÇOR	CIMENTAÇOR - CIMENTOS DOS AÇORES, LDA. Rua Bento Dias Carreiro, 6 9600-050 Pico da Pedra - Ribeira Grande, Açores	100.00	100.00
CECIME	CECIME – CIMENTOS, S.A. Rua Alexandre Herculano, 35 1250 - 009 Lisboa	100.00	100.00
READY MIX CONCRETE AND AGGREGATES AREA (Portugal)			
CIMPOR BETÃO	CIMPOR BETÃO - INDÚSTRIA DE BETÃO PRONTO, S.A. Rua Quinta do Paizinho, Edifício Bepor, Bloco 2-1°Esq. 2790 - 237 Carnaxide	100.00	100.00
AGREPOR	AGREPOR AGREGADOS - EXTRACÇÃO DE INERTES, S.A. Rua Alexandre Herculano, 35 1250 - 009 Lisboa	100.00	100.00
BETÃO LIZ	BETÃO LIZ, S.A. Rua Quinta do Paizinho, Edifício Bepor, Bloco 2-1°Esq. 2790 - 237 Carnaxide	100.00	100.00
FORNECEDORA	FORNECEDORA DE BRITAS DO CARREGADO, S.A. Rua Alexandre Herculano, 35 1250 - 009 Lisboa	100.00	100.00
SOGRAL	SOGRAL - SOCIEDADE DE GRANITOS, S.A. Rua Alexandre Herculano, 35 1250 - 009 Lisboa	100.00	100.00
JOMATEL	JOMATEL - EMPRESA DE MATERIAIS DE CONSTRUÇÃO, S.A. Rua Quinta do Paizinho, Edifício Bepor, Bloco 2-1°Esq. 2790 - 237 Carnaxide	100.00	100.00
SANCHEZ	SANCHEZ, S.A. Serra da Achada, Santana, freguesia de Sesimbra (Castelo) 2970-578 Sesimbra	100.00	-
BENCAPOR	BENCAPOR - Produção de Inertes, S.A. Qtª da Madeira, Estrada Nac. 114, km 85 7002 - 505 Évora	75.00	-

NAME	FULL NAME / HEADQUARTERS	EFFECTIVE PARTICIPATION 2010	EFFECTIVE PARTICIPATION 2009
IBERA	IBERA - INDÚSTRIA DE BETÃO, S.A. Qtª da Madeira, Estrada Nac. 114, km 85 7002 - 505 Évora	50.00	50.00
PRECAST AREA (Portugal)			
PREDIANA	PREDIANA - SOCIEDADE DE PRÉ-ESFORÇADOS, S.A. Rua Alexandre Herculano, 35 1250 - 009 Lisboa	100.00	100.00
GEOFER	GEOFER - PRODUÇÃO E COMERCIALIZAÇÃO DE BENS E EQUIPAMENTOS, S.A. Rua Alexandre Herculano, 35 1250 - 009 Lisboa	100.00	100.00
OTHER RELATED ACTIVITIES (Portugal)			
SACOPOR	SACOPOR - SOCIEDADE DE EMBALAGENS E SACOS DE PAPEL, S.A. Rua Alexandre Herculano, 35 1250 - 009 Lisboa	100.00	100.00
CIMPOR TEC	CIMPOR TEC – ENGENHARIA E SERVIÇOS TÉCNICOS DE APOIO AO GRUPO, S.A. Rua Alexandre Herculano, 35 1250 - 009 Lisboa	100.00	100.00
CIARGA	CIARGA - ARGAMASSAS SECAS, S.A. Rua Alexandre Herculano, 35 1250 - 009 Lisboa	100.00	100.00
TRANSVIÁRIA	TRANSVIÁRIA - GESTÃO DE TRANSPORTES, S.A. Rua Alexandre Herculano, 35 1250 - 009 Lisboa	100.00	100.00
ALEMPEDRAS	ALEMPEDRAS - SOCIEDADE DE BRITAS, LDA. Casal da Luz, Santa Maria 2510 - 086 Óbidos	100.00	100.00
SOGESSO	SOGESSO - SOCIEDADE DE GESSOS DE SOURE, S.A. Lugar de São José do Pinheiro 3130 - 544 Soure	99.30	99.58
TRANSFORMAL	TRANSFORMAL, S.L. Rua Joaquim Brandão, 13 - 1 E 2900 - 422 Setúbal	99.30	-
CELFA	CELFA – SOCIEDADE INDUSTRIAL DE TRANSFORMAÇÃO DE GESSOS, S.A. Rua Alexandre Herculano, 35 1250 - 009 Lisboa	-	100.00
SCORECO	SCORECO - VALORIZAÇÃO DE, RESÍDUOS, LDA. Rua Alexandre Herculano, 35 1250 - 009 Lisboa	100.00	100.00
KANDMAD	KANDMAD – SOCIEDADE GESTORA DE PARTICIPAÇÕES SOCIAIS, LDA. Rua dos Aranhas, nº 53 - 3º Andar, Letra H, Freguesia da Sé, 9000 - 044 Funchal	100.00	100.00

NAME	FULL NAME / HEADQUARTERS	EFFECTIVE PARTICIPATION 2010	EFFECTIVE PARTICIPATION 2009
BETOFEIRA	BETOFEIRA - Comércio de Cimentos, Lda. Rua Alexandre Herculano, 35 1250 - 009 Lisboa	100.00	-
INTERNACIONAL AREA			
SPAIN			
CORPORACIÓN NOROESTE	CORPORACIÓN NOROESTE, S.A. Calle Brasil nº 56 36 204 Vigo	99.54	99.54
C.N. HORMIGONES Y ÁRIDOS	CORPORACIÓN NOROESTE DE HORMIGONES Y ÁRIDOS, S.L. Calle Brasil nº 56 36 204 Vigo	-	99.54
S.C.M.C. ANDALUCÍA	SOCIEDAD DE CEMENTOS Y MATERIALES DE CONSTRUCCIÓN DE ANDALUCÍA, S.A. Av. de la Agrupacíon de Córdoba, 15 14 014 Córdoba	99.54	99.54
CEMENTOS ANDALUCÍA	CEMENTOS DE ANDALUCÍA, S.L. Av. de la Agrupación de Córdoba, 15 14 014 Córdoba	99.54	99.54
OCCIDENTAL HORMIGONES	OCCIDENTAL DE HORMIGONES, S.L. Calle la Biela s/n Polígono Industrial el Nevero 06006 Badajoz	99.54	99.54
CEMENTOS EL MONTE	CEMENTOS EL MONTE, S.A. 21810 – Palos de la Frontera (Huelva) Puerto Exterior de Huelva Muelle Ingeniero Juan Gonzalo s/n	-	99.54
CEMENTOS NOROESTE	CEMENTOS NOROESTE, S.L. Calle Brasil nº 56 36 204 Vigo	99.54	99.54
SERMACONSA	SERVICIOS Y MATERIALES PARA LA CONSTRUCCIÓN, S.A. Calle Brasil nº 56 36 204 Vigo	-	99.54
MORTEROS GALICIA	MORTEROS DE GALICIA, S.L. Calle Brasil nº 56 36 204 Vigo	99.54	99.54
S.I.F. GALLEGA	SOCIEDAD INDUSTRIAL Y FINANCIERA GALLEGA, S.L. Calle Brasil nº 56 36 204 Vigo	-	99.54
TABANQUE, S.L.	TABANQUE, S.L. Calle Brasil nº 56 36 204 Vigo	-	99.54
HORMIGONES MIÑO	HORMIGONES MIÑO, S.L. Calle Brasil nº 56 36 204 Vigo	99.52	99.52
CEMENTOS COSMOS	CEMENTOS COSMOS, S.A. Calle Brasil nº 56 36 204 Vigo	99.30	99.30

NAME	FULL NAME / HEADQUARTERS	EFFECTIVE PARTICIPATION 2010	EFFECTIVE PARTICIPATION 2009
PREBETONG GALICIA	PREBETONG GALICIA, S.A. Calle Brasil nº 56 36 204 Vigo	99.54	98.41
CANTERAS PREBETONG	CANTERAS PREBETONG, S.L. Calle Brasil nº 56 36 204 Vigo	98.41	98.41
BOMTRAHOR	BOMBEO Y TRANSPORTE DE HORMIGON, S.A. Calle Brasil nº 56 36 204 Vigo	93.86	92.80
PREBETONG LUGO	PREBETONG LUGO, S.A. Av. Benigno Rivera s/n Polígono Industrial del Ceao 27 003 Lugo	82.51	81.57
PREBETONG LUGO HORMIGONES	PREBETONG LUGO HORMIGONES, S.A. Av. Benigno Rivera s/n Polígono Industrial del Ceao 27 003 Lugo	82.51	81.57
MATERIALES ATLÁNTICO	MATERIALES DEL ATLÁNTICO, S.A. Polígono Industrial As Lagoas – Carretera Cedeira Km. 1,5 15 570 Narón (La Coruña)	99.30	99.47
HORMIGONES LA BARCA	HORMIGONES Y ÁRIDOS LA BARCA, S.A. Lugar de Lantañón Vilanoviña - Meis (Pontevedra)	49.77	49.77
ARICOSA	ÁRIDOS DE LA CORUÑA, S.A. Candame 15 142 Arteixo (La Coruña)	49.21	49.21
CANPESA	CANTERA DO PENEDO, S.A. Reina, 1 – 3º 27 001 Lugo	41.24	40.77
OCCIDENTAL DE ARIDOS	OCCIDENTAL DE ARIDOS, S.L. Calle Brasil nº 56 36 204 Vigo	99.54	99.54
CIMPOR HORMIGÓN CANARIAS	CIMPOR HORMIGÓN CANARIAS, S.L. Calle Brasil nº 56 36 204 Vigo	99.54	99.54
CIMPOR CANARIAS	CIMPOR CANARIAS, S.L. Calle Brasil nº 56 36 204 Vigo	99.54	99.54
BETOBOMBA	BETOBOMBA, S.L. Calle Brasil nº 56 36204 Vigo	99.54	54.75
DS UNIÓN	DS UNIÓN, S.L. Calle Goya, nº1, 5º-C 18 002 Granada	89.58	89.58
INVERSIONES FILARIA	INVERSIONES FILARIA, S.L. Calle Brasil nº 56 36 204 Vigo	99.30	-
MOROCCO			
ASMENT DE TEMARA	ASMENT DE TEMARA, S.A. Ain Attig – Route de Casablanca Témara	62.62	62.62

NAME	FULL NAME / HEADQUARTERS	EFFECTIVE PARTICIPATION 2010	EFFECTIVE PARTICIPATION 2009
BETOCIM	BETOCIM, S.A.S. Chez Asment Témara, Ain Attig – Route de Casablanca Témara	100.00	100.00
ASMENT DU CENTRE	ASMENT DU CENTRE, S.A. Chez Asment Témara, Ain Attig – Route de Casablanca Témara	100.00	100.00
GRABEMA	GRABEMA, S.A. Chez Asment Témara, Ain Attig – Route de Casablanca Témara	100.00	100.00
TUNISIA			
C.J.O.	SOCIÉTÉ DES CIMENTS DE JBEL OUST 9, Rue de Touraine, Cité Jardins 1082 Tunis – Belvédère	100.00	100.00
B.J.O.	SOCIÉTÉ BETON JBEL OUST 9, Rue de Touraine, Cité Jardins 1082 Tunis – Belvédère	100.00	100.00
G.J.O.	SOCIÉTÉ GRANULATS JBEL OUST 9, Rue de Touraine, Cité Jardins 1082 Tunis – Belvédère	100.00	100.00
EGYPT			
CEC	CIMPOR EGYPT FOR CEMENT COMPANY, S.A.E. El Gharbaneyat – Borg El Arab City P.O. Box 21511 Alexandria	100.00	100.00
AMCC	AMREYAH CEMENT COMPANY, S.A.E. El Gharbaneyat – Borg El Arab City P. O. Box 21511 Alexandria	99.14	96.39
AMREYAH CIMPOR	AMREYAH CIMPOR CEMENT COMPANY, S.A.E. El Gharbaneyat – Borg El Arab City P.O. Box 21511 Alexandria	99.36	97.29
CSC	CEMENT SERVICES COMPANY, S.A.E. El Gharbaneyat – Borg El Arab City P.O. Box 21511 Alexandria	99.61	98.38
CIMPSAC	CIMPOR SACS MANUFACTURE COMPANY, S.A.E. El Gharbaneyat – Borg El Arab City P.O. Box 21511 Alexandria	99.90	99.59
AMREYAH DEKHEILA	AMREYAH DEKHEILA TERMINAL COMPANY, S.A.E. Dekheila Port Alexandria	99.37	97.35
AMREYAH CIMPOR READY MIX	AMREYAH CIMPOR READY MIX COMPANY, S.A.E. Industrial area, Plot no. 89T, Dekheila, Alexandria	99.25	96.86
TURKEY			
CIMPOR YIBITAS	CIMPOR YIBITAS CIMENTO SANAYI VE TICARET, A.S. Portakal Cicegi Sokak nº 33 - 06540 06540 Cankaya / Ankara	99.74	99.74

NAME	FULL NAME / HEADQUARTERS	EFFECTIVE PARTICIPATION 2010	EFFECTIVE PARTICIPATION 2009
YOZGAT	YIBITAS YOZGAT ISCI BIRLIGI INSAAT MALZEMELERI TICARET VE SANAYI, A.S. 66920 - Sarayköy / Yozgat	81.55	80.92
BEYNAK	CIMPOR YIBITAS NAKLIYECILIK TICARET VE SANAYI, A.S. Portakal Cicegi Sokak nº 33 - 06540 06540 Cankaya / Ankara	99.74	99.74
BRAZIL			
C.C.B.	CIMPOR - CIMENTOS DO BRASIL, LTDA. Avª Maria Coelho Aguiar, 215 – Bloco E – 8º Jardim São Luíz - São Paulo	100.00	100.00
MOZAMBIQUE			
CIM. MOÇAMBIQUE	CIMENTOS DE MOÇAMBIQUE, S.A. Av. 24 de Julho, nº 7 - 9º/10º pisos Caixa Postal 270 Maputo	82.46	82.46
CIMBETÃO	CIMPOR BETÃO MOÇAMBIQUE, S.A. Estrada de Lingamo Matola	82.71	82.71
IMOPAR	IMOPAR - IMOBILIÁRIA DE MOÇAMBIQUE, S.A Av. 24 de Julho, nº 7 - 10º piso, direito Maputo	100.00	100.00
SOUTH AFRICA			
NPC	NPC - CIMPOR (PTY) LIMITED 199 Coedmore Road Bellair 4094 Durban	74.00	74.00
NPCC	NATAL PORTLAND CEMENT COMPANY (PTY) LTD. 199 Coedmore Road Bellair 4094 Durban	100.00	100.00
DC	DURBAN CEMENT LTD. 199 Coedmore Road Bellair 4094 Durban	100.00	100.00
SRT	SIMUMA REHABILITATION TRUST 1 Wedgelink Road Bryanston	37.00	37.00
CONCRETE	NPC CONCRETE (PTY) LTD. 199 Coedmore Road Bellair 4094 Durban	100.00	100.00
S. C. STONE	SOUTH COAST STONE CRUSHERS (PTY) LTD. 199 Coedmore Road Bellair 4094 Durban	74.00	74.00
S. C. MINING	SOUTH COAST MINING (PTY) LTD. 199 Coedmore Road Bellair 4094 Durban	100.00	100.00

NAME	FULL NAME / HEADQUARTERS	EFFECTIVE PARTICIPATION 2010	EFFECTIVE PARTICIPATION 2009
EEDESWOLD	EEDESWOLD HIGHLANDS (PTY) LTD. 199 Coedmore Road Bellair 4094 Durban	100.00	100.00
STERKSPRUIT AGGREGATES	STERKSPRUIT AGGREGATES (PTY) LTD. 199 Coedmore Road Bellair 4094 Durban	74.00	74.00
STERKSPRUIT CONCRETE	STERKSPRUIT CONCRETE (PTY) LTD. 199 Coedmore Road Bellair 4094 Durban	100.00	100.00
DURBAN QUARRIES	DURBAN QUARRIES (PTY) LTD. 199 Coedmore Road Bellair 4094 Durban	100.00	100.00
CHINA			
CIMPOR CEMENT CORPORATION	CIMPOR CEMENT CORPORATION LIMITED 35/F Cheung Kong Center, 2 Queen's Road Central - Hong Kong	50.00	50.00
SEA - LAND MINING	SEA - LAND MINING LIMITED 35/F Cheung Kong Center, 2 Queen's Road Central - Hong Kong	50.00	50.00
CIMPOR SHANDONG	CIMPOR (SHANDONG) CEMENT COMPANY LIMITED Kuangsi Village, Liuyuan Town, Yicheng District Zaozhuang City, Shangdong Province ZIP code: 277300	48.80	48.80
NANDA	SUZHOU NANDA CEMENT COMPANY LIMITED Nº. 1, WenDu Road, Wang Ting Town, Xiang Cheng District Suzhou City, Jiangu Province ZIP code: 215155	35.52	35.52
HUAI'AN LIUYUAN	HUAI'AN LIUYUAN CEMENT COMPANY LIMITED Shendu Village, Wangying Town, Huaiyin district, Huai'na city, Jiangsu Province ZIP code: 223300	48.80	48.80
SUZHOU LIUYUAN	SUZHOU LIUYUAN NEW TYPE CEMENT DEVELOPMENT CO., LTD. Suzhou Wuzhong economic development zone, DongWu industrial park second term (Yinzhong south road) ZIP code: 215000	48.80	48.80
CIMPOR SHANGHAI	CIMPOR (SHANGHAI) ENTERPRISES MANAGEMENT CONSULTING COMPANY LIMITED 222 Huaihai Zhong Lu, Lippo Plaza, Floor 25, Room 2505-07 ZIP Code: 200021 Shanghai	50.00	50.00
LIYANG	LIYANG DONGFANG CEMENT COMPANY LIMITED Shanghuang Town, Liyang, Jiangsu Province ZIP Code: 213314	50.00	50.00
NEW HLG	CIMPOR (HUAI'AN) CEMENT PRODUCTS COMPANY LIMITED Wangying Town, Huaiyin district Huai'An City, Jiangsu Province	50.00	50.00
CIMPOR ZAOZHUANG	CIMPOR (ZAOZHUANG) CEMENT COMPANY LIMITED Matou Village, Fucheng County, Shanting District, Zaozhuang City, Shandong Province ZIP Code: 277222	50.00	50.00

NAME	FULL NAME / HEADQUARTERS	EFFECTIVE PARTICIPATION 2010	EFFECTIVE PARTICIPATION 2009
CIMPOR MACAU INVESTMENT	CIMPOR MACAU INVESTMENT COMPANY, S.A. Av. da Praia Grande, 693 Edifício Tai Wash - 15º andar MACAU	50.00	50.00
EAST ADVANTAGE	EAST ADVANTAGE INTERNATIONAL LIMITED Romasco Place, Wickhams Cay 1, P.O. Box 3140, Road Town, Tortola British Virgin Islands VG1110	50.00	50.00
PUCHENG JIANCAI	PUCHENG BUILDING MATERIALS COMPANY LIMITED Shanghuang Town, Liyang, Jiangsu Province ZIP Code: 213314	50.00	-
INDIA			
SHREE DIJIVAY CEMENT CO, LTD	SHREE DIJIVAY CEMENT CO, LTD. P.O. Digvijaygram - 361140 Jamnagar Estado de Gujarat	73.63	73.63
CAPE VERDE			
CIMPOR CABO VERDE	CIMPOR CABO VERDE, S.A. Estrada de Tira Chapéu Praia, Santiago 14/A	98.65	98.65
CABO VERDE BETÕES E INERTES	CABO VERDE BETÕES E INERTES, S.A. Estrada de Tira Chapéu Praia, Santiago 14/A	54.32	54.32
ITP	INDÚSTRIA DE TRANSFORMAÇÃO DE PEDRAS, LDA. Estrada de Tira Chapéu Praia, Santiago 14/A	98.65	98.65
BETÕES DE CABO VERDE	BETÕES DE CABO VERDE, S.A. Estrada de Tira Chapéu Praia, Santiago 14/A	54.32	54.32
PERU			
CEMENTOS OTORONGO	CEMENTOS OTORONGO, S.A.C. Malecón Cisneros 428 dpto. 1002 Miraflores Lima	100.00	100.00
UNRELATED ACTIVITIES			
CIMPOR SERVIÇOS	CIMPOR – SERVIÇOS DE APOIO À GESTÃO DE EMPRESAS, S.A. Rua Alexandre Herculano, 35 1250 - 009 Lisboa	100.00	100.00
CIMPOR SAGESA	CIMPOR SAGESA, S.A. Brasil, 56 36 204 Vigo	100.00	100.00

NAME	FULL NAME / HEADQUARTERS	EFFECTIVE PARTICIPATION 2010	EFFECTIVE PARTICIPATION 2009
CIMPOR FINANCE	CIMPOR FINANCE LIMITED 2 Harbourmaster Place Custom House Dock Dublin 1	-	100.00
CIMPOR B.V.	CIMPOR FINANCIAL OPERATIONS, B.V. Teleportboulevard 140 1043 EJ Amesterdam	100.00	100.00
CIMPOR IMOBILIÁRIA	CIMPOR IMOBILIÁRIA, S.A. Rua Alexandre Herculano, 35 1250 - 009 Lisboa	100.00	100.00
MECAN	MECAN - MANUFACTURA DE ELEMENTOS DE CASAS DE CONSTRUÇÃO NORMALIZADA, LDA. Rua Alexandre Herculano, 35 1250 - 009 Lisboa	100.00	100.00
CIMPOR TRADING	CIMPOR TRADING, S.A. Brasil, 56 36 204 Vigo	100.00	100.00
CIMPOR REINSURANCE	CIMPOR REINSURANCE, S.A. 74, Rue de Merl, L - 2146 1611 – Luxemburgo	100.00	100.00
CIMPSHIP	CIMPSHIP - TRANSPORTES MARÍTIMOS, S.A. Rua Ivens, nº 3 - B, Edifício Dona Mécia, 2º L, Freguesia da Sé, Conselho do Funchal 9000 - 039 Funchal	60.00	60.00
CIMPOR DEL ECUADOR	CIMPOR DEL ECUADOR, S.A. Distrito Metropolitano de Quito Província de Pichincha	-	49.88

4.2. ASSOCIATED COMPANIES

Investments in associated companies, recorded in accordance with the equity method (Note 19) as at 31 December 2010 were as follows:

NAME	FULL NAME / HEADQUARTERS	EFFECTIVE PARTICIPATION 2010	EFFECTIVE PARTICIPATION 2009
OTHER RELATED ACTIVITIES (Portugal)			
SETEFRETE	SETEFRETE, SGPS, S.A. Av. Luísa Todi, 1 – 1º 2900 – 459 Setúbal	25.00	25.00

INTERNACIONAL AREA SPAIN			
CEMENTOS ANTEQUERA	CEMENTOS ANTEQUERA, S.A. Calle Atarazanas nº 2 - 1º 29005 Málaga	22.98	22.98
ARENOR	ARENOR, S.L. Calle Monte Carmelo nº 1 – 5º C 41011 Sevilla	28.44	28.44
HORMICESA	HORMIGONES MIRANDA CELANOVA, S.A. Ctra. Casasoá, Km. 0,100 32817 Celanova - Ourense	39.82	39.37
AGUEIRO	AGUEIRO, S.A. Parroquía de Rois, Parcela B-26, Pol. Ind. Bergondo 15166 Bergondo - A Coruña	44.79	44.79
INTERNACIONAL AREA BRAZIL			
COMICAN	COMPANHIA DE MINERAÇÃO CANDIOTA Av. Maria Coelho Aguiar, 215 - Bloco E - 8º. Andar - Sala A Jardim São Luiz - São Paulo	48.00	48.00
INTERNACIONAL AREA SOUTH AFRICA			
NOMAKANJANI	NOMAKANJANI LOGISTICS (PTY), LTD. 199 Coedmore Road Bellair 4094 Durban	30.00	-

4.3. COMPANIES CONSOLIDATED IN ACCORDANCE WITH THE PROPORTIONAL METHOD

The following companies were consolidated in accordance with the proportional method as they are jointly controlled with the other shareholder:

NAME	FULL NAME / HEADQUARTERS	EFFECTIVE PARTICIPATION 2010	EFFECTIVE PARTICIPATION 2009
CEMENT AREA (Portugal)			
TEPORSET	TEPORSET - TERMINAL PORTUÁRIO DE SETÚBAL, S.A. Rua Alexandre Herculano, 35 1250 - 009 Lisboa	50.00	50.00
INTERNACIONAL AREA SPAIN			
CEISA	CEMENTOS ESPECIALES DE LAS ISLAS, S.A. Calle Secretario Artiles nº 36 35007 Las Palmas de Gran Canaria	50.00	50.00

INPROCOI	INSULAR DE PRODUCTOS PARA LA CONSTRUCCIÓN Y LA INDUSTRIA, S.L. Explanada Muelle Dique del Este s/n 38180 Puerto de Santa Cruz de Tenerife	50.00	50.00
INTERNACIONAL AREA TUNISIA			
TCG	TERMINAL CIMENTIER DE GABES, G.I.E. Port de Gabes Gabes	33.33	33.33
INTERNACIONAL AREA BRAZIL			
ECO-PROCESSA	ECO-PROCESSA – TRATAMENTO DE RESÍDUOS LTDA. Av. Rio Branco, 110 – 39º - parte Cidade do Rio de Janeiro Estado do Rio de Janeiro	50.00	50.00

5. CHANGES IN THE CONSOLIDATION PERIMETER

In the year ended 31 December 2010, the changes in the consolidation perimeter, corresponds essentially to the acquisition of a participation in an entity in the Portugal business area, for, approximately, 7 million euros.

In the year ended 31 December 2009, related to the acquisition of shareholdings in the Spain business area, amounting to 2 million euros, and the disposal of cement storage and bagging facilities on the El Callao Terminal, in the Peru business area, for about 8 million euros, owned by Cementos Otorongo S.A., as well as the corresponding shareholding (100%) in Agrecom - Agregados Comercializados S.A.C..

6. EXCHANGE RATES

The exchange rates used to translate, to euros, the foreign currency assets and liabilities at 31 December 2010 and 2009, as well the results for the years then ended were as follows:

		CLOSING EXCHANGE RATE			AVERAGE EXCHANGE RATE		
CURRENCY	**SEGMENT**	**2010**	**2009**	**CHANGE % (b)**	**2010**	**2009**	**CHANGE % (b)**
USD	Other	1.3362	1.4406	7.8	1.32789	1.39463	5.0
MAD	Morocco	11.2213	11.3480	1.1	11.25420	11.33928	0.8
BRL	Brazil	2.2177	2.5113	13.2	2.34594	2.78546	18.7
TND	Tunisia	1.9284	1.9009	(1.4)	1.91467	1.88800	(1.4)

		CLOSING EXCHANGE RATE			AVERAGE EXCHANGE RATE		
CURRENCY	SEGMENT	2010	2009	CHANGE % (b)	2010	2009	CHANGE % (b)
MZM	Mozambique	43,6500	44,1500	1.1	43,9860	37,6988	(14.3)
CVE	Other (Cape Verde) a)	110,265	110,265	-	110,265	110,265	-
EGP	Egypt	7,7522	7,8903	1.8	7,54044	7,80762	3.5
ZAR	South Africa	8,8625	10,6660	20.3	9,73991	11,71057	20.2
TRY	Turkey	2,0694	2,1547	4.1	2,00085	2,16607	8.3
HKD	China	10,3856	11,1709	7.6	10,33040	10,81972	4.7
CNY	China	8,8220	9,8350	11.5	9,00050	9,54026	6.0
MOP	China	10,6972	11,5060	7.6	10,82566	11,33816	4.7
PEN	Other (Peru) a)	3,7497	4,1619	11.0	3,80613	4,25033	11.7
INR	India	59,7580	67,0400	12.2	60,97080	68,03312	11.6

a) Segments not individually reported.

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

7. OPERATING SEGMENTS

The main profit and loss information for years ended 31 December 2010 and 2009, of the several operating segments, being each of them one geographical area where **Group** operates, was as follows:

	2010				2009			
	SALES AND SERVICES RENDERED				SALES AND SERVICES RENDERED			
OPERATING SEGMENTS:	EXTERNAL SALES	INTER SEGMENT SALES	TOTAL	OPERATING RESULTS	EXTERNAL SALES	INTER SEGMENT SALES	TOTAL	OPERATING RESULTS
Portugal	376,719	64,729	441,448	85,395	404,240	44,512	448,751	94,027
Spain	268,864	3,601	272,465	(10,462)	328,069	702	328,771	485
Morocco	94,469	-	94,469	35,820	94,152	-	94,152	33,215
Tunisia	78,032	-	78,032	15,988	69,857	-	69,857	11,912
Egypt	226,645	-	226,645	72,643	240,625	-	240,625	93,183
Turkey	154,549	-	154,549	(556)	107,549	-	107,549	(18,660)
Brazil	609,194	-	609,194	162,431	427,383	-	427,383	88,436

Mozambique	88,056	-	88,056	2,529	80,923	-	80,923	6,345
South Africa	141,735	3,103	144,837	45,376	149,146	3,651	152,797	58,934
China	106,073	-	106,073	510	81,067	-	81,067	152
India	46,808	1,356	48,164	(2,026)	49,565	3,310	52,875	3,790
Others	31,103	-	31,103	1,877	31,508	-	31,508	1,253
Total	2,222,247	72,788	2,295,035	409,522	2,064,083	52,175	2,116,258	373,071
Unallocated	17,179	161,099	178,278	(396)	21,414	79,347	100,761	3,830
Eliminations	-	(233,887)	(233,887)	-	-	(131,521)	(131,521)	-
Sub-total	**2,239,426**	**-**	**2,239,426**	**409,127**	**2,085,498**	**-**	**2,085,498**	**376,901**
Net financial expenses				(47,103)				(52,149)
Share of results of associates				**(993)**				**156**
Other investment income				**(12,553)**				**(11,117)**
Profit before income tax				348,478				313,791
Income tax				**(96,771)**				**(68,113)**
Net profit for the year				**251,707**				**245,679**

All inter segment transactions were made at market values.

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

OPERATING SEGMENTS:	**2010**	**2009**
Portugal	144	100
Spain	(81)	(444)
Morocco	8,010	8,227
Egypt	1,247	2,631
Turkey	617	629
Mozambique	(105)	366
China	81	(3,317)
India	(386)	543
Others	(112)	(205)
	9,415	8,530
Unallocated	455	123
Profit for the year attributable to non-controlling interests	**9,870**	**8,653**

Other information of the **Group**:

	2010			2009		
OPERATING SEGMENTS:	FIXED CAPITAL EXPENDITURE	DEPRECIATION, AMORTISATION AND IMPAIRMENT LOSSES (a)	PROVISIONS	FIXED CAPITAL EXPENDITURE	DEPRECIATION, AMORTISATION AND IMPAIRMENT LOSSES (a)	PROVISIONS
Portugal	27,659	56,568	(2,710)	23,026	55,284	272
Spain	26,719	43,003	-	20,997	46,125	-
Morocco	5,440	5,687	54	9,998	8,614	10
Tunisia	5,948	6,524	741	5,114	7,738	-
Egypt	8,585	9,666	4,545	8,980	11,080	248
Turkey	6,460	22,386	141	49,785	29,581	134
Brazil	61,997	28,808	(349)	52,163	34,343	303
Mozambique	15,614	8,229	681	11,723	5,506	76
South Africa	5,310	13,519	-	8,461	11,483	-
China	6,015	8,392	-	36,535	4,591	-
India	2,747	6,356	(1)	3,630	6,216	(74)
Others	295	994	-	(4,375)	1,324	-
	172,789	210,133	3,103	226,038	221,886	970
Unallocated	6,772	6,254	1,200	9,786	4,371	1,800
	179,561	**216,387**	**4,303**	**235,824**	**226,256**	**2,770**

a) The impairment losses, when it occurs, respects to impairment losses on goodwill, tangible and intangible assets.

The decrease in depreciation and amortisation of the tangible and intangible assets is partially explained by the investment containment policy lead by the Group in 2009 and 2010.

In addition, assets and liabilities, by reportable segment, reconciled to the total consolidated amounts as at 31 December 2010 and 2009, are as follows:

	2010			2009		
	ASSETS	LIABILITIES	NET ASSETS	ASSETS	LIABILITIES	NET ASSETS
OPERATING SEGMENTS:						
Portugal	758,761	319,132	439,629	803,419	313,076	490,343
Spain	787,528	595,052	192,477	828,415	621,376	207,039
Morocco	121,184	29,254	91,929	120,834	30,948	89,886
Tunisia	148,872	17,304	131,568	144,823	13,890	130,934
Egypt	434,501	76,534	357,967	416,275	57,092	359,182
Turkey	638,982	157,604	481,378	628,956	159,301	469,655
Brazil	1,303,949	214,449	1,089,500	1,183,941	175,803	1,008,137
Mozambique	102,118	41,839	60,279	79,574	22,871	56,704

South Africa	339,358	41,206	298,152	287,699	60,398	227,301
China	209,353	177,687	31,666	188,487	167,231	21,255
India	122,804	23,482	99,322	112,704	22,868	89,836
Others	37,305	11,232	26,073	41,095	15,737	25,358
	5,004,714	1,704,774	3,299,940	4,836,221	1,660,591	3,175,630
Unallocated	1,178,171	2,270,963	(1,092,792)	723,759	2,001,390	(1,277,631)
Eliminations	(821,089)	(821,089)	-	(657,610)	(657,610)	-
Investments in associates	23,083	-	23,083	24,992	-	24,992
Total	**5,384,880**	**3,154,649**	**2,230,231**	**4,927,362**	**3,004,371**	**1,922,991**

The assets and liabilities not attributed to reportable segments include: (i) assets and liabilities of companies not attributable to specific segments, essentially holding companies and trading companies; (ii) intra-group eliminations between segments; and (iii) investments in associates.

Following is a break-down of the information for the years ended 31 December 2010 and 2009, by business segment of the **Group**:

	2010			2009		
	SALES AND SERVICES	ASSETS	FIXED CAPITAL EXPENDITURE	SALES AND SERVICES	ASSETS	FIXED CAPITAL EXPENDITURE
Cement	1,696,402	4,138,815	143,353	1,591,067	4,025,450	205,061
Ready-mix and precast concrete	429,534	432,801	27,771	427,684	454,428	14,804
Others	113,490	813,264	8,437	66,747	447,484	15,958
	2,239,426	**5,384,880**	**179,561**	**2,085,498**	**4,927,362**	**235,824**

8. OTHER OPERATING INCOME

Other operating income for the years ended 31 December 2010 and 2009 were as follows:

	GROUP		COMPANY	
	2010	2009	2010	2009
Supplementary income	20,401	18,478	802	590
Gains on the sale of assets (a)	24,269	19,209	-	-
Reversal of receivables adjustments (Note 27)	6,392	4,253	90	81
Investment subsidies	4,385	7,472	-	2
Own work for the company	2,345	2,899	-	-

Reversal of inventories adjustments (Note 26)	1,366	163	-	-
Reversal of (Note 22)	559	55	-	-
Others	16,763	10,385	8	4
	76,479	**62,914**	**900**	**676**

(a) In the financial years ended on 31 December 2010 and 2009, these gains included gains from the sale of CO_2 emissions licences and the exchange of CO_2 emissions licences for Certified Emission Reductions ("CER") in the amount of 13,830 thousand euros and 14,031 thousand euros, respectively (Note 44).

9. COST OF GOODS SOLD AND MATERIAL USED IN PRODUCTION

The cost of goods sold and material used in production for the years ended 31 December 2010 and 2009 was as follows:

	2010	2009
Goods sold	78,946	52,776
Material used in production	562,425	525,479
Gain/(Loss) on inventories	1,374	666
	642,745	**578,921**

10. PAYROLL COSTS

Payroll expenses for the years ended 31 December 2010 and 2009 were made up as follows:

	GROUP		COMPANY	
	2010	2009	2010	2009
Remuneration	157,498	149,935	6,759	6,081
Bonus	23,629	19,363	2,605	1,887
Charges on remuneration	38,037	37,297	1,018	944
Social action and other	28,276	25,511	315	219
Indemnities and compensations	12,300	10,141	5,174	2
Incentive plan (Note 35)	1,651	2,261	1,651	2,261
Healthcare benefits (Note 34)	(6,020)	1,279	-	-
Insurance	864	753	131	138
Retirement benefits (Note 34)	4,022	3,072	685	699
	260,256	**249,610**	**18,336**	**12,230**

The caption "Social action and other" includes occupational health, healthcare assistance, professional training and meal allowance costs.
The average number of employees of the **Group** in the years ended 31 December 2010 and 2009, by business and operating segment, was as follows:

	2010				2009			
SEGMENTS:	CEMENT	READY-MIX AND PRECAST CONCRETE	OTHERS	TOTAL	CEMENT	READY-MIX AND PRECAST CONCRETE	OTHERS	TOTAL
Portugal	617	478	125	1,220	659	536	113	1,308
Spain	587	357	58	1,001	650	460	71	1,181
Morocco	174	29	-	202	177	28	-	205
Tunisia	206	7	-	214	216	-	-	216
Egypt	458	7	29	494	463	-	28	491
Turkey	622	156	9	787	647	158	9	814
Brazil	814	682	9	1,505	742	666	9	1,417
Mozambique	419	47	1	467	419	41	1	461
South Africa	349	141	-	490	359	174	-	534
China	1,011	-	-	1,011	867	-	-	867
India	518	-	-	518	545	-	-	545
Others	70	61	4	135	71	74	4	148
	5,846	1,963	234	8,043	5,815	2,137	235	8,187
Common functions	-	-	-	528	-	-	-	541
	5,846	**1,963**	**234**	**8,571**	**5,815**	**2,137**	**235**	**8,728**

The average number of employees of the **Company** in the years ended 31 December 2010 and 2009, included in Common functions, was 61 and 56, respectively.

11. OTHER OPERATING EXPENSES

Other operating expenses for the years ended 31 December 2010 and 2009 were as follows:

	GROUP		COMPANY	
	2010	2009	2010	2009
Taxes	16,045	12,443	323	172
Receivables adjustments (Note 27)	6,795	13,065	39	-
Loss on disposal of assets	4,372	924	-	-
Subscriptions	3,762	3,344	57	53
Fines and penalties	1,756	1,017	-	5
Uncollectible debts (Note 27)	1,510	-	-	-
Donations	1,322	2,082	5	56
Inventory adjustments (Note 26)	1,382	1,204	-	-
Others receivables adjustments (Note 22)	705	127	-	-
Others	2,092	1,225	42	55
	39,743	**35,432**	**467**	**341**

12. NET FINANCIAL EXPENSES

Net financial expenses for the years ended 31 December 2010 and 2009 were made up as follows:

	GROUP		COMPANY	
	2010	2009	2010	2009
Financial expenses:				
Interest expense	68,781	67,689	3,030	2,354
Foreign exchange loss	19,756	15,822	24	12
Changes in fair-value:				
Hedged assets / liabilities	-	4,118	-	-
Hedging derivative financial instruments	10,428	4,936	-	-
Trading derivative financial instruments (a)	3,934	29,346	-	-
Financial assets/liabilities at fair value (a)	27,036	11,790	-	-
	41,398	50,190	-	-
Other (b)	17,018	12,997	72	77
	146,954	**146,698**	**3,126**	**2,444**
Financial income:				
Interest income	22,675	15,734	1,283	56
Foreign exchange gain	26,805	22,015	24	7
Changes in fair-value:				
Hedged assets / liabilities	10,428	4,936	-	-
Hedging derivative financial instruments	-	4,118	-	-
Trading derivative financial instruments (a)	36,708	25,904	-	-
Financial assets/liabilities at fair value (a)	-	10,702	-	-
	47,135	45,660	-	-
Other (b)	3,236	11,140	-	-
	99,851	94,548	1,307	63
Net financial expenses	**(47,103)**	**(52,149)**	**(1,819)**	**(2,381)**
Share of profits of associates:				
Loss in associated companies (Notes 19 and 36)	(1,617)	(831)	-	-
Gain in associated companies (Note 19)	624	987	-	-
	(993)	**156**	**-**	**-**
Investment income:				
Gains on holdings (d)	48	368	321,680	196,338
Gains/(Losses) on investments (c)	(12,601)	(11,485)	18	-
	(12,553)	**(11,117)**	**321,698**	**196,338**

(a) These captions are mainly related to: (i) "US Private Placements" fair value changes (Note 37), which were designated as financial liabilities at fair value through profit and loss and (ii) fair value changes of trading financial derivative instruments, including two of them that, although contracted to cover exchange rate and interest rate risks associated to "US Private Placements" (Note 39), are not qualified for hedge accounting by the Group. In the years ended 31 December 2010 and 2009, arising from changes in fair values, was recognised, respectively, a financial income of 5,737 thousand euros and a financial cost of 4,530 thousand euros. The contribution for this improvement derived from, essentially, the negative impact amounting around 14 million euros occurred in 2009 within the scope to improve the Cimpor rating.

(b) In the years ended 31 December 2010 and 2009, these items in Group essentially include the costs and income relative to the financial actualization of assets and liabilities, including the update of estimates with the environmental rehabilitation of quarries (Note 36), the cash discounts granted and obtained and costs with commissions, guarantees and other bank charges in general.

(c) In the year ended 31 December 2010, this item in Group included the recording of a impairment loss in C+PA - Cimento e Produtos Associados, S.A. ("C+PA") of 13,200 thousand euros (Note 21) and the appreciation of a portfolio of investment funds classified as a financial asset at fair value through profit and loss, in the amount of 599 thousand euros (Note 20). In the previous year, it included the loss incurred on the sale of the debt instrument issued by the Republic of Austria, in the amount of 8,370 thousand euros (Note 20), the recording of a loss resulting from the evaluation of C+PA of 4,249 thousand euros and the appreciation of a portfolio of investment funds classified as a financial asset at fair value through profit and loss, in the amount of 1,135 thousand euros.

(d) In the years ended 31 December 2010 and 2009, the gains on holdings of the Company, refers to the dividends received from subsidiaries (Note 46).

13. INCOME TAX

Group corporate 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:

	2010	2009
Portugal (a)	26.5%	26.5%
Spain	30.0%	30.0%
Morocco	30.0%	30.0%
Tunisia	30.0%	30.0%
Egypt	20.0%	20.0%
Turkey	20.0%	20.0%
Brazil	34.0%	34.0%
Mozambique	32.0%	32.0%
South africa	28.0%	28.0%
China	25.0%	25.0%
India	33.2%	34.0%
Other	25.5% - 30.0%	25.5% - 30.0%

(a)From 1 January 2010 on, companies that exceed a 2,000 thousand euros taxable profit are subject to a state surcharge of 2.5% over the amount that exceeds that limit, under Corporate Income Tax Code rules.

Pursuant to legislation in force in the different jurisdictions in which the Group operates, the corresponding tax returns are subject to review by tax authorities for a period varying from 4 to 5 years, which may be extended under certain circumstances, namely when there are tax losses or ongoing investigations, claims or disputes.

The **Group** income tax expense for the years ended 31 December 2010 and 2009 was as follows:

	GROUP		COMPANY	
	2010	2009	2010	2009
Current tax	80,828	47,234	(7,747)	(6,814)
Deferred tax (Note 25)	12,706	17,608	(13)	(23)
Increases / (Decreases) in tax provisions (Note 36)	3,237	3,271	3,237	3,271
Charge for the year	**96,771**	**68,113**	**(4,523)**	**(3,566)**

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 (Note 25).

The reconciliation between the tax rate applicable in Portugal and the effective tax rate in the Group is as follows:

	GROUP		COMPANY	
	2010	2009	2010	2009
Tax rate applicable in Portugal	26.50%	26.50%	26.50%	26.50%
Operational and financial results non taxable	(0.86%)	(2.08%)	(28.55%)	(28.23%)
Benefits by deduction to the taxable profit and to the collect	(5.86%)	(6.71%)	-	-
Increases / (Decreases) in tax provisions	0.93%	1.04%	1.10%	1.81%
Adjustments on deferred taxes	1.11%	0.31%	-	-
Tax rate changes (deferred included)	1.98%	-	-	-
Tax rate differences	2.38%	1.51%	-	-
Taxable dividends and other	1.60%	1.13%	(0.59%)	(2.06%)
Effective tax rate of the Group	**(27.77%)**	**(21.71%)**	**(1.54%)**	**(1.98%)**

In relation to the previous year, the Group tax rate increase is influenced by the impact of the new state surcharge both on current and deferred tax in Portugal (around 2 p.p.), by the variation of non taxable operating and financial results which include an impairment loss on a shareholding position of around 13,200 thousand euros (Notes 12 and 21), and by the profit generated in higher tax rates jurisdictions.

In addition to the income tax charge for the year, in the years ended 31 December 2010 and 2009, deferred taxes of 459 thousand euros and 663 thousand euros, were recorded directly in other comprehensive income, respectively, as an increase and reduction (Note 25).

Company corporate income tax

The Company and the majority of its subsidiaries in Portugal are subject to Corporate Income Tax ("CIT"), currently at the rate of 25%, plus a Municipal surcharge up to a maximum of 1.5% of taxable income, totalling 26.5%. In addition, from 1 January 2010 on, companies that exceed a 2,000 thousand euros taxable profit are subject to a State surcharge of 2.5% over the amount that exceeds that limit, under Corporate Income Tax Code rules.

The Company is taxed under the special income tax scheme for corporate groups, comprising the companies in which it directly or indirectly holds at least 90% of the capital and which comply with the requirements of law. This tax scheme consists of applying the CIT rate to the consolidated taxable results of the companies included in the tax scheme plus the municipal surcharge, and excluding profits distributed between those companies.

In accordance with current legislation, the Company's tax returns are subject to tax audits for a period of four years, except if there are tax losses computed, tax benefits granted or tax audits, claims or appeals in progress, in which cases the periods can be extended or suspended.

At the date of this report, the Company's tax returns were reviewed by the tax authorities up to the tax year of 2008, and the tax audit for 2009 is in course.

The Board of Directors, based on the positions of its tax consultants and taking into account the recognised responsibilities, believes that any review of these tax returns will not result in adjustments with any significant effect on the financial statements.

The Company Income tax expense for the years ended 31 December 2010 and 2009 was as follows:

	2010	2009
Current tax	(7,747)	(6,814)
Deferred tax (Note 25)	(13)	(23)
Increases / (Decreases) in tax provisions (Note 36)	3,237	3,271
Charge for the year	**(4,523)**	**(3,566)**

Considering the sustainable development of new materials, based on cement, to be produced by the Group, the Company signed a research agreement with the Massachusetts Institute of Technology which expense, in the year ended 31 December 2010, amounted to 190 thousand euros, being in course the preparation of an application under the "Sistema de Incentivos Fiscais à Investigação e Desenvolvimento" (System of Tax Incentives for Research and Development -"SIFIDE"), which will originate an estimated tax credit (already recorded in the accounts) of around 88 thousand euros.

The reconciliation between the tax rate applicable in Portugal and the effective tax rate in the **Company** is as follows:

	2010	2009
Tax rate applicable in Portugal	26.50%	26.50%
Operational and financial results non taxable	(28.55%)	(28.23%)
Increases / (Decreases) in tax provisions	1.10%	1.81%
Other	(0.59%)	(2.06%)
Effective tax rate	(1.54%)	(1.98%)

The Company effective tax rate decrease shown in the non taxable operating and financial results is related essentially to dividends received from its subsidiaries (Note 12). In the item Other it is included the impact of a tax consolidation adjustment related with the elimination of intra-group results from the transfer of assets between group companies.

14. DIVIDENDS

In the year ended 31 December 2010 a dividend of 20 cents per share (18.5 cents per share in 2009), totalling 132,954 thousand euros (122,777 thousand euros in 2009), was paid as decided by the Shareholders' Annual General Meeting held on 29 April 2010.

In relation to the financial year ended on 31 December 2010, the Board of Directors proposes a dividend of 20.5 cents per share, subject to approval by the General Meeting of the shareholders to be held on 18 April 2011.

15. EARNINGS PER SHARE

Basic and diluted earnings per share for the years ended 31 December 2010 and 2009 were computed as follows:

	GROUP		COMPANY	
	2010	2009	2010	2009
Basic earnings per share				
Net profit considered in the computation of basic earnings per share	241,837	237,025	298,250	183,879
Weighted average number of ordinary shares used to calculate the basic earnings per share (thousands)	664,885	663,831	664,885	663,831
Basic earnings per share	**0.36**	**0.36**	**0.45**	**0.28**
Diluted earnings per share				
Net profit considered in the computation of basic earnings per share	241,837	237,025	298,250	183,879
Weighted average number of ordinary shares used to calculate the basic earnings per share (thousands)	664,885	663,831	664,885	663,831
Effect of the options granted under the Share Option Plan (thousands) (Note 35)	1,367	1,747	1,367	1,747
Weighted average number of ordinary shares used to calculate the diluted earnings per share (thousands)	666,252	665,578	666,252	665,578
Diluted earnings per share	**0.36**	**0.36**	**0.45**	**0.28**

The average number of shares is weighted by the average number of treasury shares in each of the corresponding financial years.

16.GOODWILL

The changes in goodwill and related impairment losses in the years ended 31 December 2010 and 2009 were as follows:

	PORTUGAL	SPAIN	MOROCCO	TUNISIA	EGYPT	TURKEY	BRAZIL	MOZAMBIQUE	SOUTH AFRICA	CHINA	INDIA	OTHER	TOTAL
Gross assets:													
Balances at 1 January 2009	29,463	140,914	27,254	71,546	74,979	283,286	494,301	2,668	79,272	20,726	62,890	14,339	1,301,640
Changes in the consolidation perimeter	-	1,541	-	-	-	-	-	-	-	-	-	(2,479)	(938)
Currency translation adjustments	-	-	-	-	(1,944)	(1,118)	92,019	(91)	17,843	(681)	1,443	215	107,685
Additions	-	826	-	-	-	-	-	-	-	-	-	322	1,147
Transfers	(2,459)	(14,835)	-	-	-	-	-	-	-	(976)	(14,381)	-	(32,652)
Balances at 1 January 2010	27,004	128,446	27,254	71,546	73,035	282,168	586,320	2,578	97,115	19,069	49,952	12,397	1,376,883
Changes in the consolidation perimeter	-	202	-	-	-	-	-	-	-	-	-	-	202
Currency translation adjustments	-	-	-	-	1,301	11,631	53,960	201	19,763	1,766	6,087	323	95,032
Sales	-	(737)	-	-	-	-	-	-	-	-	-	-	(737)
Transfers	-	(1,519)	-	-	-	-	-	-	-	-	-	-	(1,519)
Balances at 31 December 2010	27,004	126,392	27,254	71,546	74,336	293,799	640,280	2,779	116,877	20,836	56,039	12,720	1,469,861
Accumulated impairment losses:													
Balances at 1 January 2009	601	-	24,031	-	-	-	-	-	-	-	-	-	24,632
Balances at 1 January 2010	601	-	24,031	-	-	-	-	-	-	-	-	-	24,632
Balances at 31 December 2010	601	-	24,031	-	-	-	-	-	-	-	-	-	24,632
Carrying amount:													
As at 31 December 2009	**26,403**	**128,446**	**3,223**	**71,546**	**73,035**	**282,168**	**586,320**	**2,578**	**97,115**	**19,069**	**49,952**	**12,397**	**1,352,251**
As at 31 December 2010	**26,403**	**126,392**	**3,223**	**71,546**	**74,336**	**293,799**	**640,280**	**2,779**	**116,877**	**20,836**	**56,039**	**12,720**	**1,445,229**

Goodwill is subject to impairment tests annually and whenever there are indications of possible impairment.

The impairment tests are made based on the recoverable amounts of each of the corresponding business segments (Note 2.3.).

The transfers of the value of goodwill that occurred in the financial years ended 31 December 2010 and 2009 result from the conclusion of processes to allocate the purchase value of the net assets of acquired businesses, as part of business combination processes.

For impairment test purposes, considering the financial statement structure adopted for management purposes, goodwill is distributed by groups of cash generating units corresponding to each operating segment (Note 7), due to the existence of synergies between the units of each segment.

The recoverable value of each group of cash-generating units is compared, in the tests performed, with the respective book value. An impairment loss is only recognised when the book value exceeds the higher of the value in use and transaction value. For the value in use, the future cash flows after taxes are discounted based on the weighted average cost of capital ("WACC"), after taxes, adjusted for the specific risks of each market.

The cash flow projections are based on the medium and long term business plans approved by the Board of Directors, plus perpetuity.

The determination of the value in use was based on discounted cash flows calculated in local currency, using the corresponding WACC and perpetuities rates, as follows:

		2010			2009		
SEGMENTS	CURRENCY	GOODWILL	ACTUALIZATION RATE	LONG TERM GROWTH RATE	GOODWILL	ACTUALIZATION RATE	LONG TERM GROWTH RATE
Portugal	EUR	26,403	7.1%	1.4%	26,403	6.3%	1.4%
Spain	EUR	126,392	6.2%	2.0%	128,446	6.2%	1.4%
Morocco	MAD	3,223	8.1%	2.5%	3,223	7.7%	3.2%
Tunisia	TND	71,546	8.2%	2.5%	71,546	7.1%	3.4%
Egypt	EGP	74,336	9.5%	4.0%	73,035	8.0%	6.4%
Turkey	TRY	293,799	10.0%	4.0%	282,168	8.4%	4.9%
Brazil	BRL	640,280	8.3%	2.0%	586,320	7.2%	4.1%
Mozambique	MZM	2,779	11.1%	2.5%	2,578	10.0%	7.0%
South Africa	ZAR	116,877	7.5%	2.5%	97,115	6.7%	5.0%
China	CNY	20,836	7.0%	2.5%	19,069	6.6%	3.5%
India	INR	56,039	8.9%	3.0%	49,952	7.2%	5.0%
Other		12,720	8.3% and 11.5%	2.0% and 2.5%	12,397	10.2%	2.0%
		1,445,229			**1,352,251**		

The Group has examined the impact that a change of 50 basis points in actualization rates or in long-term growth rates would have on the recoverable value of the assets of each business area and in no event have been identified that such a change would result in an excessive book value compared to the recoverable amount.

17. INTANGIBLE ASSETS

The changes in intangible assets and corresponding accumulated amortisation and impairment losses in Group in the years ended 31 December 2010 and 2009 were as follows:

	INDUSTRIAL PROPERTY AND OTHER RIGHTS	INTANGIBLE ASSETS IN PROGRESS	TOTAL
Gross assets:			
Balances at 1 January 2009	58,255	330	58,585
Changes in the consolidation perimeter	(3)		(3)
Currency translation adjustments	769	(7)	761
Additions	18,315	407	18,722
Sales	(4)		(4)
Write-offs	(97)	(4)	(100)
Transfers	16,403		16,403
Balances at 1 January 2010	93,639	726	94,364
Changes in the consolidation perimeter	6,354		6,354
Currency translation adjustments	2,849	22	2,871
Additions	7,291	369	7,660
Write-offs	(1,368)		(1,368)
Transfers	(3,180)	(237)	(3,417)
Balance at 31 December 2010	105,585	880	106,465
Accumulated amortisation and impairment losses:			
Balances at 1 January 2009	16,055		16,055
Changes in the consolidation perimeter	(2)		(2)
Currency translation adjustments	729		729
Increases	7,760		7,760
Write-offs	(96)		(96)
Transfers	274		274
Balances at 1 January 2010	24,719		24,719
Currency translation adjustments	1,040		1,040
Increases	11,257		11,257
Write-offs	(999)		(999)
Transfers	515		515
Balance at 31 December 2010	36,532		36,532
Carrying amount:			
As at 31 December 2009	**68,920**	**726**	**69,645**
As at 31 December 2010	**69,053**	**880**	**69,933**

The "Industrial property and other rights" caption mainly includes contractual rights, land surface rights and licences, including the use of software.
In the years ended 31 December 2010 and 2009, the transfers, essentially, result from the attributing of fair values to assets acquired in business combination processes.

For the **Company**, in the years ended 31 December 2010 and 2009, the changes in intangible assets and corresponding accumulated amortisation and impairment losses were as follows:

	INDUSTRIAL PROPERTY AND OTHER RIGHTS
Gross assets:	
Balances at 1 January 2009	900
Restatement adjustments	24
Balances at 1 January 2009, restated	923
Additions	8,733
Balances at 1 January 2010	9,656
Balances at 31 December 2010	9,656
Accumulated amortisation and impairment losses:	
Balances at 1 January 2009	360
Restatement adjustments	24
Balances at 1 January 2009, restated	384
Additions	1,994
Balances at 1 January 2010	2,377
Additions	3,168
Balances at 31 December 2010	5,545
Carrying amount:	
As at 31 December 2009	**7,279**
As at 31 December 2010	**4,111**

18. TANGIBLE ASSETS

The **Group** changes in tangible assets, corresponding accumulated depreciation and impairment losses in the years ended 31 December 2010 and 2009 were as follows:

	LAND	BUILDINGS AND OTHER CONSTRUCTIONS	BASIC EQUIPMENT	TRANSPORTATION EQUIPMENT	ADMINISTRATIVE EQUIPMENT	TOOLS AND DIES	OTHER TANGIBLE ASSETS	TANGIBLE ASSETS IN PROGRESS	ADVANCE TO SUPPLIERS OF TANGIBLE ASSETS	TOTAL
Gross assets:										
Balances at 1 January 2009	349,659	744,553	2,922,537	107,147	59,010	12,281	11,094	185,973	116,642	4,508,895
Changes in the consolidation perimeter	(449)	(1,769)	(4,370)	898	(10)	-	(62)	24	-	(5,739)
Currency translation adjustments	14,034	28,006	136,837	7,846	2,470	112	(39)	7,985	1,347	198,598
Additions	13,077	28,333	59,635	8,907	2,523	476	882	75,195	33,345	222,374
Sales	(858)	(2,267)	(4,856)	(7,428)	(280)	(95)	(2)	(663)	-	(16,447)
Write-offs	(11,529)	(1,113)	(810)	(2,542)	(2,548)	(21)	(427)	(1,100)	(12)	(20,103)
Transfers	53,527	122,406	264,225	13,252	3,136	713	774	(136,215)	(141,186)	180,633
Balances at 1 January 2010	417,462	918,148	3,373,198	128,081	64,300	13,465	12,221	131,199	10,136	5,068,211
Changes in the consolidation perimeter	1,815	81	677	16	5	-	-	2,912	-	5,506
Currency translation adjustments	11,664	37,618	160,878	7,534	2,446	385	42	12,093	702	233,362
Additions	1,683	9,362	18,332	2,906	868	181	1,011	104,458	21,238	160,040
Sales	(505)	(998)	(7,827)	(13,976)	(782)	(64)	(131)	-	(411)	(24,693)
Write-offs	(622)	(1,275)	(13,691)	(831)	(9,504)	(91)	(123)	(73)	(2,338)	(28,548)
Transfers	14,236	41,555	98,171	2,788	232	194	79	(130,415)	(16,891)	9,949
Balances at 31 December 2010	**445,734**	**1,004,490**	**3,629,738**	**126,519**	**57,565**	**14,071**	**13,099**	**120,174**	**12,438**	**5,423,828**

Accumulated depreciation and impairment losses:										
Balances at 1 January 2009	52,989	360,206	1,952,127	70,315	49,683	9,473	6,177	-	-	2,500,969
Changes in the consolidation perimeter	-	(26)	(702)	270	(5)	-	(6)	-	-	(468)
Currency translation adjustments	836	12,149	97,594	4,679	1,937	57	(26)	-	-	117,225
Increases	6,200	39,277	156,483	11,332	3,374	781	1,049	-	-	218,496
Decreases	-	(1,564)	(3,830)	(5,761)	(275)	(91)	(1)	-	-	(11,524)
Write-offs	(2,538)	(274)	(645)	(2,326)	(2,486)	(21)	(360)	-	-	(8,650)
Transfers	(5,408)	20,130	100,023	7,360	1,700	541	44	-	-	124,389
Balances at 1 January 2010	52,079	429,899	2,301,049	85,869	53,927	10,740	6,875	-	-	2,940,438
Currency translation adjustments	571	13,067	107,108	4,894	1,904	248	30	-	-	127,821
Increases	5,136	40,002	146,394	8,772	3,441	358	1,026	-	-	205,130
Decreases	-	(304)	(6,321)	(8,047)	(756)	(60)	(23)	-	-	(15,511)
Write-offs	(379)	(1,062)	(11,132)	(714)	(9,430)	(90)	(27)	-	-	(22,833)
Transfers	226	21	4,480	(3,600)	(668)	(1)	(2)	-	-	456
Balances at 31 December 2010	**57,633**	**481,623**	**2,541,577**	**87,174**	**48,419**	**11,195**	**7,879**	**-**	**-**	**3,235,500**
Carrying Amount										
As at 31 December 2009	**365,383**	**488,249**	**1,072,149**	**42,212**	**10,373**	**2,726**	**5,345**	**131,199**	**10,136**	**2,127,773**
As at 31 December 2010	**388,100**	**522,868**	**1,088,161**	**39,345**	**9,146**	**2,876**	**5,221**	**120,174**	**12,438**	**2,188,328**

The value of the operating land was increased to reflect the estimated future cost of environmental recovery and rehabilitation of the land, which also increased liabilities.

The additions during the financial years ended on 31 December 2010 and 2009 include 436 thousand euros and 4,536 thousand euros, respectively, of financial costs related to loans contracted to finance the construction of qualifying assets.

Tangible assets in progress in the year ended 31 December 2010 include the construction and improvement of installations and equipment of the cement sector of several production units, essentially in the Brazil, Spain, Mozambique and Portugal business areas.

In the year ended 31 December 2009, write offs include the effect of updating the estimates of landscape recovery of quarries in the Brazil and Morocco business areas, amounting to 11,529 thousand euros and transfers made in the same year include the effect of the conclusion of the processes to attribute the purchase value of business activities.

The changes in tangible assets, corresponding depreciation and impairment losses in the years ended 31 December 2010 and 2009 for the **Company** were as follows:

	LAND	BUILDINGS AND OTHER CONSTRUCTIONS	BASIC EQUIPMENT	TRANSPORTATION EQUIPMENT	ADMINISTRATIVE EQUIPMENT	TANGIBLE ASSETS IN PROGRESS	TOTAL
Gross assets:							
Balances at 1 January 2009	2,409	8,950	3,095	378	5,346	-	20,178
Restatement adjustments (Note 51)	-	-	-	-	(24)	-	(24)
Balances at 1 January 2009, restated	2,409	8,950	3,095	378	5,323	-	20,155
Additions	-	-	-	252	1	2	255
Write-offs	-	-	-	-	(380)	-	(380)
Balances at 1 January 2010	2,409	8,950	3,095	630	4,943	2	20,029
Additions	-	7	-	312	26	4	348
Sales	-	-	-	(66)	-	-	(66)
Write-offs	-	-	(17)	-	-	-	(17)
Balances at 31 December 2010	**2,409**	**8,957**	**3,078**	**876**	**4,969**	**5**	**20,295**

Accumulated depreciation and impairment losses:							
Balances at 1 January 2009	-	5,522	3,068	226	5,031	-	13,847
Restatement adjustments (Note 51)	-	-	-	-	(24)	-	(24)
Balances at 1 January 2009, restated	-	5,522	3,068	226	5,007	-	13,823
Increases	-	181	4	135	2	-	322
Write-offs	-	-	-	-	(380)	-	(380)
Balances at 1 January 2010	-	5,703	3,073	361	4,628	-	13,765
Increases	-	181	4	144	6	-	336
Decreases	-	-	-	(17)	-	-	(17)
Write-offs	-	-	(17)	-	-	-	(17)
Balances at 31 December 2010	**-**	**5,884**	**3,061**	**488**	**4,634**	**-**	**14,067**
Carrying amount:							
As at 31 December 2009	**2,409**	**3,247**	**22**	**269**	**315**	**2**	**6,265**
As at 31 December 2010	**2,409**	**3,073**	**18**	**387**	**335**	**5**	**6,228**

19. INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

The breakdown of Company investments in subsidiaries and associates and its respective equity values in 31 December 2010 and 2009, and its net profit for the years ended in such dates were as follows:

		2010				2009			
NAME	COUNTRY	OWNERSHIP PERCENTAGE	SHAREHOLDERS' EQUITY	NET PROFIT	BALANCE VALUE	OWNERSHIP PERCENTAGE	SHAREHOLDERS' EQUITY	NET PROFIT	BALANCE VALUE
Cimpor Inversiones, S.A.	Spain	100	846,814	223,616	641,444	100	884,582	107,072	641,444
Cimpor Portugal, SGPS, S.A.	Portugal	100	261,225	77,918	438,480	100	365,301	91,873	438,480
Cimpor Reinsurance, S.A.	Luxembourg	95	13,624	(698)	10,855	95	14,321	(393)	10,855
Kandmad, SGPS, S.A.	Portugal	100	8,150	43	9,000	-	-	-	-
Cimpor - Serviços de Apoio e Gestão de Empresas, S.A.	Portugal	100	1,469	9	1,900	-	-	-	-
Cimpor Tec - Engenharia e Serviços Técnicos de Apoio ao Grupo, S.A.	Portugal	100	785	345	1,573	100	2,114	690	1,573
Cimpor Financial Operations, B.V.	Netherlands	100	2,608	593	1,373	100	5,114	641	4,473
Cement Services Company, S.A.E.	Egypt	45	191	77	137	45	53	16	137
Cimpor Egypt For Cement Company, S.A.E.	Egypt	0.00187894	339,596	1,312	6	0.00187894	325,551	3,979	6
Cimpor Ybitas Cimento A.S.	Turkey	0.0000000004	195,479	(2,289)	-	0.0000000004	170,384	(9,850)	-
Cimpor Yibitas Beynelmilel Nakliyecilik A.S.	Turkey	0.00000010	268	1	-	0.00000010	411	27	-
TOTAL			**1,670,207**	**300,928**	**1,104,768**		**1,767,832**	**194,056**	**1,096,967**

The changes in **Company** investments in subsidiaries and associates in the years ended 31 December 2010 and 2009 were as follows:

Gross investment:	
Balances at 31 December 2009	1,096,967
Increases	10,900
Decreases	(3,099)
Balances at 31 December 2010	**1,104,768**

In the year ended 31 December 2010, the increases refer to the acquisitions from group companies of: i) 100% of the share capital of Kandmad, SGPS, S.A. for a total amount of 9,000 thousand euros; ii) and 100% of the share capital of Cimpor – Serviços de Apoio e Gestão de Empresas, S.A., of 1,900 thousand euros. In the same year, the decreases correspond to the repayment of supplementary share capital by Cimpor Financial Operations, B.V. in the amount of 3,099 thousand euros.

In the **Group**, the changes in investments in subsidiaries and associates in the years ended 31 December 2010 and 2009 were as follows:

	INVESTMENT	GOODWILL	TOTAL
Balances at 1 January 2009	84,057	13,606	97,663
Changes in the consolidation perimeter	60	30	90
Currency translation adjustments	4	-	4
Equity method effect:			
On profit (Note 12)	156	-	156
Dividends received	(666)	-	(666)
Acquisitions and increases	3,100	-	3,100
Transfers	(69,137)	(6,219)	(75,356)
Balances at 1 January 2010	**17,575**	**7,416**	**24,992**
Currency translation adjustments	3	-	3
Equity method effect:			
On profit (Note 12)	(964)	-	(964)
On shareholders' equity	21	-	21
Dividends received	(969)	-	(969)
Balances at 31 December 2010	**15,666**	**7,416**	**23,083**

In the year ended 31 December 2009, the transfers relate to the reclassification under IFRS 5 as non-current assets held for sale of the Group's shareholding in C+PA and Cementos Del Marquesado, S.A. (Note 21) and to the effect of purchase price allocation to assets acquired by subsidiaries.

The breakdown of **Group** investment in associates at 31 December 2010 and 2009 is as follows:

	2010	2009
Arenor, S.L.	10,069	11,502
Cementos Antequera, S.A.	9,699	9,762
Setefrete, SGPS, S.A.	3,269	3,592
Companhia de Mineração Candiota	22	19
Agueiro, S.A.	21	90
Hormigones Miranda Celanova, S.A.	3	26
	23,083	**24,992**

Financial information on associates of the **Group** as of 31 December 2010 and 2009 is as follows:

	2010	2009
Total assets	113,914	135,421
Total liabilities	(47,366)	(62,086)
Total shareholders' equity	**66,548**	**73,335**
Group's share of shareholders' equity	**23,083**	**24,992**
Sales and services rendered	47,124	43,136
Net profit for the year	(3,003)	(69)
Group's share of net profit for the year	**(964)**	**156**

20. OTHER INVESTMENTS

The changes in "Other investments" in the scope of IAS 39 for the years ended 31 December 2010 and 2009 were as follows:

	GROUP					COMPANY
	AVAILABLE-FOR-SALE FINANCIAL ASSETS		FINANCIAL ASSETS AT FAIR-VALUE THROUGH PROFIT AND LOSS	HELD TO MATURITY FINANCIAL ASSETS	TOTAL	AVAILABLE-FOR-SALE FINANCIAL ASSETS
	COST	FAIR VALUE				COST
Gross investment:						
Balances at 1 January 2009	10,352	4,096	3,029	119,801	137,277	4,124
Currency translation adjustments	128	-	(1)	14,476	14,602	-
Revaluation/adjustments	-	(227)	1,135	-	908	-
Increases	257	-	-	124	380	-
Transfers	(87)	-	(97)	97	(87)	-

	GROUP					COMPANY
	AVAILABLE-FOR-SALE FINANCIAL ASSETS		FINANCIAL ASSETS AT FAIR-VALUE THROUGH PROFIT AND LOSS	HELD TO MATURITY FINANCIAL ASSETS	TOTAL	AVAILABLE-FOR-SALE FINANCIAL ASSETS
	COST	FAIR VALUE				COST
Sales	(2,227)	-	-	(134,273)	(136,501)	-
Balances at 1 January 2010	8,422	3,869	4,066	224	16,580	4,124
Currency translation adjustments	225	-	-	22	247	-
Revaluation/adjustments	-	(83)	599	-	516	-
Increases	3,014	-	-	-	3,014	14
Transfers	-	-	-	(246)	(246)	-
Sales	(1,802)	-	-	-	(1,802)	-
Balances at 31 December 2010	**9,859**	**3,785**	**4,665**	**-**	**18,310**	**4,138**
Impairment losses:						
Balances at 1 January 2009	5,882	-	-	-	5,882	4,051
Increases	759	-	-	-	759	-
Balances at 1 January 2010	6,642	-	-	-	6,642	4,051
Sales	(1,775)	-	-	-	(1,775)	-
Balances at 31 December 2010	**4,867**	**-**	**-**	**-**	**4,867**	**4,051**
Carrying amount:						
As at 31 December 2009	**1,780**	**3,869**	**4,066**	**224**	**9,939**	**73**
As at 31 December 2010	**4,992**	**3,785**	**4,665**	**-**	**13,443**	**87**

In this caption are included: (i) the available-for-sale financial assets, measured at fair value, both at acquisition cost, when there's no market price quoted in an active market and which value cannot be measured in a reliable way, adjusted with any estimated impairment losses; (ii) financial assets at fair value through profit and loss, which comprise, essentially, a portfolio of investment funds; and (iii) financial assets held to maturity.

In 2009, the Group sold the debt instrument classified under financial assets held to maturity issued by the Republic of Austria maturing in 2011, which was resulted on a loss of 8,370 thousand euros (Note 12) which was recognized under the item "Investment income - Losses on investment".

21. NON-CURRENT ASSETS HELD FOR SALE

Non-current assets held for sale as of 31 December 2010, correspond to the Group's shareholding in C+PA of 34,000 thousand euros, which amount is expected to be recovered through sale. Although it has been more than a year since the reclassification of this investment to this category, the procedural complexity together with the nature of the asset and the negotiation process, led to the fact that it was not yet possible to conclude this process, being in progress the corresponding arrangements. During the year ended 31 December 2010, the investment in C+PA was reduced from 47,200 thousand euros to 34,000 thousand euros, due to the recording of an impairment loss of 13,200 thousand euros (Note 12), as a result of the updating of the estimated recoverable amount of that asset considering its corresponding book value as basis for the calculation.

The shareholding position on Cementos Del Marquesado, S.A. classified as non-current assets held for sale at 31 December 2009 for 11,056 thousand euros, has been sold during the last quarter of 2010 without impact on the Group's net assets.

22. ACCOUNTS RECEIVABLE - OTHER

This caption at 31 December 2010 and 2009 was made up as follows:

	GROUP				COMPANY			
	2010		2009		2010		2009	
	CURRENT	NON-CURRENT	CURRENT	NON-CURRENT	CURRENT	NON-CURRENT	CURRENT	NON-CURRENT
Subsidiaries, associated and participated companies	1,737	478	1,214	1,475	85,907	-	3,701	-
Other shareholders	901	385	784	385	-	-	-	-
Advances to suppliers of fixed assets	58	-	128	-	-	-	-	-
Other debtors	24,579	12,274	29,013	10,684	365	334	373	330
	27,275	13,137	31,139	12,544	86,272	334	4,074	330
Accumulated impairments	(2,562)	(641)	(2,284)	(672)	(283)	(328)	(283)	(328)
	24,713	**12,496**	**28,855**	**11,871**	**85,989**	**7**	**3,791**	**2**

Other debtors include the accounts receivable through the disposals of tangible fixed assets and accounts receivable resulting from supplementary income (Note 8).

In the years ended 31 December 2010 and 2009, those accounts receivable ageing were as follow:

	GROUP				COMPANY			
	2010		2009		2010		2009	
	CURRENT	NON-CURRENT	CURRENT	NON-CURRENT	CURRENT	NON-CURRENT	CURRENT	NON-CURRENT
Undue balances	20,939	12,310	25,659	11,685	85,971	7	3,772	2
Due balances:								
Up to 180 days	2,820	-	1,988	-	-	-	-	-
From 180 to 360 days	1,384	178	272	-	-	-	-	-
More than 360 days	2,131	649	3,219	859	301	328	301	328
	27,275	**13,137**	**31,139**	**12,544**	**86,272**	**334**	**4,074**	**330**

The recognized impairments represent the estimated loss on the accounts receivable, as a result of the credit risk analysis, after deducting the amounts covered by credit insurance and other warranties.

Impairments to accounts receivable - other

In the years ended 31 December 2010 and 2009 the changes in this caption were as follows:

	GROUP	COMPANY
Balances at 1 January 2009	2,714	611
Currency translation adjustments	(49)	-
Increases (Note 11)	127	-
Decreases (Note 8)	(55)	-
Utilisations	(124)	-
Transfers	343	-
Balances at 1 January 2010	2,956	611
Currency translation adjustments	101	-
Increases (Note 11)	705	-
Decreases (Note 8)	(559)	-
Transfers	(1)	-
Balances at 31 December 2010	**3,203**	**611**

Increases and decreases in these impairments are recognized in the consolidated statement of comprehensive income in captions 'Other operating expenses' and 'Other operating income', respectively.

23. TAXES RECOVERABLE AND TAXES PAYABLE

Taxes recoverable and taxes payable at 31 December 2010 and 2009 were as follows:

	GROUP				COMPANY	
	2010		2009		2010	2009
	CURRENT	NON-CURRENT	CURRENT	NON-CURRENT	CURRENT	CURRENT
Taxes recoverable:						
Corporate income tax	14,971	-	14,376	-	5,919	6,612
Personal income tax	7,765	-	6,010	-	30	30
Value added tax	34,940	8,467	30,148	6,826	77	-
Social security contributions	3	-	3	-	-	-
Other	2,613	25,384	2,123	21,207	-	-
	60,292	**33,851**	**52,660**	**28,033**	**6,026**	**6,642**

	GROUP				COMPANY	
	2010		2009		2010	2009
	CURRENT	NON-CURRENT	CURRENT	NON-CURRENT	CURRENT	CURRENT
Taxes payable:						
Corporate income tax	8,445	-	6,825	-	-	22
Personal income tax	4,558	-	4,216	-	132	125
Value added tax	19,064	521	15,131	984	-	88
Social security contributions	4,619	-	4,909	-	92	99
Other	7,479	-	6,015	-	-	-
	44,166	**521**	**37,096**	**984**	**224**	**334**

In the years ended 31 December 2010 and 2009, non-current recoverable taxes in the caption 'Other', include a judicial deposit in the amount of 40 million Brazilian reais (18,101 thousand euros and 15,984 thousand euros), respectively, made by a subsidiary in the Brazilian business area, due to a judicial divergence in relation with the relevant applicable tax rate. To address this dispute, the Group has established a liability under Provisions for other contingencies (Note 36) corresponding to the amount of the referred deposit, though it is not foreseen that the settlement of this situation will result in negative equity impacts.

In accordance with the Article No. 21 of Decree-Law No. 411/91 of 17 October, the Company has no outstanding debt to tax or social security authorities.

24. OTHER CURRENT AND NON-CURRENT ASSETS

Other current and non-current assets at 31 December 2010 and 2009 were as follows:

	GROUP				COMPANY	
	2010		2009		2010	2009
	CURRENT	NON-CURRENT	CURRENT	NON-CURRENT	CURRENT	CURRENT
Accrued interest	1,560	-	1,029	-	35	14
Derivative financial instruments (Note 39)	15,187	3,300	19,349	10,266	-	-
Leases (a)	2,098	18,495	1,409	21,462	-	-
Employee benefits (Note 34)	118	-	58	-	-	-
Insurances	1,185	6	373	-	27	30
Other deferred costs and accrued income	2,167	418	3,694	460	227	77
	22,314	**22,218**	**25,912**	**32,188**	**289**	**121**

(a) Includes a lease contract of land for aggregate extraction in Spain business area.

25. DEFERRED TAXES

The changes in **Group** deferred taxes in the years ended 31 December 2010 and 2009 were as follows:

	INTANGIBLE ASSETS	GOODWILL	TANGIBLE ASSETS	TAX LOSSES CARRIED FORWARD	PROVISIONS FOR RISKS AND CHARGES	DOUBTFUL ACCOUNTS	INVENTORIES	INVESTMENTS	AVAILABLE-FOR-SALE FINANCIAL ASSETS	OTHER	TOTAL
Deferred tax assets:											
Balances at 1 January 2009	530	32,226	9,368	17,711	20,563	1,590	1,567	774	-	18,711	103,039
Changes in the consolidation perimeter	-	-	-	(84)	-	-	-	-	-	-	(84)
Currency translation adjustments	75	8,540	1,659	848	2,788	(46)	(56)	4	-	738	14,548
Income tax (Note 13)	(110)	(7,857)	753	7,441	4,151	46	349	37	-	(14,882)	(10,071)
Shareholders' equity (Note 13)	-	-	-	(55)	1,537	-	-	-	-	(2,232)	(750)
Transfers	-	-	70	561	(16)	-	9	-	-	-	624
Balances at 1 January 2010	495	32,909	11,850	26,421	29,023	1,589	1,868	815	-	2,335	107,305
Changes in the consolidation perimeter	-	-	-	8	98	-	-	-	-	-	106
Currency translation adjustments	34	3,861	998	776	2,204	33	12	4	-	176	8,098
Income tax (Note 13)	(114)	(8,570)	470	19,611	(769)	(367)	3	(32)	-	1,041	11,273
Shareholders' equity (Note 13)	-	-	-	(1,796)	2,363	-	-	-	-	-	567
Transfers	-	-	-	1,586	-	-	-	-	-	-	1,586
Balances at 31 December 2010	**414**	**28,200**	**13,318**	**46,606**	**32,919**	**1,255**	**1,883**	**787**	**-**	**3,552**	**128,935**
Deferred tax liabilities:											
Balances at 1 January 2009	7,878	38,646	138,525	-	4,423	-	-	-	106	7,809	197,388
Currency translation adjustments	(86)	3,894	370	-	367	-	-	-	-	1,972	6,517
Income tax (Note 13)	(244)	2,903	(5,251)	-	6,155	-	-	4,292	-	(318)	7,536
Shareholders' equity (Note 13)	-	-	-	-	(27)	-	-	-	(60)	-	(87)
Transfers	351	-	22,044	-	-	-	-	-	-	104	22,499
Balances at 1 January 2010	7,899	45,443	155,688	-	10,918	-	-	4,292	46	9,567	233,853
Currency translation adjustments	131	2,620	5,815	-	732	-	-	-	-	1,634	10,931
Income tax (Note 13)	(261)	2,854	3,795	-	1,310	-	-	13,149	-	3,131	23,979
Shareholders' equity (Note 13)	-	-	-	-	128	-	-	-	(20)	-	108
Transfers	1,430	-	2,499	-	-	-	-	-	-	-	3,929
Balances at 31 December 2010	**9,198**	**50,918**	**167,797**	**-**	**13,087**	**-**	**-**	**17,441**	**26**	**14,332**	**272,800**
Carrying amount:											
As at 31 December 2009	**(7,404)**	**(12,534)**	**(143,838)**	**26,421**	**18,105**	**1,589**	**1,868**	**(3,476)**	**(46)**	**(7,233)**	**(126,548)**
As at 31 December 2010	**(8,784)**	**(22,718)**	**(154,479)**	**46,606**	**19,832**	**1,255**	**1,883**	**(16,654)**	**(26)**	**(10,780)**	**(143,865)**

The deferred tax assets are recorded directly on shareholders' equity when the situations that have originated them have similar impact, namely:

- The deferred tax assets and liabilities arising from provisions, resulting from the tax effect associated to the actuarial gains and losses recorded directly in Reserves;
- The deferred tax liabilities related to Available-for-sale financial assets, resulted from its valuations to market values, which are recorded on Fair value reserve (Note 31).

Temporary differences originating deferred taxes are influenced by the allocation of fair values, without tax base, to assets and liabilities acquired in business combination processes, with significant impact on tangible assets and, for most types, differences in valuation and the accounting policies between the accounting basis of assets and liabilities of the Group companies and the corresponding tax base.

At 31 December 2010 the Group had tax losses carried forward of 152,914 thousand euros (2009: 96,621 thousand euros) for deduction from future tax profits; deferred tax assets of 46,606 thousand euros was recognised (2009: 26,421 thousand euros). Deferred tax assets of 6,496 thousand euros (2009: 6,281 thousand euros) have not been recognised due to the uncertainty as to their recovery, of which 1,521 thousand euros expire in 2011.

Deferred tax assets were recognized as it is probable that future taxable profits will occur, which could be used to recover fiscal losses and temporary differences. This evaluation was performed in accordance with the Group's entities business plans, periodically reviewed and updated.

The changes in **Company's** deferred taxes in the years ended 31 December 2010 and 2009 were as follows:

	TANGIBLE ASSETS	DOUBTFUL ACCOUNTS	OTHERS	TOTAL
Deferred tax assets:				
Balances at 1 January 2009	-	284	8	292
Restatement adjustments	371	-	19	390
Balances at 1 January 2009, restated	371	284	27	682
Income tax (Note 13)	26	(10)	2	17
Balances at 1 January 2010	397	274	29	699
Income tax (Note 13)	(10)	13	(4)	(2)
Balances at 31 December 2010	386	287	25	698
Deferred tax liabilities:				
Balances at 1 January 2009	274	-	-	274
Restatement adjustments	-	-	-	-
Balances at 1 January 2009, restated	274	-	-	274
Income tax (Note 13)	(13)	-	8	(5)
Balances at 1 January 2010	261	-	8	269
Income tax (Note 13)	(13)	-	(2)	(15)
Balances at 31 December 2010	247	-	6	254
Carrying amount:				
As at 31 December 2009	**136**	**274**	**21**	**431**
As at 31 December 2010	**139**	**287**	**18**	**444**

26. INVENTORIES

Group inventories at 31 December 2010 and 2009 were as follows:

	2010	2009
Raw, subsidiary and consumable materials	263,826	214,240
Work in process	74,394	57,199
Finished and semi-finished products	24,771	23,658
Merchandise	9,110	8,170
Advances on purchases	200	912
	372,301	304,179
Accumulated impairments	(10,293)	(9,879)
	362,008	**294,300**

Inventory impairments

The changes in Group inventories adjustments in the years ended 31 December 2010 and 2009 were as follows:

Balances at 1 January 2009	8,929
Currency translation adjustments	62
Increases (Note 11)	1,204
Decreases (Note 8)	(163)
Utilisations	(154)
Balances at 1 January 2010	9,879
Currency translation adjustments	459
Increases (Note 11)	1,382
Decreases (Note 8)	(1,366)
Utilisations	(150)
Transfers	90
Balances at 31 December 2010	**10,293**

Increases and decreases in these impairments are recognized in the consolidated statement of comprehensive income in captions 'Other operating expenses' and 'Other operating income', respectively.

27. ACCOUNTS RECEIVABLE - TRADE

This caption at 31 December 2010 and 2009 was as follows:

	GROUP		COMPANY	
	2010	2009	2010	2009
Trade receivables	217,468	206,963	453	-
Notes receivable - trade	46,705	47,146	-	-
Doubtful trade accounts receivable	67,207	72,780	2,592	2,894
Advances to suppliers	16,739	6,742	24	24
	348,119	333,631	3,069	2,917
Acummulated impairments	(63,760)	(69,429)	(2,592)	(2,892)
	284,359	**264,202**	**476**	**26**

Impairments to accounts receivable - trade

During the years ended 31 December 2010 and 2009, the changes in this caption were as follows:

	GROUP	COMPANY
Balances at 1 January 2009	59,954	3,143
Changes in the consolidation perimeter	185	-
Currency translation adjustments	206	-
Increases (Note 11)	13,065	-
Decreases (Note 8)	(4,253)	(81)
Utilisations	(2,121)	(170)
Transfers	2,393	-
Balances at 1 January 2010	69,429	2,892
Currency translation adjustments	709	-
Increases (Note 11)	8,305	39
Decreases (Note 8)	(6,392)	(90)
Utilisations	(8,244)	(250)
Transfers	(48)	-
Balances at 31 December 2010	**63,760**	**2,592**

Increases and decreases in these impairments are recognized in the consolidated statement of comprehensive income in captions 'Other operating expenses' and 'Other operating income', respectively.

The transfers in the year ended 31 December 2009 result from the conclusion of processes to allocate the purchase value of the net assets of acquired businesses, as part of business combination processes.

In the years ended 31 December 2010 and 2009, the ageing of this caption, was as follows:

	GROUP		COMPANY	
	2010	2009	2010	2009
Undue balances	179,485	189,085	-	3
Due balances:				
Up to 180 days	96,733	65,788	454	-
From 180 to 360 days	13,491	7,430	4	-
More than 360 days	58,409	71,328	2,611	2,915
	348,119	**333,631**	**3,069**	**2,917**

The book value of the accounts receivable is close to its fair value.

The Group does not have a significant concentration of credit risk, as the risk is spread over a broad range of trade and other debtors. The recognized impairments represent the estimated loss on the accounts receivable, as a result of the credit risk analysis, after deducting the amounts covered by credit insurance and other warranties.

28. SHARE CAPITAL

The Company's fully subscribed and paid up capital at 31 December 2010 consisted of 672,000,000 privatized shares, listed on Euronext Lisbon market, with a nominal value of one euro each.

The official qualifying shareholders are disclosed in the appendix to these financial statements.

29. 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.

At 31 December 2010 and 2009 Cimpor had 6,864,657 and 7,974,587 treasury shares, respectively.

The changes in treasury shares in the years ended 31 December 2010 and 2009 were as follows:

	QUANTITY	VALUE
Balances at 1 January 2009	8,476,832	(41,640)
Treasury shares sale	(502,245)	1,735
Balances at 1 January 2010	7,974,587	(39,905)
Treasury shares sale	(1,109,930)	6,919
Balances at 31 December 2010	**6,864,657**	**(32,986)**

The sales on the years ended 31 December 2010 and 2009 results from the disposals made in compliance with share purchase options plans (Note 35).

30. CURRENCY TRANSLATION ADJUSTMENTS AND HEDGES

Exchange translation adjustments result from the translation to euro of the foreign currency financial statements of subsidiaries included in the consolidation. In addition, this caption includes the effect of derivative financial instruments contracted to hedge investments in foreign entities (Note 39), to the extent that they comply with the criteria defined in IAS 39, as regards formalization and efficiency of the hedge.

The changes in this caption in the years ended 31 December 2010 and 2009 were as follows:

Balances at 1 January 2009	(149,706)
Currency translation adjustments	208,293
Balances at 1 January 2010	58,587
Currency translation adjustments	197,750
Balances at 31 December 2010	**256,337**

Changes in currency translation adjustments are significantly influenced by the impact of currency appreciation of the Brazilian real against the euro in the transposition of assets denominated in that currency, amounting to 106,366 thousand euros in 2010 and 187,064 thousand euros in 2009.

No derivative instruments for the purpose of hedging investment in foreign entities were contracted during the financial years ended on 31 December 2010 and 2009.

31. RESERVES

This caption at 31 December 2010 and 2009 was as follows:

	GROUP		COMPANY	
	2010	2009	2010	2009
Legal reserve	134,400	127,165	134,400	127,165
Free reserves	146,146	162,104	175,360	178,005
Fair value reserve (Note 20)	132	195	-	-
Hedging operations	-	(2,009)	-	-
	280,678	**287,456**	**309,760**	**305,170**

In the year ended 31 December 2010, Other comprehensive income recognized in the Group Reserves relate mainly to the recognition of actuarial gains and losses on employee's responsibilities, by the net amount of 6,087 thousand euros (4,091 thousand euros in 2009) and the recognition of hedging transactions amounting to 2,010 thousand euros (3,469 thousand euros in 2009).

Legal reserve: Commercial legislation establishes that at least 5% of annual net profit must be appropriated to a legal reserve until the reserve equals at least 20% of share capital. This reserve is not available for distribution, but can be used to absorb losses once the other reserves have been exhausted, or to increase capital.

32. RETAINED EARNINGS

The changes in retained earnings in the years ended 31 December 2010 and 2009 were as follows:

	GROUP	COMPANY
Balances at 1 January 2009	521,858	(10,132)
Restatement adjustments	-	142,462
Balances at 1 January 2009, restated	521,858	132,330
Appropriation of profit	88,964	(130,477)
Share purchase option plan	4,552	4,552
Other	(34)	-
Balances at 1 January 2010	**615,340**	**6,405**
Appropriation of profit	96,836	43,690
Share purchase option plan	2,420	2,420
Other	331	-
Balances at 31 December 2010	**714,928**	**52,516**

33. NON-CONTROLLING INTERESTS

The changes in this caption in the years ended 31 December 2010 and 2009 were as follows

Balances at 1 January 2009	110,720
Changes in the consolidation perimeter	107
Change resulting from currency translation	(5,329)
Dividends	(13,260)
Actuarial gain and loss on personnel responsabilities	75
Fair value allocation in acquired companies	5,181
Increase in investments	(13,658)
Net profit for the year attributable non-controlling interests	8,653
Balances at 1 January 2010	**92,488**
Change resulting from currency translation	13,995
Dividends	(14,595)
Actuarial gain and loss on personnel responsabilities	9
Increase in investments	(4,330)
Net profit for the year attributable non-controlling interests	9,870
Balances at 31 December 2010	**97,437**

34. EMPLOYEE BENEFITS

Defined benefit plan

The Group has defined benefit retirement pension plans and healthcare plans, for which the liability is determined annually based on actuarial valuations made by independent entities, the cost determined by these valuations being recognised in the year.

Most of the liability for the retirement benefit plans has been transferred to pension funds managed by specialised independent entities.

The valuations as of 31 December 2010 and 2009 were made using the "Projected Unit Credit" method and were based in the following assumptions and technical bases:

	2010	2009
Actuarial technical rate (in local currency)		
Portugal	5.00%	5.25 % and 5.50%
Spain	4.90%	5.00%
South Africa	8.43%	10.39%
India	8.00%	7.50%
Morocco	5.10%	5.11%
Annual pension growth rate		
Portugal	2.50%	2.50%
Spain	2.00%	2.00%
Annual fund income rate		
Portugal	5.00%	5.25 % and 5.50%
Spain	4.90%	5.00%
Annual salary growth rate		
Portugal	2.50% and 3.00%	2.50% and 3.00%
Spain	3.00%	3.00%
India	7.00%	7.00%
Mortality tables		
Portugal	TV88/90	TV88/90
Spain	PERMF 2000	PERMF 2000
South Africa	SA 85-90	SA 85-90
India	LIC	LIC
Morocco	TV 88/90	TV 88/90
Disability tables		
Portugal	EKV 80	EKV 80

	2010	2009
Nominal growth rate of medical costs		
Portugal		
Growth rate of medical costs	N/A	N/A
Medical inflation rate	2.00%	2.50%
		1.5% till 60,
Growth rate of medical costs by age	N/A	2% between 60 and 85,
		-1.5% after 85 years old
South Africa	6.43%	8.39%
Morocco	3.00%	3.00%

The changes to actuarial assumptions are justified by changes in market conditions. The discount rates (actuarial technical rate) of the liabilities were estimated based on long-term rates of return of highly rated bonds and with maturities similar to those liabilities. The salary growth rates were determined in accordance with the wage policy of the Group for the indicated segments.

In accordance with the actuarial valuations the pension and healthcare benefits costs for the years ended 31 December 2010 and 2009 were as follows:

		PENSION PLANS	
		2010	2009
Current service cost		1,016	912
Interest cost		4,090	4,242
Expected return of the plans' assets		(3,799)	(4,021)
Total cost/(income) of the pension plans	**(I)**	**1,307**	**1,134**

		HEALTHCARE PLANS	
		2010	2009
Current service cost		304	257
Interest cost		1,018	1,022
Plan change (a)		(7,342)	-
Total cost/(income) of the healthcare plans (Note 10)	**(II)**	**(6,020)**	**1,279**
Total cost/(income) of the defined benefit plans (Notes 10 and 36)	**(I) + (II)**	**(4,713)**	**2,412**

(a) In the year ended 31 December 2010, the Group review the healthcare plan conditions in Portugal business area. Accordingly to the new conditions, the responsibilities reported in that date were reduced in amount of 7,342 thousand euros.

The changes in the amount of the defined benefit plans and fund assets in the years ended 31 December 2010 and 2009 were as follows:

	PENSION PLANS		HEALTHCARE PLANS		TOTAL	
	2010	2009	2010	2009	2010	2009
Defined benefit liability - 1 January	**79,363**	**73,181**	**19,301**	**17,726**	**98,664**	**90,907**
Benefiits and bonuses paid	(5,522)	(5,465)	(928)	(1,384)	(6,450)	(6,850)
Current service cost	1,016	912	304	257	1,319	1,169
Plan change	-	-	(7,342)	-	(7,342)	-
Interest cost	4,090	4,242	1,018	1,022	5,108	5,264
Actuarial gains and losses	1,546	6,541	2,717	1,524	4,264	8,065
Exchange differences	191	(49)	168	157	359	108
Defined benefit liability - 31 December	**80,683**	**79,363**	**15,238**	**19,301**	**95,921**	**98,664**
Value of the pension funds - 1 January	**74,186**	**69,807**	**-**	**-**	**74,186**	**69,807**
Contributions	3,093	3,518	-	-	3,093	3,518
Benefits and bonuses paid	(5,522)	(5,465)	-	-	(5,522)	(5,465)
Expected income of the funds' assets	3,799	4,021	-	-	3,799	4,021
Actuarial gains and losses in income from the funds' assets	(2,966)	2,327	-	-	(2,966)	2,327
Exchange differences	143	(21)	-	-	143	(21)
Value of the pension funds - 31 December	**72,732**	**74,186**	**-**	**-**	**72,732**	**74,186**

From the date of transition to IFRS, the Group applied the new provisions of IAS 19 - Employee benefits, recognising actuarial gains and losses directly in the specific item of equity. The movements of net actuarial gains and losses during the years ended 31 December 2010 and 2009 were as follows:

	2010	2009
Balances at 1 January	(17,672)	(13,505)
Changes during the year:		
Related to the liabilities	(4,264)	(8,065)
Related to the funds assets	(2,966)	2,327
Corresponding defferred tax	2,074	1,496
Non-controlling interests (Note 33)	9	75
Balances at 31 December	**(22,818)**	**(17,672)**

In addition, actuarial gains and losses include the following experience adjustments:

	2010	2009
Related to the liabilities	317	(1,141)
Related to the funds assets	(2,966)	2,327

The difference between the present value of the benefit plan liability and the market value of the funds' assets for the last five years ended 31 December was as follows:

PENSION PLANS	2010	2009	2008	2007	2006
Liability	80,683	79,363	73,181	81,645	88,592
Value of the pension funds	(72,732)	(74,186)	(69,807)	(79,300)	(81,781)
Deficit	7,951	5,177	3,374	2,345	6,812
Liability for employee benefits:					
Current liability	3,308	3,168	3,847	1,220	2,324
Non-current liability	4,762	2,067	(246)	1,773	5,006
	8,070	5,235	3,601	2,993	7,330
Fund surplus (Note 24)	(118)	(58)	(227)	(647)	(519)
Total exposure	7,951	5,177	3,374	2,345	6,812

HEALTHCARE PLANS	2010	2009	2008	2007	2006
Liability for employee benefits:					
Current liability	928	1,384	838	841	967
Non-current liability	14,309	17,917	16,888	15,255	19,866
Total exposure	15,238	19,301	17,726	16,096	20,833

The Group has not established funds for the health plans. The main assets of the funds at 31 December 2010 and 2009 are as follows:

	2010	2009
Shares	20.3%	20.4%
Fixed rate bonds	44.5%	42.7%
Variable rate bonds	19.9%	21.5%
Real estate investment funds, hedge funds, cash and insurance	15.4%	15.5%
	100.0%	**100.0%**

Defined contribution plans

In the years ended 31 December 2010 and 2009 the Group incurred on costs of 2,715 thousand euros and 1,939 thousand euros, respectively, with defined contribution plans (Note 10).

35. INCENTIVE PLAN

A *Share Purchase Plan for Employees* (2010) and a *Cimpor Share Purchase Option Plan* (2010) were approved by the Shareholders' General Meeting held on 29 April 2010.

The Board of Directors of Cimpor – Cimentos de Portugal, SGPS, S.A. decides on who is to be a beneficiary of the *Share Purchase Plan for Employees*, except for members of the Board, in their case the decision is made by the Remuneration Determination Commission.

The beneficiaries have the right to purchase shares at a price equal to seventy-five percent of the closing price on the transaction day, up to an overall amount not exceeding half of their gross monthly wage.

The bodies referred to above also decide on who is to be a beneficiary of the *Cimpor Share Purchase Option Plan*, being granted the right to purchase Cimpor shares (initial options) at a price not less than seventy-five percent of the average closing listed prices on the sixty Stock Exchange sessions immediately preceding that date. For each option exercised the beneficiary is given the option to acquire one share in each of the following three years (derived options) at the same price.

The options exercised and shares purchased in the years ended 31 December 2010 and 2009 under these incentive plans, as well as the derived options exercised under the earlier plans were as follows:

	2010			2009		
PLAN	Nº OF SHARES (NOTE 29)	UNIT PRICE	DATE	Nº OF SHARES (NOTE 29)	UNIT PRICE	DATE
Granted shares:						
Share purchase options - derived options:						
- Series 2007	183,960	4.90	22 March	-	-	-
- Series 2008	235,045	4.25	22 March	-	-	-
- Series 2009	300,650	2.85	22 March	-	-	-
Shares purchased options granted	189,630	4.25	21 May	326,900	2.85	1 June
	909,285			**326,900**		
Acquired shares:						
Shares purchased by employees	146,800	3.879	17 May	175,345	3.263	14 May
Shares purchased by employees	53,845	4.397	17 May	-	-	-
	1,109,930			**502,245**		

The changes in this liability in number of shares, in the years ended 31 December 2010 and 2009 were as follows:

	2010	2009
Changes in the year:		
Outstanding at the beginning of the year	1,747,130	1,515,420
Issued during the year	869,200	1,356,000
Exercised during the year	(909,285)	(326,900)
Lapsed during the year and not exercised	(340,265)	(797,390)
Outstanding at the end of the year	1,366,780	1,747,130
Details of options issued during the year:		
Maturity date	May 2010 March 2011, 2012, 2013	June 2009 March 2010, 2011, 2012
Exercise price (euros)	4.25	2.85
Total value exercised (thousands of euros)	3,694	3,865
Cost for the year included in personnel costs	195	1,252
Details of options exercised during the year:		
Average exercise price (euros)	3.92	2.85
Total value exercised (thousands of euros)	3,563	932

The fair value of the share options granted, reflected in "Payroll costs", was calculated based on the Black-Scholes-Merton Model, and it was recognised costs of 1,651 thousand euros in 2010 (Note 10) (2,261 thousand euros in 2009) relating to "Equity Settled" payment plans, as follows:

	2010	2009
Share purchase option plans issued during the year	195	1,252
Share purchase option plans issued in prior years	1,293	818
Shares purchased by employees	163	191
Cost for the year (Note 10)	1,651	2,261

The following assumptions were used in the valuations as of 31 December 2010 and 2009:

	2010	2009
Price per share	4.39	4.85
Exercise price	4.25	2.85
Volatility	36.4 - 39.99%	45.02 - 51.46%
Dividend yield	5.22 - 5.49%	3.81%

36. PROVISIONS

In the year ended 31 December 2010 and 2009, the classification of provisions was as follows:

	GROUP		COMPANY	
	2010	2009	2010	2009
Non-current provisions:				
Provisions for tax risks	71,893	65,248	59,900	54,164
Environmental rehabilitation	43,149	38,773	-	-
Provisions for employees	11,612	8,358	-	-
Other provisions for risks and charges	44,175	41,325	31	31
	170,828	**153,704**	**59,931**	**54,195**
Current provisions:				
Environmental rehabilitation	300	250	-	-
Provisions for employees	223	214	-	-
Other provisions for risks and charges	578	498	-	-
	1,101	**962**	**-**	**-**
	171,929	**154,667**	**59,931**	**54,195**

The provisions for tax risks cover liabilities from tax assessments, which have been claimed. The Board of Directors, together with its tax and legal consultants, believes that, for the issues in dispute with the tax authorities, the Company has a strong possibility of winning those legal processes. However, the inexistence of case law and the complexity of some of the issues advise the recording of such provisions.

The provisions for environmental rehabilitation represent the Group's legal or constructive obligation to rehabilitate land used for quarries. Payment of this liability depends on the period of operation and the beginning of the related exploration.

Provisions for employees essentially relate to the estimated costs of contracts termination and exclude liability for pension and healthcare plans.

The other provisions for risks and charges cover specific business risks resulting from the Group's normal operations.

The changes in the Group provisions in the years ended 31 December 2010 and 2009 were as follows:

	PROVISIONS FOR TAX RISKS	ENVIRONMENTAL REHABILITATION	PROVISIONS FOR EMPLOYEES	OTHER PROVISIONS FOR RISKS AND CHARGES	TOTAL
Balances at 1 January 2009	59,842	46,151	7,411	41,110	154,514
Currency translation adjustments	(291)	2,957	454	5,320	8,440
Increases	5,739	6,907	730	2,984	16,359
Decreases	-	(16,497)	(75)	(2,343)	(18,915)
Utilisations	(43)	(449)	(7)	(5,856)	(6,355)
Transfers	-	(45)	61	609	624
Balances at 1 January 2010	**65,248**	**39,023**	**8,572**	**41,823**	**154,667**
Changes in the consolidation perimeter	-	2,116	-	418	2,534
Currency translation adjustments	192	1,300	378	3,441	5,311
Increases	6,464	2,452	3,296	6,983	19,194
Decreases	-	(488)	(997)	(4,148)	(5,632)
Utilisations	(21)	(811)	(70)	(3,740)	(4,642)
Transfers	10	(143)	655	(25)	497
Balances at 31 December 2010	**71,893**	**43,449**	**11,835**	**44,753**	**171,929**

The other provisions for risks and charges for the years ended 31 December 2010 e 2009 includes a provision of approximately 15 million Brazilian reais (6,935 thousand euros and 6,124 thousand euros, respectively), corresponding to the contribution that the Group has agreed to make, in the event of an agreement with the Government of Economic Defence Council, as a result of the administrative charges brought by the Economic Law Department of the Ministry of Justice in Brazil for alleged economic violations in the cement and ready-mix concrete markets. The eventual signing of that agreement would not signify any admission of guilt or acknowledgement of illegal conduct.

The changes in the **Company** provisions in the years ended 31 December 2010 and 2009 were as follows:

	PROVISIONS FOR TAX RISKS	OTHER PROVISIONS FOR RISKS AND CHARGES	TOTAL
Balances at 1 January 2009	48,553	31	48,584
Increases	5,611	-	5,611
Balances at 1 January 2010	**54,164**	**31**	**54,195**
Increases	5,736	-	5,736
Balances at 31 December 2010	**59,900**	**31**	**59,931**

The increases and decreases in the provisions in the years ended 31 December 2010 and 2009 were recorded by corresponding entry to the following accounts:

	GROUP		COMPANY	
	2010	2009	2010	2009
Tangible assets:				
Land	701	(4,659)	-	-
Intangible assets:				
Exploitation rights	-	1,375	-	-
Profit and loss for the year:				
Supplies and services	(251)	285	-	-
Payroll	656	528	-	-
Operating income	(225)	-	-	-
Provisions	4,303	2,770	-	-
Financial expenses	3,777	1,452	2,498	2,340
Share of results of associates (Note 12)	30	-	-	-
Financial income	-	(7,402)	-	-
Income tax (Note 13)	3,237	3,271	3,237	3,271
Shareholders' equity:				
Other comprehensive income	1,333	(176)	-	-
	13,562	**(2,556)**	**5,736**	**5,611**

The caption Financial expenses include the financial actualizations of the provision for environmental rehabilitation. Financial income mainly arises from the update of estimates of those liabilities. The amounts recorded in Other comprehensive income correspond to the actuarial gains and losses with provisions for employees.

37. LOANS

Loans in the **Group** at 31 December 2010 and 2009 were as follows:

	2010	2009
Non-currents liabilities:		
Bonds	419,364	853,745
Bank loans	833,761	783,192
Other loans	220	220
	1,253,345	**1,637,157**
Currents liabilities:		
Bonds	604,032	-
Bank loans	330,597	453,439
Other loans	-	84
	934,629	**453,523**
	2,187,974	**2,090,680**

Bonds

Non-convertible bonds at 31 December 2010 and 2009 were as follows:

					2010		2009
ISSUER	FINANCIAL INSTRUMENT	ISSUE DATE	INTEREST RATE	REPAYMENT DATE	CURRENT	NON-CURRENT	NON-CURRENT
Cimpor Financial Operations B.V.	Eurobonds (a)	27.May.04	4.50%	27.Mai.11	604,032	-	611,129
Cimpor Financial Operations B.V.	US Private Placements 10Y (b)	26.Jun.03	5.75%	26.Jun.13	-	108,017	97,152
Cimpor Financial Operations B.V.	US Private Placements 12Y (b)	26.Jun.03	5.90%	26.Jun.15	-	161,669	145,464
Cimpor Financial Operations B.V.	US Private Placements 10Y	22.Dec.10	6.70%	22.Dec.20	-	93,549	-
Cimpor Financial Operations B.V.	US Private Placements 12Y	22.Dec.10	6.85%	22.Dec.22	-	56,129	-
					604,032	**419,364**	**853,745**

(a) As at 31 December 2010, the debenture bond issue made on the European debt market of approximately 600 million euros, which reaches its maturity in May 2011, was reclassified as a current liability. The refinance of this liability is already assured by the Group, as there are medium and long term credit lines, contracted for that purpose, and also funds arising from financial instruments contracted on the year ended 31 December 2010.

(b) These two US Private Placements are designated as fair value liabilities through profit and loss, as a result of applying the transitional provisions of IAS 39, on financial instruments measured in accordance with fair value hedging accounting, in the year ended 31 December 2005.

At 31 December 2010, the fair value was higher than the nominal value of the mentioned "U.S. Private Placements" on 4,756 thousand euros (3,115 thousand euros lower in 2009).

Bank loans

Group bank loans as at 31 December 2010 and 2009 were as follows:

TYPE	CURRENCY	INTEREST RATE	2010	2009
Commercial paper	EUR	1.99%	-	200
EIB loan	EUR	2.69%	49,910	-
EIB loan	EUR	EIB basic rate	33,333	40,000
Bilaterals loans	EUR	Variable rate indexed to Euribor	920,401	1,092,302
Bilaterals loans	Several	Variable rate	79,887	45,605
Overdrafts (Note 46)	Several	Variable rate	80,827	58,525
			1,164,357	**1,236,632**

Other loans

Other loans represent loans to government agencies under agreements related to investment projects.

The non-current portion of loans at 31 December 2010 and 2009 is repayable as follows:

YEAR	2010	2009
2011		930,982
2012	314,144	384,656
2013	333,268	138,478
2014	239,670	6,667
Following years	366,263	176,374
	1,253,345	**1,637,157**

The loans at 31 December 2010 and 2009 are stated in the following currencies:

	2010		2009	
CURRENCY	CURRENCY	EUROS	CURRENCY	EUROS
EUR	-	1,608,360	-	1,743,955
USD (a)	354,000	269,686	354,000	242,616
USD	200,000	149,678	-	-
TRY	156,909	75,823	106,655	49,499
HKD	259,408	24,978	258,405	23,132
CNY	204,550	23,186	111,679	11,355
BRL	23,986	10,816	23,738	9,452
MAD	15,649	1,395	87,158	7,680
MZM	397,989	9,118	15,670	355
CVE	129,441	1,174	135,071	1,225
TND	2,005	1,040	-	-
EGP	98,551	12,713	-	-
ZAR	65	7	15,046	1,411
		2,187,974		**2,090,680**

(a) Due to certain derivative financial instruments for hedging exchange rate (Note 39), these financings are not exposed to exchange-rate risk.

Control of subsidiary companies

The majority of the loan operations of the operating and sub-holding companies do not establish the need for Cimpor – Cimentos de Portugal, SGPS, S.A. to maintain majority control of the companies. However the most significant bank loans, in particular those contracted by Cimpor Inversiones, contain an Ownership Clause.

The comfort letters requested from the holding company, for purposes of contracting these operations, usually contain a commitment for it not to sell its direct or indirect control of these companies. The Company also provides support to the Euro Medium Term Note programmes established by the Group.

The comfort letters provided by the **Group** refers to responsibilities already included in the consolidated financial position at 31 December 2010 and 2009 totalling 90,309 thousand euros and 158,880 thousand euros, respectively, of which 64,361 thousand euros was provided by the **Company** in 2009.

Financial covenants

In the larger financial operations the loan contracts also contain financial covenants for certain financial ratios to be maintained at previously agreed levels.

The financial ratios are:

- Net debt / EBITDA, at consolidated level;
- EBITDA / (Financial expenses – Financial income), at consolidated level;
- Quantitative limits on the indebtedness of operating companies ("Subordination ratios")

At 31 December 2010 these ratios were within the commitments established.

Negative pledge

The majority of the financing instruments have Negative pledge clauses. The larger loans (those exceeding 50 million euros) normally establish a maximum level of pledges over assets, which must not be exceeded without prior notice to the financial institutions.

Cross default

Cross default clauses, which are current practice in loan contracts, are also present in the large majority of the referred financial instruments.

Change of control

Various financing instruments include change of control clauses that can even provide for the possibility of early repayment by decision of the creditors, if 51% of the capital is controlled by a single entity or several entities acting in consortium. At 31 December 2010, the debt attributable to financial instruments containing such a clause amounted to 1.419 billion of euros (1.175 billion of euros in 31 December 2009), of which 1,230 thousand euros are registered as non--current financial debt (867 thousand euros in 31 December 2009).

The penalties that the creditor can apply in the event of unremedied non-compliance or acceptance of these financial constraints within an agreed time period generally comprises the early repayment in full of the loan obtained or the cancellation of the credit lines available. At 31 December 2010 and 2009, the Group fully complied with all the above mentioned financial constraints.

38. OBLIGATIONS UNDER LEASES

Finance leases

The **Group** minimum lease payments as at 31 December 2010 and 2009, resulting from finance lease liabilities, are as follows:

	2010		2009	
	PRESENT VALUE	FUTURE VALUE	PRESENT VALUE	FUTURE VALUE
Up to 1 year	3,092	3,127	2,955	3,053
From 1 to 5 years	3,072	3,171	4,784	4,877

Operating leases

The current operating lease contracts relate essentially to transport and office equipment.

Future commitments under the current operating lease contracts are as follows (minimum lease payments):

	GROUP		COMPANY	
	FUTURE VALUE		FUTURE VALUE	
	2010	2009	2010	2009
Up to 1 year	4,951	5,222	22	32
From 1 to 5 years	9,878	9,405	14	36
More than 5 years	-	156	-	-

Total operating lease costs recognised in the Group in the years ended 31 December 2010 and 2009 amounted to 6,311 thousand euros and 5,235 thousand euros respectively.

In the Company current operating lease contracts relate essentially to transport and in the years ended 31 December 2010 and 2009 the costs incurred amounted to 28 thousand euros and 52 thousand euros respectively.

39. DERIVATIVE FINANCIAL INSTRUMENTS

Under the risk management policy of the Cimpor Group, a range of derivative financial instruments have been contracted at 31 December 2010 and 2009 to hedge interest and exchange rate risk.

The Group contracts such instruments after evaluating the risks to which its assets and liabilities are exposed and assessing which instruments available in the market are the most adequate to hedge those risks.

These operations are subject to prior approval by the Executive Committee and are permanently monitored by the Financial Operations Area. Several indicators relating to the instruments are periodically determined, namely their market value and sensitivity of the projected cash flows and market value to changes in key variables, with the aim of assessing their financial effect.

The recognition of financial instruments and their classification as hedging or trading instruments is based on the provisions of IAS 39.

Hedge accounting is applicable to financial derivative instruments that are effective as regards the elimination of variations in the fair value or cash flows of the underlying assets/liabilities. The effectiveness of such operations is verified on a regular quarterly basis. Hedge accounting covers three types of operations:

- Fair value hedging;
- Cash flow hedging;
- Hedging of net investments in foreign entities.

Fair value hedging instruments are financial derivative instruments that hedge exchange rate and/or interest rate risk. Changes in the fair value of such instruments are reflected in profit and loss. The underlying asset/liability is also valued at fair value as regards the part corresponding to the risk that is being hedged, the respective changes being reflected in profit and loss.

Cash flow hedging instruments are financial derivative instruments that hedge the exchange rate risk on future purchases and sales of certain assets as well as cash flows subject to interest rate risk. The effective part of the changes in fair value of the cash flow hedging instruments is recognised in shareholders' equity in the caption Reserves - Hedging operations, while the non effective part is reflected immediately in profit and loss.

Instruments hedging net investment in foreign entities are exchange rate financial derivative instruments that hedge the effect, on shareholders' equity, of the risks on translation of the financial statements of foreign entities. Changes in the fair value of these hedging operations are recorded in the shareholders' equity caption "Currency translation adjustments" until the hedged investment is sold or extinguished.

Instruments held for trading purposes are financial derivative instruments contracted in accordance with the Group's risk management policies but where hedge accounting is not applicable, because they were not formally designated for that purpose or because they are not effective hedging instruments in accordance with the requirements of IAS 39.

Fair value of derivative financial instruments

The fair value of derivative financial instruments at 31 December 2010 and 2009 was as follows:

	OTHER ASSETS (NOTE 24)				OTHER LIABILITIES (NOTE 42)			
	CURRENT ASSET		NON-CURRENT ASSETS		CURRENT ASSET		NON-CURRENT ASSETS	
	2010	2009	2010	2009	2010	2009	2010	2009
Fair value hedges:								
Exchange and interest rate swaps	-	-	-	3,771	-	-	-	2,183
Interest rate swaps	9,397	13,385	-	2,858	-	-	-	-
Exchange rate forwards	13	18	-	-	-	1	-	-
Trading:								
Exchange and interest rate derivatives	2,784	4,524	-	-	-		39,363	68,073
Interest rate derivatives	2,992	1,422	3,300	3,636	7,551	6,753	34,025	43,863
	15,187	**19,349**	**3,300**	**10,266**	**7,551**	**6,754**	**73,389**	**114,119**

Some derivatives, although in compliance with the Group's risk management policies as regards the management of financial market volatility risks, do not qualify for hedge accounting, and so are classified as trading instruments.

The following schedule shows the operations at 31 December 2010 and 2009 that qualify as fair value hedging instruments:

					FAIR VALUE	
TYPE OF HEDGE	NOTIONAL	TYPE OF OPERATION	MATURITY	FINANCIAL PURPOSE	2010	2009
Fair value	EUR 15,627,500	Cross-Currency Swap	Apr. 2013	Principal and interest hedge on Intercompany Loan from C. Inversiones to Natal Portland Cement	-	3,771
Fair value	EUR 5,444,444	Cross-Currency Swap	Apr. 2013	Principal and interest hedge on Intercompany Loan from C. Inversiones to Natal Portland Cement	-	(1,272)
Fair value	EUR 3,888,888	Cross-Currency Swap	Apr. 2013	Principal and interest hedge on Intercompany Loan from C. Finance to Natal Portland Cement	-	(911)
Fair value	EUR 300,000,000	Several Interest Rate Swap	May. 2011	Hedge of 50% of the interests on Intercompany Loan from C. Inversiones to Cimpor BV regarding the Eurobond payment	9,397	16,243
Fair value	USD 3,600,000	Several Forwards	Feb. 2010	Currency hedge	-	17
Fair value	USD 3,310,000	Several Forwards	Oct. 2010	Currency hedge	13	-
					9,410	**17,849**

In addition, the portfolio of derivative financial instruments at 31 December 2010 and 2009 that do not qualify as hedging instruments is as follows:

				FAIR VALUE	
FACE VALUE	TYPE OF OPERATION	MATURITY	ECONOMIC PURPOSE	2010	2009
USD 140,789,004	Cross-Currency Swap	Jun. 2013	Hedge of 100% of the principal and interests 10Y tranche of the US Private Placements	(11,068)	(19,869)
USD 213.210,966	Cross-Currency Swap	Jun. 2015	Hedge of 100% of the principal and interests 12Y tranche of the US Private Placements	(25,511)	(43,679)
EUR 100,000,000	IRS with conditioned receivable Leg	Dec. 2012	Reduce the cost of funding - IRS with options sold on Euribor 6M and US Libor 6M	(4,167)	(6,664)
EUR 30,000,000	IRS with conditioned receivable and payable Leg	Jun. 2015	Reduce the cost of funding - IRS with options sold on European swap curve and options bought on the slope of the European Swap Rate.	1,944	2,077
EUR 430,000,000	IRS with conditioned receivable Leg	Jun. 2015	Reduce the cost of funding - IRS with a set of options sold on which the main exposure is the slope of the European swap curve.	(25,284)	(31,470)
EUR 37,000,000	IRS	Jun. 2015		(2,823)	(3,356)
EUR 25,000,000	IRS with only conditioned Payable Leg	Jun. 2015		(2,171)	(2,397)
EUR 25,000,000	IRS	Jun. 2015		-	(1,178)
EUR 50,000,000	EUR Structured Swap Rate	Mar. 2011	Reduce the cost of funding - Structured Interest Rate Swap	-	(1,180)
EUR 150,000,000	EUR Interest Rate Swap	Jun. 2015	Reduce the cost of funding - Interest Rate Swap	1,702	(752)
EUR 50,000,000	IRS with conditioned receivable Leg	Jun. 2015	Reduce the cost of funding - IRS with options sold on an Interest Rate Index	(291)	1,461
EUR 25,000,000	IRS with conditioned receivable Leg	Jun. 2015	Reduce the cost of funding - IRS with options sold on an Interest Rate Index	(3,132)	(2,100)
EUR 50,000,000	Several Interest Rate Swap	Apr. 2017	Interest rate pre-hedge	(1,062)	-
				(71,864)	**(109,107)**

40. FINANCIAL RISK MANAGEMENT

General principles

During its normal business activities, Cimpor Group is exposed to a variety of financial risks likely to change its net worth, which can be grouped, according to their nature, in the following categories:

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

Risk is deemed to mean the probability of obtaining a positive or negative outcome different to that expected, and which materially and unexpectedly alters the Group's net worth.

The management of the above-stated risks, which primarily arise from the unpredictability of financial markets, requires the prudent application of a set of rules and methods approved by the Executive Committee, with the end purpose of minimising their potential negative impact on the Group performance.

All risk management, focused on that objective, is conducted according to two core concerns:

- Reducing, whenever possible, fluctuations in profit/loss and cash flows that are exposed to risk;
- Curbing deviation from forecast financials by means of meticulous financial planning based on multi-year budgets.

Furthermore, another concern of the Group is that the processes for managing these risks meet internal information needs and also external requirements (regulators, auditors, financial markets and all other stakeholders).

The Group, as a rule, does not take speculative positions and so the sole aim of all operations carried out with the purpose of managing financial risks is to control existing risks to which the Group is unavoidably exposed.

Hedging the interest-rate risk and exchange-rate risk normally means contracting financial derivatives on the over-the-counter market (for reasons of flexibility), involving a limited number of counterparties with high ratings. All these operations are undertaken with financial entities with which ISDA contracts have been concluded beforehand, in accordance with international standards.

The Finance Department is responsible for managing financial risks, including identifying, assessing and hedging such risks. This risk management is conducted under the guidance of the Executive Committee, in particular of the director responsible for the financial risk area (whose approval is required prior to any operation).

Interest rate risk

The Group's exposure to interest-rate risk arises from the fact that its balance sheet includes financial assets and liabilities that may have been contracted at fixed interest rates or at variable interest rates. In the former case, the Group runs the risk of variation in the fair value of those assets and liabilities, whereby any change in market rates involves a (positive or negative) opportunity cost. In the latter case, such change has a direct impact on the amount of interest paid/received, resulting in cash account changes.

Interest-rate swaps are normally contracted to hedge this type of risk, in accordance with the Group's expectations concerning the development of market rates.

In 2010, the interest rate market has confirmed the historical low levels of rates that have marked the year of 2009.

The Euro Zone interest rates at 2010 and 2009 year end were as follows:

	DECEMBER 2010	DECEMBER 2009
Interest Rate Euro Swap 2Y	1.56%	1.87%
Interest Rate Euro Swap 5Y	2.49%	2.81%
Interest Rate Euro Swap 10Y	3.32%	3.58%
Interest Rate Euro Swap 30Y	3.50%	3.94%

Source: Bloomberg

In what concerns the money market rates and in spite of the uptrend observed on the second half of 2010, the rates remained at historically low levels. The money market interest rates in the Euro Zone at 2010 and 2009 year end were as follows:

	DECEMBER 2010	DECEMBER 2009
Euribor 12M	1.51%	1.25%
Euribor 6M	1.23%	0.99%
Euribor 3M	1.01%	0.70%
Euribor 1M	0.78%	0.45%

Source: Bloomberg

The debt of the Group maintained the profile it had in 2009, with about 76% tied to variable rates. Given the new debt fixed rate instruments contracted in 2010 (about 200 million euros) this percentage is less expressive compared with 2009.

The option to keep the bank loans at variable rates, relates to the fact that its short lived maturity would not allow the Group to recover the difference on the negative rates initially paid due to the steep slope that the yield curve presents, particularly in the shorter term.

Given current market conditions, a better balance between floating rate and fixed rate will be achieved when the Group makes a market operation. As soon as conditions permit such, the Group will refinance a substantial part of its outstanding debt. The consolidated debt by interest rate type was split as follows:

	DECEMBER 2010	DECEMBER 2009
Variable rate	76%	86%
Fixed rate	24%	14%

Like last year, and taking advantage of the yield curve slope, the Group continued to focus on bank loans linked to shorter term rates (3 months and 1 month).

Exchange rate risk

The Group's internationalisation means that it is exposed to the exchange-rate risk for the currencies of different countries, particularly those that follow, due to the large amounts of capital invested there: Brazil, Egypt, South Africa and Turkey (Note 6).

The exchange effects of the translation of local financial statements in the Group's consolidated financial statements can be mitigated by hedging the net investments made in those countries. However, the Group has only done this sporadically, since it considers the cost of such operations (the difference between the local interest rates and the Group's reference currency) to generally be too high in view of the risks involved.

When the exchange-rate risk is hedged, forward contracts and standard exchange options, generally maturing in less than one year, are normally used.

The Group does not carry out exchange-rate operations that do not adequately cover existing or contracted positions.

In 2010, the decision of not to hedge currency risks ultimately had a positive impact, since all the currencies of the Group (except Tunisia) performed positively.

In relation to intra-group loans between businesses operating in different currencies, these hedges should be carried out whenever market conditions warrant such, to hedge the foreign exchange risk (usually from companies borrowing funds). During the year of 2010 this situation was not meaningful.

The Group, with the exception of debt directly contracted by the different segments to meet their day-to-day requirements, has favoured financing in the consolidation currency. Nevertheless, it was decided to keep the US Private Placements launched in December 2010 denominated in USD, as a way to achieve a kind of natural hedge, given the stronger correlation between the dollar and the Group's exposure currencies, compared with the euro.

The main debt instruments as at 31 December 2010 and 31 December 2009, and considering the effect of the existing cross currency swaps, were denominated in the following currencies:

	DECEMBER 2010	DECEMBER 2009
EUR	86%	98%
USD	7%	0%
Other	7%	3%

Liquidity risk

Liquidity risk management means maintaining an appropriate level of cash resources and contracting credit limits that not only ensure the normal pursuit of the Group's activities but also meet the needs of any extraordinary operations.

In particular, the Group maintains committed backup lines with some banks, which can be used to meet occasional cash needs, thereby reducing the liquidity risk and also satisfying the ratios required by the rating agencies.

In 2010, and to meet these concerns, the Group substantially increased the underwritten backup lines.

As at 31 December 2010 and 31 December 2009, the amount of credit lines obtained but not used, excluding commercial paper that has not been underwritten, were 1.360 million euros and 779 million euros, respectively.

This risk is monitored through a cash budget, which is reviewed at regular intervals. The Group's access to short-term lines of credit of ample value and the fact that it keeps its EMTN and commercial paper programmes updated periodically plus the Pagarés Y Bonos Programme recently registered in the Spanish Market, ensure the ability to access swiftly the capital markets.

The cash surpluses of the different segments are, whenever possible, channelled to the parent company through the payment of dividends or made available to other areas with a shortage of funds, through intercompany loans.

Credit risk

The markets view of Cimpor's credit risk in regards to financing operations is naturally reflected in the financial costs associated to such operations. The Group's influence in such matters is merely ancillary, embodying the prudent and balanced management of the business in order to lessen the probability of defaulting on its obligations.

After the strong compression of credit spreads seen in 2009, the last year was marked by an inversion of this trend, even not achieving the levels seen in 2008. The evolution of credit spreads (bp) by risk level (J.P. Morgan Maggie Index) was as follows:

	DECEMBER 2009	MARCH 2010	JUNE 2010	SEPTEMBER 2010	DECEMBER 2010
JP Morgan Maggie AAA	27	32	61	50	56
JP Morgan Maggie AA	62	72	130	118	134
JP Morgan Maggie A	102	107	163	142	163
JP Morgan Maggie BBB	150	156	232	207	214

The Group's high degree of solvency is reflected in its Leverage ratio (Net Debt / EBITDA) and Interest Coverage ratio (EBITDA / Net Financial Charges). The achievement of the levels pre-established for these two indicators is fundamental in ensuring compliance not only with the debt instruments envisaging such but also, through the performance of the cross default provisions, compliance by all the remaining debt.

In 2010 and 2009, both ratios - calculated according to the methodology imposed by the USPP Note Purchase Agreements (financial debt at nominal value) were far from the established limits at the end of the year:

	RATIO	DECEMBER 2009	DECEMBER 2010	LIMIT
Leverage	Net Dept / Ebitda	2.82	2.48	≤ 3.5
Interest Coverage	Ebitda / Net Finance Charges	11.26	10.52	≥ 5

Counterparty risk

When the Cimpor Group establishes different contractual relations with third parties, it takes on the risk of the probability of non-fulfilment or even, in an extreme scenario, default by a counterparty.

The Group endeavours to limit its exposure to this risk, when making bank deposits and other cash investments and also when contracting derivative instruments, by carefully selecting the counterparties, based on their rating and taking into account the nature, maturity and scope of the operations.

No losses due to non-fulfilment by counterparties are expected, based on the information currently to hand, and despite the decline in rating of the different counterparties with which the Group maintains relations.

The Group's policy in regard to the management of its derivatives portfolio is to diversify counterparties, though it must be acknowledged that in relation to its portfolio of interest-rate derivatives that do not qualify as hedges, there exists a single counterparty holding a dominant position, so as to facilitate operations.

The five swaps in the component of our interest-rate derivatives portfolio classified as hedge accounting have four different counterparties.

In the exchange-rate swaps portfolio, the hedges related with the financing obtained in the US market in 2003 are contracted with the bank that led the operation.

Sensitivity analyses

a) Interest rate

Exposure to interest-rate risk results in the variability of the Group's net financial expenses.

The results of a sensitivity analysis of exposure as at 31 December 2010 and 2009 were as follows: a parallel shift of +/- 1% in the interest rate curve, with all other assumptions remaining constant, would represent a 17 million euros and 18 million euros increase / decrease in financial expenses (before tax), for the financial years ended on 31 December 2010 and 2009 respectively.

The fact that the Group has not substantially changed its debt profile in terms of balance between floating rate and fixed rate means the result of the sensitivity analysis remains practically unchanged.

The portfolio of derivatives not qualifying as hedges undergoes a further sensitivity analysis, intended to determine an indicator known as Earnings-at-Risk: a statistical measure that indicates, to a probability of 95% and for a three-month time horizon, the maximum loss that the portfolio can generate on earnings.

The assumptions used in the analysis are:

- Time horizon: 3 months;
- Simulation method: Monte Carlo (one thousand scenarios);
- Forward rates for the entire timeframe of the interest rate curve;
- Volatility and constant correlation, based on the monthly history of values of the previous ten years;
- 95% confidence interval.

This indicator produced the following results as at 31 December 2010 and 2009:

(Amounts in million EUR)	DECEMBER 2010	DECEMBER 2009
EaR not considering diversification	9.7	13.9
Benefits diversification	4.3	8.2
Earnings-at-Risk	5.4	5.7

The stability of this indicator reflects the absence of relevant changes in the portfolio, as well as the relativity stable conditions seen in the money markets.

b) Exchange rates

In the debt and financial derivatives components, the exchange rate risks are substantially hedged by symmetrical positions and so the potential profits variability is low. The same is true for the exchange risk exposure in other financial instruments, arising from the Group's normal business activity.

As at 31 December 2010, the exposure of profits to exchange rate fluctuations mainly derives from intra-group loans between business areas operating with different currencies. A 10% change in the euro exchange rate with the currencies where such exposure is most significant, would impact on profits as follows:

	+10%	-10%
EGP	8.956	(7.327)
TRY	(1.350)	1.650
CNY	(2.208)	2.699
	5.398	**(2.979)**

41. ACCOUNTS PAYABLE - OTHER

Accounts payable – other at 31 December 2010 and 2009 were as follows:

	GROUP				COMPANY	
	2010		2009		2010	2009
	CURRENT	NON-CURRENT	CURRENT	NON-CURRENT	CURRENT	CURRENT
Subsidiaries, associated and participated companies	1	-	67	1,100	1,079	692
Other shareholders	4,492	60	1,517	417	84	84
Suppliers of fixed assets	36,949	25,615	33,273	25,780	37	70
Other creditors	32,408	516	26,194	740	15	13
	73,851	**26,191**	**61,051**	**28,037**	**1,214**	**859**

"Other creditors" include amounts payable to several entities on transactions not related to the Group's and Company's core operations.

42. OTHER CURRENT AND NON-CURRENT LIABILITIES

These captions at 31 December 2010 and 2009 were as follows:

	GROUP				COMPANY		
	2010		2009		2010	2009	
	CURRENT	NON-CURRENT	CURRENT	NON-CURRENT	CURRENT	CURRENT	NON-CURRENT
Accrued interest	22,471	-	17,177	-	-	-	-
Accrued payroll	26,923	-	21,566	-	3,663	2,868	-
Derivative financial instruments (Note 39)	7,551	73,389	6,754	114,119	-	-	-
Investment subsidies	-	6,605	-	7,709	-	-	-
Other accrued costs and deferred income	11,435	1	15,079	589	2,627	2,779	2,493
	68,381	**79,995**	**60,576**	**122,418**	**6,290**	**5,647**	**2,493**

43. ACCOUNTS PAYABLE - TRADE

The caption "Accounts payable - trade" at 31 December 2010 and 2009 was as follows:

	GROUP		COMPANY	
	2010	2009	2010	2009
Trade payables	134,319	114,505	1,368	1,013
Suppliers - invoices for approval	22,276	14,079	22	-
Notes payable - trade	36,123	40,602	-	-
Advances from clients	6,652	13,549	-	-
	199,370	**182,734**	**1,390**	**1,013**

The trade payables balances for the Company include balances with subsidiaries of 174 thousand euros in 2010 and 691 thousand euros in 2009 (Note 47).

44. CO_2 EMISSION LICENCES

In transposing European Parliament and Council Directive 2003/87/CE to internal legal orders, lists of the installations of participants in the trading of emissions and the respective emission licences granted for the 2008 to 2012 have been approved by the Portuguese and Spanish governments.

Eight manufacturing plants of Group companies, four in Portugal (Cabo Mondego, Alhandra, Loulé and Souselas production centres) and four in Spain (Oural, Toral de los Vados, Córdoba and Niebla production centres) received licences annually corresponding emissions rights of 4,053,897 tons and 2,025,769, respectively.

The estimated emissions of these premises were 4,744,875 tons of CO_2 during the year ended 31 December 2010 (4,472,547 in 2009). 900,000 tons (850,000 in 2009) of the total licence of 6,079,666 tons of CO_2 awarded were sold, generating a gain of 13,830 thousand euros (10,723 thousand euros in 2009), reported under "Other operating income" (Note 8). Notwithstanding, the Group held emission licences that exceeded the referred to estimates by a reasonable margin. Furthermore, in the financial year ended on 31 December 2009, the Group exchanged 565,423 European Emission Allowances ("EUA") licences for Certified Emission Reductions ("CER") resulting in a gain of 3,308 thousand euros (Note 8).

45. FINANCIAL ASSETS AND LIABILITIES ACCORDING TO IAS 39

The accounting policies in accordance with IAS 39 to financial instruments were applied to following items of the Group:

2010	LOANS GRANTED AND ACCOUNTS RECEIVABLE	AVAILABLE-FOR-SALE FINANCIAL ASSETS	OTHER FINANCIAL LIABILITIES	ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT AND LOSS	TOTAL
Assets:					
Cash and cash equivalents	659,678	-	-	-	659,678
Accounts receivable-trade	284,359	-	-	-	284,359
Other investments	-	8,778	-	4,665	13,443
Other non-current accounts receivable	12,496	-	-	-	12,496
Other current accounts receivable	24,713	-	-	-	24,713
Other non-current assets	18,919	-	-	3,300	22,218
Other current assets	14,557	-	-	5,790	20,347
Current accrued income	1,967	-	-	-	1,967
Total assets	**1,016,689**	**8,778**	**-**	**13,755**	**1,039,221**
Liabilities:					
Non-current loans	-	-	983,659	269,686	1,253,345
Current loans	-	-	934,629	-	934,629
Current liabilities-trade	-	-	199,370	-	199,370
Other non-current accounts payable	-	-	26,191	-	26,191
Other current accounts payable	-	-	73,851	-	73,851
Other non-current liabilities	-	-	1	73,389	73,390
Other current liabilities	-	-	992	7,550	8,542
Current accrued costs	-	-	59,839	-	59,839
Total liabilities	**-**	**-**	**2,278,533**	**350,625**	**2,629,158**

2009	LOANS GRANTED AND ACCOUNTS RECEIVABLE	AVAILABLE-FOR-SALE FINANCIAL ASSETS	HELD MATURITY INVESTMENTS	OTHER FINANCIAL LIABILITIES	ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT AND LOSS	TOTAL
Assets:						
Cash and cash equivalents	439,182	-		-	-	439,182
Accounts receivable-trade	264,202	-		-	-	264,202
Other investments	-	5,649	224	-	4,066	9,939
Other non-current accounts receivable	11,871	-		-	-	11,871
Other current accounts receivable	28,855	-		-	-	28,855
Other non-current assets	24,780	-		-	7,408	32,188
Other current assets	17,787	-		-	5,964	23,751
Current accrued income	2,161	-		-	-	2,161
Total assets	**788,839**	**5,649**	**224**	**-**	**17,438**	**812,149**
Liabilities:						
Non-current loans	-	-		1,394,541	242,616	1,637,157
Current loans	-	-		453,523	-	453,523
Current liabilities-trade	-	-		182,734	-	182,734
Other non-current accounts payable	-	-		28,037	-	28,037
Other current accounts payable	-	-		61,051	-	61,051
Other non-current liabilities	-	-		8,299	114,119	122,418
Other current liabilities	-	-		2,663	6,754	9,417
Current accrued costs	-	-		51,159	-	51,159
Total liabilities	**-**	**-**		**2,182,007**	**363,489**	**2,545,496**

For the **Company** the accounting policies in accordance with IAS 39 to financial instruments were applied to following items:

2010	LOANS GRANTED AND ACCOUNTS RECEIVABLE	AVAILABLE-FOR-SALE FINANCIAL ASSETS	OTHER FINANCIAL LIABILITIES	TOTAL
Assets:				
Cash and cash equivalents	160,166	-	-	160,166
Accounts receivable-trade	476	-	-	476
Other investments	-	87	-	87
Other non-current accounts receivable	7	-	-	7
Other current accounts receivable	85,989	-	-	85,989
Other current assets	254	-	-	254
Current accrued income	35	-	-	35
Total assets	**246,927**	**87**	**-**	**247,015**
Liabilities:				
Current liabilities-trade	-	-	1,390	1,390
Other current accounts payable	-	-	1,214	1,214
Current accrued costs	-	-	6,290	6,290
Total liabilities	**-**	**-**	**8,894**	**8,894**

2009	LOANS GRANTED AND ACCOUNTS RECEIVABLE	AVAILABLE-FOR-SALE FINANCIAL ASSETS	OTHER FINANCIAL LIABILITIES	TOTAL
Assets:				
Cash and cash equivalents	70,495	-	-	70,495
Accounts receivable-trade	26	-	-	26
Other investments	-	73	-	73
Other non-current accounts receivable	2	-	-	2
Other current accounts receivable	3,791	-	-	3,791
Other current assets	107	-	-	107
Current accrued income	14	-	-	14
Total assets	**74,434**	**73**	**-**	**74,507**
Liabilities:				
Current liabilities-trade	-	-	1,013	1,013
Other current accounts payable	-	-	859	859
Other non-current liabilities	-	-	2,493	2,493
Other current liabilities	-	-	2	2
Current accrued costs	-	-	5,645	5,645
Total liabilities	**-**	**-**	**10,013**	**10,013**

46. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENTS

Cash and cash equivalents at 31 December 2010 and 2009 were as follows:

	GROUP		COMPANY	
	2010	2009	2010	2009
Cash	167	320	-	-
Bank deposits immediately available	64,635	70,768	166	345
Term bank deposits	489,524	198,193	160,000	70,150
Marketable securities	105,352	169,901	-	-
	659,678	**439,182**	**160,166**	**70,495**
Bank overdrafts (Note 37)	(80,827)	(58,525)	-	-
	578,851	**380,657**	**160,166**	**70,495**

The caption "Cash and cash equivalents" 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. Bank overdrafts include amounts drawn from current accounts with financial institutions.

The most significant Group cash flows regarding investment and financing activities occurred, in the Group, in the years ended 31 December 2010 and 2009, are as follows:

2010:

Receipts / payments relating to financial investments

Payments related to financial investments, occurred in the year ended 31 December 2010, correspond essentially to share's acquisition from non-controlling interests in participated companies, namely in Ameriyah Cement Company (9,5 million euros) and in Occidental de Áridos (8,1 million euros – payment regarding acquisition made in 2009).

Receipts / payments relating to loans financing activities

- Cimpor Group has performed several financial operations through Cimpor Financial Operations BV, as part of a financial debt global restructuring management program, amounting to 152 million euros. Considering the value, term and conditions obtained, the most notable of those are two Private Placements issued of about 125 and 75 million USD (with a maturity of 10 and 12 years, respectively);
- As part of the Group's financial debt restructuring, Cimpor Inversiones has borrowed around 264 million euros and made repayments in the amount of 239 million euros;
- Local loans amortization by Corporación Noroeste (200 million euros, in net terms);
- Loan obtained by Cimpor Inversiones regarding the grinding capacity increasing in Turkey (50 million euros);
- Ameriyah Cement Company contracted a 21 million euros loan, of which 9 million euros have been repaid during 2010;
- The use of short term debt by Cimpor China (funding of approximately 8 million euros, in net terms);
- Payments regarding the figure "Others", include dividends payment to non-controlled interests.

2009:

Receipts / payments relating to financial investments

Receipts relating to investments correspond, essentially, to the sale of the debt instrument issued by the Republic of Austria (Note 20).

Receipts / payments relating to financing activities

- Corporación Noroeste borrowing around 186 million euros and Cimpor Inversiones 75 million euros (amortised in 2009), for the amortisation of the debt, intra-group loans and dividends payments;
- The issue and reimbursement of commercial paper by Cimpor Indústria, amounting to 20 million euros and 52 million euros, respectively;
- The use of short term credit lines by Corporación Noroeste (which resulted in net terms to the amortisation of 44 million euros);
- The early repayment of the Private Placements in the amount of 34 million euros;
- The use of short term debt by Cimpor China (funding of approximately 31 million euros, in net terms);
- The amortisation of the medium-long term loan contracted locally in India (15 million euros).

The **Company** cash flows regarding investment and financing activities occurred in the years ended 31 December 2010 and 2009, highlight to the following:

Receipts of dividends:

	2010	2009
Cement Services Company, S.A.E.	4	88
Cimpor Egypt For Cement Company, S.A.E.	1	1
Cimpor Inversiones, S.A.	140,000	70,000
Cimpor Tec - Engenharia e Serviços Técnicos de Apoio ao Grupo, S.A.	1,675	-
Cimpor Portugal , SGPS, S.A.	180,000	126,249
	321,680	**196,338**

Loans granted to group companies:

	AMOUNTS RECEIVED DURING THE YEAR	AMOUNTS PAID DURING THE YEAR
Cimpor - Indústria de Cimentos, S.A.	54,500	101,000
Betão Liz, S.A.	500	29,000
	55,000	**130,000**

Loans obtained from group companies:

	AMOUNTS RECEIVED DURING THE YEAR	AMOUNTS PAID DURING THE YEAR
Cimpor Internacional, SGPS, S.A.	64,000	64,000

Other informations:

The income tax recovered / (paid) includes the income tax payments made by the Company on behalf of the Portuguese tax group.

47. RELATED PARTIES

Transactions and balances between Group companies consolidated by the full consolidation method or by the proportional consolidation method were eliminated in the consolidation process and so are not disclosed in this note.

Following the shareholder alteration of Cimpor which took place during the second quarter of 2010, the Teixeira Duarte and Lafarge Groups are no longer qualified as related parties, entering into this qualification the Camargo Corrêa, Votorantim and Caixa Geral de Depósitos.

The terms and conditions of the transactions between the Group companies and related parties are substantially similar to those contracted, accepted and practiced in similar operations with independent entities.

Balances and transactions between the Group and associated companies and other related parties are detailed below.

	ASSOCIATED COMPANIES		OTHER RELATED PARTIES				
			CAMARGO CORRÊA GROUP	VOTORANTIM GROUP	MANUEL FINO, SGPS, S.A. AND RELATED	CAIXA GERAL DE DEPÓSITOS, S.A. AND RELATED	OTHER
	2010	2009	2010	2010	2010	2010	2009
Assets:							
Deposits	-	-	-	-	-	10,366	-
Accounts receivable-trade	2,333	3	2	2,103	1,348	-	-
Accounts receivable-other	19,002	20,688	-	3	-	-	-
	21,336	**20,691**	**2**	**2,106**	**1,348**	**10,366**	**-**
Liabilities:							
Loans	-	-	-	-	-	1,174	-
Accounts payable-trade	160	976	-	195	-	-	-
Suppliers of fixed assets	-	30	-	-	-	-	113
Other creditors	-	-	-	-	-	22	-
	160	**1,006**	**-**	**195**	**-**	**1,196**	**113**
Transactions:							
Supply of fixed assets	-	22	-	-	-	-	-
External supplies and services	1,263	2,638	-	-	-	2,802	-
Fixed assets purchases	-	-	-	-	123	-	-
Inventories purchases	-	956	1,263	1,716	-	-	-
Sales and services rendered	6,666	19	1,050	5,108	1,862	-	-
Other operating income	-	-	-	39	-	-	-
Financial expenses, net	-	-	-	-	-	821	-
	7,929	**3,634**	**2,313**	**6,862**	**1,985**	**3,623**	**-**

It is worthy of mention the credit lines obtained but not used from Caixa Geral de Depósitos Group amounted to 305 million euros, of which 225 million euros already in force in 2009, (included those mentioned in Note 40), as well as bank guarantees and bond insurances of approximately 120 million euros, the largest of which was related to the BEI loan (Note 48).

Transactions between related parties also include the following operations and commitments, regarding acquisitions of equity investments, namely:

- In the year ended 31 December 2010, the signing of a binding agreement with Camargo Corrêa Cimentos, S.A. to acquire 51% of the share capital of CINAC – Cimentos de Nacala, S.A. ("CINAC"), a participation that the abovementioned Cimpor shareholder had just acquired from the Mozambican group INSITEC. The completion of this acquisition is subject to notification to the Mozambican relevant authorities and to the approval of CINAC financing banks;
- In the year ended 31 December 2009, the acquisition from an associate of 10% of the share capital of Firmes y Hormigones Sany, S.L. (where 80% was already owned), the acquisition of 25% of the share capital of Occidental de Áridos, S.L., making this company wholly owned by the Group, and a 55% stake in the capital of Betobomba, S.L. (Note 5), in the overall amount of 9 million euros.

Benefits of the members of the Company's corporate board and executive seniors

Benefits of the members of the Company's corporate board and senior executive in the years ended 31 December 2010 and 2009 were as follows:

Group:

	2010			2009	
	FIXED	VARIABLE	COMPENSATION BY ENDING OF MANDATE	FIXED	VARIABLE
Board of directors:					
Executive directors	1,677	1,319	2,620	1,553	2,685
Non-executive directors	1,010	-	2,554	751	-
	2,687	**1,319**	**5,174**	**2,304**	**2,685**
Senior executives	**7,562**	**1,604**	**-**	**5,700**	**1,428**
	10,250	**2,924**	**5,174**	**8,004**	**4,113**
Short-term benefits	9,830	2,406	5,174	7,742	2,599
Post employment benefits	420	-	-	262	-
Share based payments	-	518	-	-	1,514
	10,250	**2,924**	**5,174**	**8,004**	**4,113**

Company:

	2010			2009	
	FIXED	VARIABLE	COMPENSATION BY ENDING OF MANDATE	FIXED	VARIABLE
Board of directors:					
Executive directors	1,677	1,319	2,620	1,553	2,685
Non-executive directors	1,010	-	2,554	751	-
	2,687	**1,319**	**5,174**	**2,304**	**2,685**
Senior executives	**2,333**	**693**	**-**	**1,445**	**607**
	5,020	**2,012**	**5,174**	**3,748**	**3,292**
Short-term benefits	4,724	1,525	5,174	3,539	1,941
Post employment benefits	296	-	-	209	-
Share based payments	-	487	-		1,351
	5,020	**2,012**	**5,174**	**3,748**	**3,292**

Balances at 31 December 2010 and 2009 and transactions in such years ended between the Company and related parties are detailed below.

Balances:

	2010					
	ACCOUNTS RECEIVABLE	GROUP COMPANIES, ACCOUNTS RECEIVABLE	LOANS TO GROUP COMPANIES (NOTE 22)	ACCOUNTS PAYABLE	GROUP COMPANIES, ACCOUNTS PAYABLE	ACCRUED EXPENSES
Agrepor Agregados - Extracção de Inertes, S.A.	-	9	-	-	2	-
Amreyah Cement Company, S.A.E.	-	143	-	-	-	-
Betão Liz, S.A.	-	108	29,000	-	38	-
Cecime - Cimentos, S.A.	-	1	-	-	-	-
Ciarga – Argamassas Secas, S.A.	-	-	-	-	40	-
Cimpor - Indústria de Cimentos, S.A.	453	20	46,500	-	218	6
Cimpor - Serviços de Apoio à Gestão Empresas, S.A.	-	-	-	174	538	-
Cimpor Betão - Indústria de Betão Pronto, S.A.	-	-	-	-	59	-
Cimpor Cabo Verde, S.A.	-	18	-	-	-	-
Cimpor Imobiliária, S.A.	-	-	-	-	-	18
Cimpor Portugal , SGPS, S.A.	-	10,004	-	-	-	-
Cimpor Tec - Engenharia e Serviços Técnicos de Apoio ao Grupo, S.A.	-	6	-	-	-	-
Cimpor Yibitas Çimento Sanayi Ve Ticaret A.S.	-	12	-	-	-	-
Geofer - Produção e Comercialização de Bens e Equipamentos, S.A.	-	-	-	-	91	-
Imopar, SARL	-	11	-	-	-	-
Jomatel - Empresa de Materiais de Construção, S.A.	-	-	-	-	70	-
Sacopor - Sociedade de Embalagens e Sacos de Papel, S.A.	-	9	-	-	-	-
Societé les Ciments de Jbel Oust	-	49	-	-	-	-
Transviária - Gestão de Transportes, S.A.	-	-	-	-	24	-
	453	**10,388**	**75,500**	**174**	**1,079**	**25**

	2009			
	GROUP COMPANIES, ACCOUNTS PAYABLE	ACOUNTS PAYABLE	GROUP COMPANIES, ACCOUNTS PAYABLE	ACCRUED EXPENSES
Agrepor Agregados - Extracção de Inertes, S.A.	8	-	7	-
Betão Liz, S.A.	509	-	14	-
Cimpor - Indústria de Cimentos, S.A.	451	-	557	6
Cimpor - Serviços de Apoio à Gestão Empresas, S.A.	51	691	13	-
Cimpor Betão - Indústria de Betão Pronto, S.A.	-	-	2	-
Cimpor Finance Limited	39	-	-	-
Cimpor Imobiliária, S.A.	-	-	-	18
Cimpor Internacional, SGPS, S.A.	12	-	-	-
Cimpor Portugal , SGPS, S.A.	2,611	-	100	-
Cimpor Tec - Engenharia e Serviços Técnicos de Apoio ao Grupo, S.A.	2	-	-	-
Imopar, SARL	9	-	-	-
Sacopor - Sociedade de Embalagens e Sacos de Papel, S.A.	9	-	-	-
	3,701	**691**	**692**	**25**

Transactions:

	2010				
	OUTSIDE SUPPLIES AND SERVICES	INTEREST EXPENSES (NOTE 12)	SERVICES RENDERED	OTHER OPERATING INCOME	INTEREST INCOME (NOTE 12)
Agrepor Agregados - Extracção de Inertes, S.A.	1	-	-	-	-
Amreyah Cement Company, S.A.E.	-	-	-	143	-
Asment de Temara, S.A.	-	-	-	15	-
Betão Liz, S.A.	-	-	-	-	124
Cimpor - Indústria de Cimentos, S.A.	18	-	4,488	30	552
Cimpor - Serviços Apoio Gestão Empresas, S.A.	2,305	-	-	505	-
Cimpor Cabo Verde, S.A.	-	-	-	18	-
Cimpor Internacional, SGPS, S.A.	-	519	55	-	-
Cimpor Tec - Engenharia e Serviços Técnicos de Apoio ao Grupo, S.A.	1	-	-	30	-
Cimpor Yibitas Çimento Sanayi Ve Ticaret A.S.	-	-	-	12	-
Societé les Ciments de Jbel Oust	-	-	-	49	-
Transviária - Gestão de Transportes, S.A.	20	-	-	-	-
	2,346	**519**	**4,543**	**801**	**676**

	2009				
	OUTSIDE SUPPLIES AND SERVICES	INTEREST EXPENSES (NOTE 12)	SERVICES RENDERED	OTHER OPERATING INCOME	INTEREST INCOME (NOTE 12)
Agrepor Agregados - Extracção de Inertes, S.A.	1	-	-	8	-
Betão Liz, S.A.	-	-	-	-	8
Cimpor - Indústria de Cimentos, S.A.	13	-	4,488	63	11
Cimpor - Serviços de Apoio à Gestão Empresas, S.A.	1,745	-	-	507	-
Cimpor Internacional, SGPS, S.A.	-	-	60	-	-
Cimpor Portugal , SGPS, S.A.	-	2	-	-	-
Cimpor Tec - Engenharia e Serviços Técnicos de Apoio ao Grupo, S.A.	-	-	-	3	-
Sacopor - Sociedade de Embalagens e Sacos de Papel, S.A.	-	-	-	9	-
	1,759	**2**	**4,548**	**590**	**19**

48. 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 as of an environmental nature, labour cases and regulatory. Considering the nature of the legal cases and the provisions recorded, the expected outcome is to not have a significant impact on the Group's operations, financial position or operations results.

In the **Company**, as a result of audits performed by the tax authorities to the CIT returns for the years of 1996 to 2008, additional adjustments were made to the assessment basis and to tax, determined under the tax consolidation regimes in force in each year. The Board of Directors believes, based on the understanding of its tax consultants, that the above mentioned adjustments have no legal basis and therefore they have been legally claimed, being the majority of the issues in dispute provisioned, as referred in Note 36.

In addition, the Board of Directors believes that any payment of the above tax, resulting from tax assessments up to the tax year of 2001 or subsequent if influenced by operations up to that date, are the responsibility of the "*Fundo de Regularização da Dívida Pública*".

For the years 1997 and 1998 this subject was sanctioned by the decision of the Chamber of the Supreme Administrative Court, confirmed by plenary of that Chamber, which consequences are the recognition, as always has been defended by the Company, that the payment of the above tax, resulting from additional tax assessments related to these years, it's responsibility of "*Fundo de Regularização da Dívida Pública*". Additionally, in 2010, it was sanctioned a decision of Lisbon Administrative Court recognizing the same rights to the Company, for the financial year of 1999.

In the **Group**, and apart from the above, in Spain for tax audits for the years of 2002 to 2004, the tax authorities assessed an amount of tax totalling approximately of 35 million euros (including accrued interests). The adjustments to the taxable profit claimed relate primarily to financial profit/loss, resulting mainly from interpretations not appropriate to the nature of certain transactions, and it is the belief of the Board of Directors that the conclusion of court proceedings already underway to challenge those adjustments, will not result in significant costs to the Group. This conviction is backed up by the opinion of its legal and tax advisers, who mostly gauge the possibility of losing such court cases as being remote.

During the second semester of 2010, the group companies in Spain that challenged those adjustments were notified by the competent Court upholding in part the companies' claims. This decision will result in the reduction of the tax assessments amounts which, at this report date, have not yet been notified to the companies. The adjustments not upheld by this Court are appealed to a higher court, according to the defence approach set by the Board of Directors and its tax and legal advisers at the beginning of these cases.

Guarantees

At 31 December 2010 and 2009 the **Group** companies had guarantees totalling 200,871 thousand euros and 118,555 thousand euros, respectively, given to third parties.

At 31 December 2010 and 2009 the companies included in the consolidation perimeter had the following bank guarantees given to third parties:

	2010	2009
Garantees given:		
For tax processes in progress	54,535	54,537
Financing entities	83,426	40,087
To suppliers	8,025	7,848
Other	54,885	16,083
	200,871	**118,555**

As at 31 December 2010, in guarantees given to other entities is included a bank guarantee that was granted to the Industrial Development Authority (IDA), an Egyptian governmental entity, amounting to 28 million euros (217 million Egyptian pounds), due to a process in which payment of a similar amount is demanded to the Amreyah Cimpor Cement Company related to the industrial license for the production facility owned by that company. It is the Board of Directors believe and also the opinion of the legal consultants, that there is no obligation to make the said payment, and accordingly the company has already filed a legal action against the former institution.

Additionally, one of the contract loans, in China business area, is guaranteed by a constitution of a mortgage for fixed assets, by the amount of 5,997 thousand euros (5,379 thousand euros in 2009). In the Portugal business area, due to legislation on the legal responsibilities for environmental damage reserves were established or assets of the Group companies assigned in a total of approximately 7 million euros.

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 mentioned in Note 47, the signature of a binding agreement to acquire 51% of the share capital of CINAC. The value of the investment including loans estimates around 28 million USD.

In the year ended 31 December 2010, the sales of the 26% of the share capital of S. C. Stone and Sterkspruit Aggregates (Note 4), in accordance with South Africa legislation regarding Black Economic Empowerment (BEE), were not recognised because the significant risks and benefits relating to those investments were not been transferred to the buyer. In accordance with the terms agreed there are no losses to be recognised as a result of the transactions.

Pursuant to the contractually established terms and conditions, the minority shareholder of Shandong Liuyuan New-type Cement Development Co., Ltd., is provided the opportunity to increase their shareholding in that company to a maximum of 40%, until 15 October 2012. The Board of Directors does not estimate any materially relevant impact on the Group financial statements in the event that such option is taken up.

Additionally, as of 31 December 2010 and 2009, there are commitments 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:

	2010	2009
Business area:		
Spain	14,689	16,668
Portugal	16,049	14,025
Egypt	13,781	11,507
India	10,232	3,682
Others	13,793	3,638
	68,543	**49,519**

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.

49. AUDITORS FEES AND SERVICES

In the years ended 31 December 2010 and 2009, the fees and services provided by our auditors were as follow:

	VALUE		%	
	2010	2009	2010	2009
CIMPOR HOLDING:				
Legal certification of accounts	65	72	4%	5%
Other assurance services	-	25	0%	2%
Tax consultancy services	20	-	0%	0%
	85	**97**	**5%**	**6%**
Subsidiaries:				
Legal certification of accounts	1,292	1,222	81%	80%
Other assurance services	6	72	0%	5%
Tax consultancy services	166	120	10%	8%
Other	38	12	2%	1%
	1,502	**1,425**	**95%**	**94%**
	1,587	**1,522**	**100%**	**100%**

50. SUBSEQUENT EVENTS

The political changes and social upheavals that have occurred since January to the present date in Tunisia, Egypt and other countries bordering the Mediterranean have been the focus of the special attention of Cimpor and have required that appropriate action be taken. Those events have not originated significant impacts on the operation of local units. However, Cimpor is evaluating with concern the possibility of adverse developments on its operations.

51. FIRST-TIME ADOPTION OF IFRS BY THE COMPANY

Up to 31 December 2009 the Company prepared, approved and published individual financial statements for purposes of compliance with current Portuguese legislation, in accordance with generally accepted accounting principles in Portugal as of that date, included in the Portuguese Official Chart of Accounts *Plano Oficial de Contabilidade* - "POC"), Portuguese Accounting Directives and other supplementary legislation, which was revoked for years starting on 1 January 2010.

As a result of article 4 of Decree-Law 158/2009 of 13 July, the Company opted to prepare its individual financial statements in accordance with IFRS.

Therefore the statement of financial position as of 31 December 2009 and statements of comprehensive income, cash flows, and changes in equity, as well as the related notes for the year ended 31 December 2009, presented for comparative purposes, were adjusted in accordance with IFRS. The adjustments made, effective as of 1 January 2009, date of transition, were made in accordance with the provisions of IFRS 1 – First-time adoption of international financial reporting standards.

The effect of the adjustments resulting from the adoption of IFRS, as of 1 January 2009, was reflected in retained earnings.

The main differences between the accounting policies arising from the adoption of IFRS, with impact on the financial statements of the company, are as follows:

Investments in subsidiary and associated companies and non-current assets held for sale:

When separate financial statements are prepared, investments in subsidiaries, jointly controlled entities and associated companies that are not classified as held for sale (or included in a group for sale that is classified as held for sale) in accordance with IFRS 5 must be recorded either:

a) at cost; or

b) in accordance with IAS 39.

The same accounting procedures must be applied to each category of investments. Investments in subsidiaries, jointly controlled entities and associated companies that are not classified as held for sale (or included in a group for sale that is classified as held for sale) in accordance with IFRS 5 must be recorded in accordance with that IFRS.

Therefore, in compliance with IFRS 3, the Company stopped applying the equity method of accounting as from the date of transition to IFRS, maintaining the net book value as of that date as the deemed cost of the investment.

Deferred tax assets:

In accordance with the previous standards, in cases in which, due to the effect of revaluations, tangible fixed assets came to have a tax base in excess of the corresponding book value no corresponding deferred tax asset could be recorded. That limitation is not included in the current standards and so, on the transition date, the Company recorded the corresponding deferred tax asset.

Deferred costs:

In accordance with the previous standards, the Company deferred some costs which could not be recognized as assets in accordance with the requirements of the IFRS, particularly in respect to its conceptual framework of IAS 38 – Intangible assets.

Contractual rights – credit lines (commercial paper):

In the year ended 31 December 2009 the Company contracted credit lines (commercial paper) which resulted in several costs relating to subscription guarantee, organization and agency charges. The related contractual rights of such credit lines, valued at the amount of the charges, were recorded as intangible assets, amortizable over the useful life of those rights.

Intangible assets:

Software, which in accordance with the previous standards, was classified under tangible fixed assets on the caption basic equipment, and that should not be considered as part of tangible assets, was reclassified to the caption intangible assets.

Extraordinary items:

IFRS do not consider the existence of extraordinary costs and income. Consequently, the amounts previously considered as extraordinary items in the statements of profit and loss and cash flows were reclassified based on their nature.

Employee benefits:

In compliance with the previous accounting standards, the Company had the procedure of distributing to some employees, part of the results generated each year as equity bonuses, in accordance with the proposed appropriation of results. In accordance with IAS 19 – Employee benefits, short term benefits granted to personnel must be recognized in the period in which the employee renders the services for which has acquired the right thereto. Therefore, the Company recognized the expected cost of profit participation in the period in which the employees rendered their services.

Employee benefits – share purchase option plans:

The previous standards did not consider the granting of benefits to employees through share purchase option plans. In accordance with IFRS 2 – Share based payments the Company recognized such benefits as explained in Note 2.22.

Tangible fixed assets:

Although adopting cost as the basis for measuring tangible fixed assets, on the transition date the Company considered as deemed cost the effect of the revaluation of some assets in prior years.

The effects on the individual statement of financial position as of 1 January 2009 of the restatement of the individual financial statements prepared in accordance with the Portuguese Official Chart of Accounts to restated financial statements in accordance with IFRS in force on 1 January 2010 were as follows:

	POC	ADJUSTMENTS AND RECLASSIFICATIONS	IFRS
Non-current assets:			
Intangible assets	540	-	540
Tangible assets	6,331	-	6,331
Investments in subsidiaries and associates	1,096,967	-	1,096,967
Other investments	73	-	73
Deferred tax assets	292	390	682
Total non-current assets	**1,104,204**	**390**	**1,104,594**
Current assets:			
Accounts receivable-trade	23	-	23
Accounts receivable-other	11,579	-	11,579
Taxes recoverable	1,363	-	1,363
Cash and cash equivalents	616	-	616
Other current assets	325	(71)	253
Total current assets	**13,905**	**(71)**	**13,833**
Total assets	**1,118,109**	**318**	**1,118,427**
Shareholders' equity:			
Share capital	672,000	-	672,000
Treasury shares	(41,640)	-	(41,640)
Reserves	444,560	(144,599)	299,961
Retained earnings	(10,132)	142,462	132,330
Total shareholders' equity	**1,064,788**	**(2,137)**	**1,062,652**
Non-current liabilities:			
Deferred tax liabilities	274	-	274
Provisions	48,584	-	48,584
Total non-current liabilities	**48,858**	**-**	**48,858**
Current liabilities:			
Accounts payable-trade	749	-	749
Accounts payable-other	545	-	545
Taxes payable	2,003	-	2,003
Other current liabilities	1,166	2,455	3,621
Total current liabilities	**4,462**	**2,455**	**6,917**
Total liabilities	**53,320**	**2,455**	**55,775**
Total liabilities and shareholders' equity	**1,118,109**	**318**	**1,118,427**

The effects of the adjustments to individual shareholder's equity as of 1 January 2009, as a result of restatement to IFRS were as follows:

Individual shareholders' equity - POC	**1,064,788**
Adjustments of the year for reserves and retained earnings:	
Distribution of profits to employees	(2,455)
Deferred tax on not depreciable land	371
Derecognition of deferred costs	(53)
	(2,137)
Individual shareholders' equity - IFRS	**1,062,652**

In addition, reconciliation between individual shareholder's equity in accordance with the Portuguese Official Chart of Accounts and IFRS as of 31 December 2009, as well as reconciliation between the profit for the year then ended is as follows:

Individual shareholders' equity - POC	**1,238,959**
Restatement adjustments	(2,137)
Adjustments of the year for reserves and retained earnings:	
Distribution of profits to employees	2,455
Share purchase options	2,261
Cancellation of the equity method	(113,993)
	(109,277)
Adjustments of the year for net profit of the year:	
Distribution of profits to employees	(1,887)
Derecognition of deferred costs	22
Share purchase options	(2,261)
Cancellation of the equity method	4,109
Deferred tax on not depreciable land	26
Contractual rights - Commercial paper	(4)
	4
Individual shareholders' equity - IFRS	**1,127,549**

As a result of the adjustments indicated, the individual statement of comprehensive income for the year ended 31 December 2009, restated in accordance with IFRS, is as follows:

	POC	ADJUSTMENTS AND RECLASSIFICATIONS	IFRS
Operating income:			
Sales and services rendered	4,548	-	4,548
Other operating income	676	-	676
Total operating income	**5,224**	**-**	**5,224**
Operating expenses:			
Outside supplies and services	(4,011)	30	(3,981)
Payroll costs	(8,081)	(4,150)	(12,230)

	POC	ADJUSTMENTS AND RECLASSIFICATIONS	IFRS
Depreciation, amortisation and impairment losses on goodwill, tangible and intangible assets	(501)	(1,814)	(2,315)
Provisions	(2,340)	2,340	-
Other operating expenses	(343)	2	(341)
Total operating expenses	**(15,276)**	**(3,592)**	**(18,868)**
Net operating income	**(10,052)**	**(3,592)**	**(13,644)**
Financial income, net	(1,848)	(533)	(2,381)
Investment income	192,229	4,109	196,338
Profit before income tax	180,329	(16)	180,313
Income tax	**3,546**	**19**	**3,566**
Net profit for the year	**183,875**	**4**	**183,879**
Total comprehensive income for the year	**183,875**	**4**	**183,879**

In addition, as a result of the adjustments indicated, the individual statement of financial position as of 31 December 2009 restated in accordance with IFRS is as follows:

	POC	ADJUSTMENTS AND RECLASSIFICATIONS	IFRS
Non-current assets:			
Intangible assets	360	6,919	7,279
Tangible assets	6,265	-	6,265
Investments in subsidiaries and associates	1,206,852	(109,884)	1,096,967
Other investments	73	-	73
Accounts receivable-other	2	-	2
Deferred tax assets	282	417	699
Total non-current assets	**1,213,833**	**(102,548)**	**1,111,285**
Current assets:			
Accounts receivable-trade	26	-	26
Accounts receivable-other	3,791	-	3,791
Taxes recoverable	6,642	-	6,642
Cash and cash equivalents	70,495	-	70,495
Other current assets	1,959	(1,838)	121
Total current assets	**82,912**	**(1,838)**	**81,074**
Total assets	**1,296,745**	**(104,386)**	**1,192,359**
Shareholders' equity:			
Share capital	672,000	-	672,000
Treasury shares	(39,905)	-	(39,905)
Reserves	481,474	(176,304)	305,170
Retained earnings	(58,486)	64,891	6,405
Net profit for the year	183,875	4	183,879

	POC	ADJUSTMENTS AND RECLASSIFICATIONS	IFRS
Total shareholders' equity	**1,238,959**	**(111,410)**	**1,127,549**
Non-current liabilities:			
Deferred tax liabilities	261	8	269
Provisions	54,195	-	54,195
Other non-current liabilities	-	2,493	2,493
Total non-current liabilities	**54,456**	**2,501**	**56,957**
Current liabilities:			
Accounts payable-trade	1,013	-	1,013
Accounts payable-other	859	-	859
Taxes payable	334	-	334
Other current liabilities	1,124	4,523	5,647
Total current liabilities	**3,330**	**4,523**	**7,853**
Total liabilities	**57,786**	**7,024**	**64,810**
Total liabilities and shareholders' equity	**1,296,745**	**(104,386)**	**1,192,359**

52. FINANCIAL STATEMENTS APPROVAL

These financial statements for the year ended 31 December 2010 were approved by the Board of Directors on 21 March 2011. However, they are still subject to approval by the Shareholders' General Meeting in accordance with commercial legislation in force in Portugal, set to 18 April 2011.

53. 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.

OUR SOUNDNESS IS IN YOUR LIFE

SOUTHERN AFRICA

	Installed Capacity* Million ton	Turnover Million Euros	Operating Cash Flow Million Euros	Employees Units - 31 Dec.
MOZAMBIQUE Since 1994	0.7	88.1	11.4	464
SOUTH AFRICA Since 2002	1.5	144.8	58.9	534

* - Cement production capacity with own clinker

III CORPORATE GOVERNANCE REPORT

0. COMPLIANCE STATEMENT

CORPORATE GOVERNANCE RULES APPLICABLE TO CIMPOR

Pursuant to Regulation no. 1/2010 of the Portuguese Securities Exchange Commission ("CMVM"), CIMPOR has adopted CMVM's Corporate Governance Code in its 2010 version (hereinafter the "Corporate Governance Code"), which is available for consultation at its website: www.cmvm.com, and the registered office of CIMPOR.

ADOPTED AND NOT ADOPTED RECOMMENDATIONS

CIMPOR considers that it has adopted the best practices of Corporate Governance, which results on the adoption of the recommendations of the Corporate Governance Code. CIMPOR has not complied with the Code's criteria only in relation to three of its recommendations: (1) the number of terms-of-office of the chairman of the Fiscal Board, (2) the number of independent Directors and (3) the elements of internal control and risk management systems, as explained below.

		RECOMMENDATION	COMPLIANCE	REFERENCE
I.		General Meeting		
I.1.		General Meeting Board		
	1.	Adequacy of the resources available to the Chairman of the General Meeting Board	COMPLIES	I.3.
	2.	Disclosure of the remuneration of the Chairman of the General Meeting Board	COMPLIES	I.3.
I.2.		Participation in the General Meeting		
	1.	Period in advance for the deposit or blocking of shares	N/A	I.4.
	2.	Blocking of the shares in case of suspension of the General Meeting	N/A	I.5.
I.3.		Voting and Exercise of Voting Rights		
	1.	Absence of restrictions imposed by the by-laws on voting by correspondence	COMPLIES	I.9.
	2.	Deadline for the reception of votes by correspondence	COMPLIES	I.11.
	3.	Principle of proportionality (in particular, "one share, one vote")	COMPLIES	I.6. and I.7.
I.4.		Quorum and Resolutions – No quora higher than those legally required	COMPLIES	I.8.
I.5.		Minutes and Information on Resolutions Passed – Availability on the Company's website	COMPLIES	I.13
I.6.		Corporate Control Measures		
	1.	Absence of measures to prevent the success of takeover bids	COMPLIES	I.20.
	2.	Absence of defensive measures	COMPLIES	I.20.
II.		Management and Supervisory Bodies		
II.1.		General		
	1.	Structure and Powers		
		1. Assessment of the governance model by the management body	COMPLIES	II.1.1.1.
		2. Internal control and risk management systems	DOES NOT COMPLY	II.5.
		3. Powers of the management and supervisory bodies regarding internal control and risk management systems	COMPLIES	II.6.
		4. Identification of the main risks and effectiveness of the internal control and risk management systems	COMPLIES	II.9. and II.5.
		5. Internal regulations of the management and supervisory bodies	COMPLIES	II.7.
	2.	Incompatibilities and Independence		
		1. Number of non-executive directors	COMPLIES	II.14.
		2. Number of independent non-executive directors	DOES NOT COMPLY	II.14.
		3. Independence assessment rules	COMPLIES	II.15.
	3.	Eligibility and Appointment		
		1. Independence of the Chairman of the Fiscal Board and qualifications to discharge his duties	DOES NOT COMPLY	II.21.
		2. Candidates' selection process for non-executive directors	COMPLIES	II.16.

		RECOMMENDATION	COMPLIANCE	REFERENCE
	4.	Whistleblowing Policy		
		1. Adoption of whistleblowing policy	COMPLIES	II.35.
		2. Disclosure of general guidelines	COMPLIES	II.35.
	5.	Remuneration		
		1. Alignment with the Company's long-term interests	COMPLIES	II.29.3.
		2. Statement on the remuneration policy of the members of the management and supervisory bodies	COMPLIES	II.29.1.
		3. Statement on remuneration policy of other managers	COMPLIES	II.29.3.
		4. Submission to the General Meeting of stock purchase and stock options plans and retirement benefits system	COMPLIES	I.16. and III.10.
		5. Presence of at least one representative of the Remuneration Committee on General Meetings	COMPLIES	I.15.
II.2.		Board of Directors		
	1.	Delegation of day-by-day management of the Company	COMPLIES	II.3.1.
	2.	Pursuit of the Company's goals and limits to the delegation of powers	COMPLIES	II.3.1.
	3.	Coordination of the activities of non-executive directors	N/A	II.8.
	4.	Disclosure of the activities of non-executive directors	COMPLIES	II.17.
	5.	Rotation of the areas of responsibility within the Board of Directors	COMPLIES	II.11.1.
II.3.		Executive Committee		
	1.	Provision of information to the other members of the corporate bodies	COMPLIES	II.3.2. and II.13.
	2.	Remittance of notices and minutes of meetings to the chairmen of the Board of Directors and the Fiscal Board	COMPLIES	II.3.2. and II.13.
	3.	Remittance of notices and minutes of meetings to the chairmen of the Supervisory Board and the Financial Matters Committee	N/A	
II.4.		Fiscal Board		
	1.	Duties of the Supervisory Board	N/A	
	2.	Disclosure of the annual report on the Company's website	COMPLIES	II.4.
	3.	Description of the supervisory activity in the annual report	COMPLIES	II.4.
	4.	Representation of the Company before the external auditor	COMPLIES	II.24. and II.3.6.1.
	5.	Assessment and proposal for the dismissal of the external auditor	COMPLIES	II.24. and II.3.6.1.
	6.	Reporting of the internal audit and compliance services to an independent director or to the Fiscal Board	COMPLIES	II.3.8.1.
II.5.		Specialized Committees		
	1.	Committees for performance assessment, identification of candidates with a management profile and for evaluation of the adopted governance system.	COMPLIES	II.3.7. and II.2.2. and II.2.3.
	2.	Independence and qualifications of the members of the remuneration committee	COMPLIES	II.16. and II.38
	3.	Independence of the consultants to the remuneration committee	COMPLIES	II.39.
	4.	Minutes	COMPLIES	II.37.
III.		**Information and Auditing**		
III.1.		General Disclosure Obligations		
	1.	Investor relations office	COMPLIES	III.16.
	2.	Disclosure of information in English on the Company's website	COMPLIES	III.16.
	3.	Rotation of external auditor	COMPLIES	III.18.
	4.	Powers of external auditor	COMPLIES	II.3.6.
	5.	Contracting of non-audit services from the external auditor	COMPLIES	II.3.8.1.
IV.		**Conflicts of Interest**		
IV.1.		Relations with shareholders		
	1.	Transactions with the qualifying shareholders and related parties	COMPLIES	III.12.
	2.	Prior opinion of the Fiscal Board	COMPLIES	III.13.

COMPLY OR EXPLAIN

As abovementioned, in light of the criteria set forth in the Corporate Governance Code, CIMPOR did not comply with three of its recommendations. Nonetheless, it does consider that it complies in substance, as explained below.

0.3.1. INDEPENDENCE OF THE CHAIRMAN OF THE FISCAL BOARD

Recommendation II.1.3.1. The chairman of the Fiscal Board, Supervisory Committee or the Financial Matters Committee, depending on the applicable model, must be independent and be adequately qualified to carry out his duties.

CIMPOR considers the Chairman of its Fiscal Board to be adequately impartial and competent to perform the duties inherent to that role, considering his qualifications and permanence in the Company, in that capacity, since March 1992.

It is considered that the publicly recognised impartiality of the chairman of the Fiscal Board is not affected by the fact that he has been in office for more than three terms. CIMPOR believes that the extent of his knowledge throughout his terms of office has proven to be particularly valuable to the performance of his duties.

The criteria used by the Corporate Governance Code to assess independence is not, however, complied with since the Chairman of the Fiscal Board has discharged such duties for more than three terms of office, thus not being considered independent in the light of Article 414(5) b) of the Portuguese Companies Code.

0.3.2. INDEPENDENT NON-EXECUTIVE DIRECTORS

Recommendation II.1.2.2. Among non-executive directors, there must be an adequate number of independent directors, considering the company's dimension and its shareholder structure, which shall never be less than one-fourth of the total number of directors.

CIMPOR considers three independent directors to be appropriate to its specific case, considering, on the one hand, its corporate governance structure with a Fiscal Board, the number, diversity of affiliations and profile of its non-executive directors, and the fact that the Executive Committee includes exclusively professionals elected in that capacity, and on the other hand, the existence of a limited shareholder free float of around 15%. In addition, the percentage of independent directors among the number non-executive directors is more than twice the percentage of dispersed share capital. However, CIMPOR does not comply with the second part of this recommendation as the number of independent non-executive directors, according to the provisions of Article 414(5) of the Companies Code, represents one-fifth of the total number of directors and not the recommended one-fourth.

The election of seven new directors, one of whom is independent, in the General Meeting of April 29th, 2010, where 85% of the share capital was represented, already reflects the will of the current shareholder structure.

0.4.3. COMPONENTS OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS

Recommendation II.1.1.2. Companies must establish internal control and risk management systems, in preservation of their value and enhancement of corporate governance transparency, which will allow them to identify and manage risk. Those systems shall at least include the following components: i) the setting of the strategic objectives of the company regarding risk-taking; ii) the identification of the main risks related to the actual business undertaken and events that may pose risk; iii) analysis and measuring of the impact and the probability of occurrence of each potential risk; iv) risk management aimed at aligning the risks actually incurred with the company's strategic option for risk-taking; v) mechanisms for monitoring the implementation of the adopted risk management measures and their effectiveness; vi) the adoption of internal information and communication mechanisms in relation to the various components of the system and of risk warnings; vii) the periodic evaluation of the implemented system and adoption of modifications deemed necessary.

The control and risk management systems of CIMPOR, similarly to the general practice of companies of its industry, do not include all the components mentioned in the recommendation, in particular since CIMPOR does not "... measure the impact and probability of occurrence of each potential risk", only doing so in case of risks where those mathematical procedures are adequate to their knowledge and characteristics (financial risks, depletion of reserves, etc.). CIMPOR does not use such methods for risks covered by insurance either.

I. GENERAL MEETING

I.1 & I.2. IDENTIFICATION, BEGINNING AND END OF TERM-OF--OFFICE OF THE MEMBERS OF THE GENERAL MEETING BOARD

The Annual General Meeting of May 13th, 2009 elected the following members for the 2009-2012 period:

		1ST APPOINTMENT DATE
Chairman	Luís Manuel de Faria Neiva dos Santos	11.05.2007
Vice-Chairman	Rodrigo de Melo Neiva dos Santos	13.05.2009

I.3. DISCLOSURE OF THE REMUNERATION OF THE CHAIRMAN OF THE GENERAL MEETING BOARD AND RESOURCES ADEQUACY

The remuneration of the Chairman of the General Meeting Board takes the form of an attendance fee, which was adjusted, following the General Meeting of May 13th, 2009, by decision of the Remuneration Committee, from €1,000 to €4,500.

Within the scope of its functions regarding convening and conducting the General Meetings, the Chairman of the General Meeting Board relies on the support of the Vice-Chairman and the Company Secretary, within their respective legal powers. The Chairman is further provided of logistics support and human resources necessary for the proper performance of duties, particularly when contacting with shareholders and to the assurance of the correct running of the General Meetings.

I.4. INDICATION OF THE REQUIRED PRIOR NOTICE FOR THE BLOCKAGE OF SHARES IN ORDER TO PARTICIPATE IN THE GENERAL MEETING

The provision of the Articles of Association on this matter (Article 7(3)) was derogated by the entry into force of Decree-Law no. 49/2010 of May 19th. This Decree-Law transposed the Directive 2007/36/EC of June 11th, usually referred to as the "Shareholders' Rights Directive", to national law. This ensured that the previous blockage of shares was no longer required to attend and vote at General Meetings.

In fact, in accordance with Article 23-C(1) of the Portuguese Securities Code, any person who owns one or more shares registered in their name and which give the holder at least one vote, according to law and the Articles of Association, at 0:00 hours (GMT) of the fifth trading day prior to the date set for the General Meeting ("Record Date") may attend and vote at the General Meeting.

Moreover, pursuant to Article 23-C (3) of the Portuguese Securities Code, a shareholder intending to attend the General Meeting must declare such intention in writing to the Chairman of the General Meeting Board and to the financial intermediary in which the individual registration account is open, at the latest, until the day prior to the Record Date. An e-mail message may be used for that purpose.

The Management of CIMPOR will submit to the Annual General Meeting a proposal for the amendment of the Articles of Association in regard to these matters, in order to harmonise the Articles of Association with the provisions of the referred Decree-Law no. 49/2010.

I.5. BLOCKING OF SHARES IN THE EVENT OF SUSPENSION OF THE GENERAL MEETING

As mentioned in I.4 above, the provision of the Articles of Association on this matter (Article 7(4)) is also deemed derogated by the entry into force of the Decree-Law no. 49/2010 of May 19th, which suppressed the requirement to blockage of shares as a prerequisite to taking part and voting at General Meetings.

The Management of CIMPOR will submit to the Annual General Meeting a proposal for the amendment of the Articles of Association in regard to this matter, in order to harmonise the Articles of Association with the provisions of the referred Decree-Law no. 49/2010.

I.6. NUMBER OF SHARES CORRESPONDING TO ONE VOTE

The principle of "one share, one vote" is established in the Articles of Association (Article 7(2)).

According to Article 7(5) of the Articles of Association, in the event of joint ownership of shares, only the joint representative or one representative of the latter shall attend the General Meeting.

I.7. LIMITATIONS ON THE EXERCISE OR THE COUNTING OF VOTES

The Articles of Association do not set out the existence of non-voting shares or limitations on the counting of voting rights over a certain number when issued by a single shareholder or by shareholders related to the latter.

I.8. ARTICLES OF ASSOCIATION PROVISIONS ON THE EXERCISE OF VOTING RIGHTS

As the result of the derogation of provisions of the Articles of Association on these matters due to the entry into force of the Decree-Law no. 49/2010 May 19th, attending and voting at the General Meeting became governed as follows:

Considering the provisions of Article 23-C(1) of the Portuguese Securities Code, any person who owns at least one share on the Record Date may attend and vote at the Meeting.

Pursuant to Article 23-C(3) of the Portuguese Securities Code, a shareholder intending to attend the General Meeting must declare such intention in writing to the Chairman of the General Meeting Board and to the financial intermediary in which the individual registration account is open, at the latest, until the day prior the Record Date. An e-mail message may be used for that purpose.

The shareholders who, on a professional basis, hold Company's shares in their own name but on behalf of clients, may vote differently with their shares provided that, in addition to that required by Article 23-C(3) and (4) of the Portuguese Securities Code, they submit to the Chairman of the General Meeting Board, within the same deadline and using sufficient and proportional means of proof: (a) The identification of each client and the number of shares entitled to vote on such client's behalf; (b) The voting instructions given by each client specifically regarding each item on the agenda.

CIMPOR's Articles of Association do not establish any meeting or resolution quorum higher than that legally provided for neither establish any special system for equity rights.

The shareholders may be represented by third parties. For such purpose, they must ensure that the Chairman of the General Meeting Board receives the necessary instruments of representation, pursuant to the terms and conditions set forth in the Notice of Meeting.

I.9. ARTICLES OF ASSOCIATION PROVISIONS ON THE EXERCISE OF VOTING RIGHTS BY CORRESPONDENCE

CIMPOR does not establish any restriction in its Articles of Association to the exercise of voting rights by correspondence.

The procedures to be taken and the applicable time limits are set forth in Article 7(6) of the Articles of Association, according to which any shareholder wishing to vote by correspondence must ensure that the Chairman of the General Meeting Board receives the voting ballot indicating the vote on each item on the meeting's agenda until the second business day prior to the date convened for the General Meeting.

I.10. AVAILABILITY OF A BALLOT PAPER FORM FOR EXERCISING VOTING RIGHTS BY CORRESPONDENCE

CIMPOR makes a ballot paper form for voting by correspondence available on its website (www.cimpor.com). Nevertheless, it accepts any ballot form that clearly and unmistakably expresses the shareholder's intention.

I.11. REQUIREMENT ON A TIME LIMIT BETWEEN THE RECEPTION OF THE VOTING STATEMENT BY CORRESPONDENCE AND THE DATE CONVENED FOR THE GENERAL MEETING

Any shareholder intending to vote by correspondence must ensure that the Chairman of General Meeting Board receives the voting statement indicating the vote on each item on the meeting's agenda until the second business day prior to the date convened for the General Meeting.

I.12. EXERCISE OF VOTING RIGHTS BY ELECTRONIC MEANS

The verified and expectable limited number of voting parties generally present at General Meetings due to its shareholder structure does not make electronic voting mechanisms necessary..

I.13. EXTRACTS OF MINUTES OF THE GENERAL MEETINGS

It is CIMPOR's policy to disclose the resolutions of the General Meeting on the same day by means of an announcement on the website of the CMVM (www.cmvm.pt) and CIMPOR (www.cimpor.com), also disclosing basic shareholder attendance statistics and, within a five-day-period, more detailed statistics containing the voting results.

The detailed report of the resolutions and votes may be consulted afterwards on CIMPOR's website when the minutes are published within the time limits prescribed by law.

This information is available for consultation on CIMPOR's website in relation to the preceding three years.

I.14. ARCHIVE OF GENERAL MEETINGS

Information already provided for in section I.13 above.

I.15. INDICATION OF THE REPRESENTATIVE(S) OF THE REMUNERATION COMMITTEE ATTENDING THE GENERAL MEETINGS

All the members of the Company's Remuneration Committee attended the last Annual General Meeting (April 29th, 2010).

I.16. ROLE OF THE GENERAL MEETING IN THE EVALUATION AND REMUNERATION POLICY OF THE COMPANY

The role of the General Meeting in the Evaluation and Remuneration Policy of the Company has two levels:

- Delegation of powers to the Remuneration Committee in respect of the remuneration policy, as provided for in the Articles of Association (Article 16(2)).
- General appraisal of the Company's management, pursuant to Article 376 of the Portuguese Companies Code, which also implies the evaluation of the members of the Board of Directors;
- Resolution on the statement concerning the remuneration policy regarding the members of the management and supervisory bodies, pursuant to Law no. 28/2009 of June 19th.

Pursuant to Article 16 of the Articles of Association, the Remuneration Committee elected in the General Meeting for the period 2009-2012 is comprised of the following members (all independent):

- Manuel Soares Pinto Barbosa (Chairman);
- Filipe de Jesus Pinhal;
- José de Melo Torres Campos.

During 2010, this Committee met 13 times, drawing up minutes of its meetings.

Regarding the remuneration policy for all other managers pursuant to Article 248-B of the Portuguese Securities Code, such policy is defined by the Board of Directors through the Executive Committee.

I.17. ROLE OF THE GENERAL MEETING IN SHARES ALLOCATION PLANS FOR THE MANAGEMENT AND SUPERVISORY BODIES AND OTHER MANAGERS

The General Meeting is responsible for approving stock allocation plans and stock options plans for the directors of the Company, following the Board of Directors' proposal, without prejudice to the General Meeting delegating powers in this regard to the Remuneration Committee (in accordance with section I.16 above of this Report).

The "Stock Purchase Plan" and "2010 series" of the "Stock Options Plan" - aimed at directors and officers of CIMPOR, as detailed below in III.10 - were submitted to the General Meeting of April 29th, 2010 for approval.

Within this scope, the Board of Directors proposals included, besides the approval of the sale of own shares to employees through these plans, the following elements:

- The complete regulations of the Plans;
- Stock Purchase Plan:
    - Criteria defined for the maximum number of shares to be sold and the deadline for implementation.
    - Stock Options Plans – 2010 series:
    - Number of maturing options and their price;
    - Maximum number of shares to be sold;
    - Criteria for the a priori definition of the interval to be considered by the Remuneration Committee to set the price of the initial options and the month to exercise these latter options.

I.18. ROLE OF THE GENERAL MEETING IN THE RETIREMENT BENEFITS SCHEMES OF THE MANAGEMENT AND SUPERVISORY BODIES AND OTHER MANAGERS

The retirement benefit schemes of the members of the Board of Directors may be determined by the General Meeting or by the Remuneration Committee designated by the former.

Pursuant to the Articles of Association, the General Meeting or the Remuneration Committee is responsible for determining the amount of the retirement or disability pension supplement and the lifetime retirement pension for directors and to establish the other terms and conditions regarding its allocation, which may be set out in the contract.

Even though the granting of retirement or disability pension supplement has already been approved in respect of CIMPOR's directors, the General Meeting and the Remuneration Committee have never resolved to use these possibilities provided for in the Articles of Associations.

The Articles of Association do not provide for retirement benefit schemes for members of the Fiscal Board or for the Chartered Accountant.

In what respects the remaining managers, the respective determination is a power of the Board of Directors. The Board of Directors manages the pensions according to general rules set forth in the human resources policy and with full respect for the commitments made to employees. The details of the assigned Pension Funds and their respective liabilities are reported in the Financial Statements and their annexes.

I.19. ARTICLES OF ASSOCIATION PROVISION ON THE SUBMISSION TO THE GENERAL MEETING, EVERY FIVE YEARS, ON A RULE LIMITING THE VOTES ABLE TO BE OWNED OR EXERCISED BY A SINGLE SHAREHOLDER

Not applicable to CIMPOR since the Articles of Association does not establish any provision to limit votes.

I.20. DEFENSIVE MEASURES CAUSING THE DETERIORATION OF THE COMPANY'S ASSETS

There are no measures intended to prevent the success of a takeover bid. There are also no defensive measures set out in the Articles of Association or of any other nature aimed to seriously damage the Company's assets in the event of a change in control or modification in the composition of the management body, thus ensuring compliance with recommendations I.6.1 and I.6.2 of the Corporate Governance Code.

I.21. SIGNIFICANT AGREEMENTS PROVIDING CHANGE OF CONTROL CLAUSES

There is also no significant agreement to which the Company is a party to and which, in the event of any change in control of the Company, would automatically come into force, be amended or cease to be effective.

Some debt instruments contracted by CIMPOR's subsidiaries, as is market practice, include change of control clauses which provide for the possibility of immediate debt maturity by decision of the respective financial entity (see Note 37 of the Notes to the Consolidated Financial Statements).

I.22. AGREEMENTS WITH DIRECTORS AND MANAGERS THAT ENVISAGE INDEMNITY IN THE EVENT OF TERMINATION OF FUNCTIONS FOLLOWING A CHANGE OF CONTROL

There are no agreements between the Company and the members of CIMPOR's management body or managers (under Article 248-B(3) of the Portuguese Securities Code) that set out the payment of compensation - in the event of resignation, dismissal without fair grounds or termination of the contractual relationship with the Company – following a change of control of the Company.

II. MANAGEMENT AND SUPERVISORY BODIES

SECTION I. GENERAL

II.1. GOVERNING BODIES

CIMPOR adopted the Corporate Governance model usually called as "Latin monist model" and no constrains or other functioning aspects relating to the General Meeting, Board of Directors, Fiscal Board and Chartered Accountant were detected thus justifying amendment proposals.

Pursuant to Article 6(2) of the Articles of Association and following to its amendments approved by the General Meeting of April 29th, 2010, the members of the governing bodies are appointed for a three-year term-of-office and may be re-elected.

The current term-of-office of the members of the governing bodies runs from 2009 to 2012.

II.1.1. BOARD OF DIRECTORS

Pursuant to Article 11 of the Articles of the Association, the Board of Directors is composed of five to fifteen directors, being one of them the Chairman.

The Board of Directors is elected by the General Meeting, which also appoints the Chairman (who holds the casting vote pursuant to Article 11(3) of the Articles of the Association).

On January 1st, 2010, the Board of Directors was comprised of the following members:

		DATE OF 1ST APPOINTMENT
Chairman	Ricardo Manuel Simões Bayão Horta	31.07.2001
Members	Luís Eduardo da Silva Barbosa	31.07.2001
	Vicente Árias Mosquera	31.07.2003
	António Sarmento Gomes Mota	13.05.2009
	Pedro Maria Calaínho Teixeira Duarte	31.07.2001
	Jean Desazars de Montgailhard	13.05.2009
	José Manuel Baptista Fino	27.04.2005
	Jorge Humberto Correia Tomé	13.05.2009
	José Enrique Freire Arteta	27.04.2005
	Jorge Manuel Tavares Salavessa Moura	31.07.2001
	Luís Filipe Sequeira Martins	12.02.1987 (1)
	Manuel Luís Barata de Faria Blanc	31.07.2001
	António Carlos Custódio de Morais Varela	13.05.2009
	Albert Corcos	13.05.2009
	Luís Miguel da Silveira Ribeiro Vaz	13.05.2009

(1) Appointment as member of the Management Board of CIMPOR – Cimentos de Portugal, E.P.

However, it is to be noted that at that date the appointment of Pedro Manuel Abecassis Empis was still subject to ratification by the General Meeting, which would occur on April 29th, 2010, without prejudice to the effects arising out of his resignation submitted in the meantime.

On the February 3rd and 4th of 2010, Jean Desazars de Montgailhard and Albert Corcos, respectively, resigned from the office to which they had been elected, which became effective on March 31st of that year.

On March 18th, 2010, Ricardo Manuel Simões Bayão Horta presented his resignation from the offices of Chairman of the Board of Directors (to which he had been elected at the General Meeting of May 13th, 2009) and Chief Executive Officer (which he had been performing since December, 3rd, 2009).

On April 12th, 13th and 28th, 2010, José Enrique Freire Arteta, Vicente Árias Mosquera and Jorge Manuel Tavares Salavessa Moura, respectively, resigned to their offices as member of the Board of Directors.

The General Meeting of April 29th, 2010 approved the removal from office of Luís Eduardo da Silva Barbosa.

The same General Meeting elected the following new directors to fill the vacant offices on the Board of Directors for the 2009-2012 term-of-office:

António José de Castro Guerra (Chairman);

Francisco José Queiroz de Barros de Lacerda (director);

João José Belard da Fonseca Lopes Raimundo (director);

José Édison Barros Franco (director);

Albrecht Curt Reuter Domenech (director);

José Neves Adelino (director);

Walter Schalka (director);

Álvaro Luís Veloso (director).

Therefore, as from that date, the composition of the Board of Directors (for the term-of-office in progress, until 2012) changed to the following:

		DATE OF 1ST APPOINTMENT
Chairman	António José de Castro Guerra	29.04.2010
Members	Francisco José Queiroz de Barros de Lacerda	29.04.2010
	Luís Filipe Sequeira Martins	12.02.1987 (1)
	António Carlos Custódio de Morais Varela	13.05.2009
	Luís Miguel da Silveira Ribeiro Vaz	13.05.2009
	José Edison Barros Franco	29.04.2010
	Albrecht Curt Reuter Domenech	29.04.2010
	Walter Schalka	29.04.2010
	Álvaro Luís Veloso	29.04.2010
	José Manuel Baptista Fino	27.04.2005
	João José Belard da Fonseca Lopes Raimundo	29.04.2010
	Jorge Humberto Correia Tomé	13.05.2009
	Manuel Luís Barata de Faria Blanc	31.07.2001
	Dr. José Neves Adelino	29.04.2010
	Dr. António Sarmento Gomes Mota	13.05.2009

(1) Appointed as member of the Management Board of CIMPOR – Cimentos de Portugal, E.P.

II.1.2. FISCAL BOARD AND CHARTERED ACCOUNTANT

Pursuant to Article 17 of the Articles of Association, a Fiscal Board and a Chartered Accountant or Firm of Chartered Accountants, elected by the General Meeting, are responsible for the supervision of the Company.

The Fiscal Board is composed of three members and one deputy. If the General Meeting does not appoint the Chairman of the Fiscal Board then such appointment will be made by the Fiscal Board. The Chartered Accountant (or a Firm of Chartered Accountants) is appointed upon proposal of the Fiscal Board.

The General Meeting of May 13th, 2009 maintained the same members of the Fiscal Board that had been in office until that date (the only difference being that Jaime de Macedo Santos Bastos had previously held such office on its own behalf):

MEMBERS OF THE FISCAL BOARD		DATE 1ST APPOINTMENT	TERM-OF-OFFICE IN PROGRESS
Chairman	Ricardo José Minotti da Cruz-Filipe	31.03.1992[3]	2009/2012
Members	Luís Black Freire d'Andrade [1]	11.05.2007	2009/2012
	J. Bastos, C. Sousa Góis & Associados, SROC, Lda., represented by Jaime de Macedo Santos Bastos [1] [2]	11.05.2007	2009/2012
Deputy	João José Lopes da Silva [1]	09.05.2008	2009/2012

[1] Independent member.
[2] From deputy to member on January 28th, 2008. Until May 13th, 2009 he held his position on its own behalf.
[3] The Chairman of the Fiscal Board already held the office of Chairman of the Supervisory Committee of CIMPOR – Cimentos de Portugal E.P. since February 12th, 1987.

CIMPOR's Chartered Accountant is Deloitte & Associados, SROC, S.A. and it has performed this role since 2001. It has been represented since October 2007 by João Luís Falua Costa da Silva.

II.2. IDENTIFICATION AND COMPOSITION OF SPECIALIZED COMMITTEES OF THE COMPANY WITH MANAGEMENT AND SUPERVISORY POWERS

II.2.1. EXECUTIVE COMMITTEE

Within the Board of Directors that held office until the General Meeting of April 29th, 2010, the members of the Executive Committee were:

- Ricardo Manuel Simões Bayão Horta (Chairman)
- Luís Filipe Sequeira Martins
- Manuel Luís Barata de Faria Blanc
- António Carlos Custódio de Morais Varela
- Luís Miguel da Silveira Ribeiro Vaz

Following that General Meeting, the members of the Executive Committee by resolution of the recently elected Board of Directors, were the following directors:

- Francisco José Queiroz de Barros de Lacerda (Chairman)
- Luís Filipe Sequeira Martins
- António Carlos Custódio de Morais Varela
- Luís Miguel da Silveira Ribeiro Vaz
- Álvaro Luís Veloso

Francisco José Queiroz de Barros de Lacerda was appointed to chair the Executive Committee and Luís Filipe Sequeira Martins was appointed as deputy during the former's absences.

On July 15th, 2010, Álvaro Luís Veloso presented his resignation from his executive office within the Board of Directors, which then resolved not to replace him. Hence, the Executive Committee comprised the remaining members:

- Francisco José Queiroz de Barros de Lacerda (Chairman)
- Luís Filipe Sequeira Martins
- António Carlos Custódio de Morais Varela
- Luís Miguel da Silveira Ribeiro Vaz

II.2.2. CORPORATE GOVERNANCE AND SUSTAINABILITY COMMITTEE

The Committee, which succeeded the Advisory Committee on Corporate Governance created in 2002, is composed of three to seven non-executive directors. At least one of them shall comply with the independence criteria applicable to the members of the Board of Directors.

Currently, this committee comprises the following four non-executive directors:

- José Neves Adelino (Chairman, independent)
- Jorge Humberto Correia Tomé
- José Edison Barros Franco
- Manuel Luís Barata de Faria Blanc (independent)

II.2.3. NOMINATION AND EVALUATION COMMITTEE

The Nomination and Evaluation Committee was established on March 3rd, 2010 following the review and updating of the Board of Directors Internal Regulations.

The Committee is composed of the Chief Executive Officer (ex-officio), and of a further two to six non-executive directors. At least one of these latter shall comply with the independence criteria applicable to the members of the management body.

This Committee is currently composed of six directors, one of which is non-executive and independent.

- António Sarmento Gomes Mota (Chairman, independent)
- Francisco José Queiroz de Barros de Lacerda
  (in the capacity of Chief Executive Officer)
- José Edison Barros Franco
- Walter Schalka
- José Manuel Baptista Fino
- Álvaro Luis Veloso

II.2.4. INVESTMENT COMMITTEE

The Investment Committee was established on March 3rd, 2010, and it is composed of the Chairman of the Board of Directors, the Chief Executive Officer (both ex-officio) and of three to five non-executive directors.

This Committee is currently composed of seven directors, six of which are non-executive:

- António José de Castro Guerra
  (Chairman of the Committee in the capacity of Chairman of the Board of Directors)
- Francisco José Queiroz de Barros de Lacerda
  (in the capacity of Chief Executive Officer)
- Jorge Humberto Correia Tomé
- Albrecht Curt Reuter Domenech
- José Manuel Baptista Fino
- João José Belard da Fonseca Lopes Raimundo
- Walter Schalka

II.3. DIVISION OF POWERS AMONG THE VARIOUS GOVERNING BODIES, COMMITTEES AND/OR DEPARTMENTS OF THE COMPANY

II.3.1. DELEGATION OF THE BOARD OF DIRECTORS IN ITS EXECUTIVE COMMITTEE

The Board of Directors has delegated the powers relating to the day-to-day management of the Company in an Executive Committee comprised of four members.

Besides the matters defined by law or the Board of Directors Internal Regulations as not subject to delegation, those which exceed the limits and scope specifically established in the delegation of powers by the Board are excluded from those delegated powers.

Hence, under the provisions of Article 407(4) of the Portuguese Companies Code and Articles 8(4) and 12(2) of the mentioned Board of Directors Internal Regulations, as well as under the resolution on the delegation of powers by the Board of Directors to the Executive Committee, the following are excluded from the decision-making capacity of the Executive Committee:

- Co-option of Directors to fill any vacancies that may occur;
- Submission of requests for convening General Meetings;
- Approval of the annual reports and accounts, the sustainability report as well as quarterly and half-year management reports;
- Approval of the budget and annual business and financial plans as well as three-year business plans, including the investment plan;
- Make resolutions on the provision of bails and personal or in rem guarantees by the Company;
- Make resolutions on the change of the registered office and capital increases pursuant to the terms of the Articles of Association;
- Make resolutions on the Company merger, split and transformation projects to be submitted to the General Meeting;
- Appointment of the Company Secretary and deputy;
- Approval of the Company's strategy and general practices;
- Approval of the CIMPOR Group's entrepreneurial structure;
- Approval of regulations and ethical nature rules with general application;
- Approval of the Financial Policy of CIMPOR, and other instruments of a strategic nature;

- Make decisions that must be considered strategic due to the sums or risk involved, or their special nature, in which the following may be included:
    - The acquisition of stock holdings or physical assets (i) outside the context of the main business activity of the CIMPOR Group; (ii) in countries where the Group does not operate; or (iii) with a value exceeding ten million euro per acquisition;
    - The sale of stock holdings or physical assets exceeding five million euro in value per transaction;
    - The execution of development investments set out in a budget previously approved by the Board of Directors, exceeding fifteen million euro in value;
    - The undertaking of development investments not set out in a budget previously approved by the Board of Directors, exceeding five million euro in value per investment and 25 million euro in annual aggregated total;
    - The granting of credit to customers where such credit exceeds five million euros in value per customer;
    - The execution of financial operations which do not comply with the Financial Policy approved by the Board of Directors.
- Make resolutions on the issuance of preferred non-voting shares and covered warrants on its own securities and subordinated bonds or bonds or other debt securities with a maturity exceeding 10 years;
- Appointment of the Director, member of the Executive Committee, who shall act as Chairman in the absence or impediment of the same.

The limitations on the delegation of powers to the Executive Committee regarding (i) strategies and general practices, (ii) the corporate structure of the CIMPOR Group, (iii) the approval of regulations and rules of ethical nature with general application and (iv) the Financial Policy include both the scope of the Company as well as the exercise of the role of shareholder and the management guidelines of companies forming part of the CIMPOR Group.

Whenever it is necessary in the defence of the interests of the Company to resolve on any of the matters referred to as strategic but there is no possibility of convening the Board of Directors in due time, the Executive Committee may resolve on any of the referred matters provided that it has, through the Chairman of the Board of Directors, previously submitted such matter to all the members of the Board and it has obtained favourable opinion by the majority of them.

The Executive Committee shall submit to the Board of Directors any businesses, commitments, contracts, agreements and conventions to be concluded with shareholders owning 2% or more of the share capital of CIMPOR (or with parties related to such shareholders by any form of relationship, pursuant to Article 20 of the Portuguese Securities Code), except when, considering the nature or amount involved, those matters may be considered day-to-day matters or comprised in the business of the Company, and provided that no special advantage is granted to the holder of the qualifying shareholding.

II.3.2. INFORMATION DUTIES OF THE EXECUTIVE COMMITTEE

The following procedures have been implemented in order to ensure that all members of the Board of Directors are aware of decisions taken by the Executive Committee (as established in Article 14(5) of the Board of Directors Internal Regulations):

- The minutes of the Executive Committee and the notices convening its meetings are distributed to the members of the Board of Directors and to the Chairman of the Fiscal Board;
- The Executive Committee also provides to members of the Fiscal Board the clarifications and additional information that might be requested in a timely and appropriate manner;
- At meetings of the Board of Directors, the Executive Committee shall regularly summarize the significant aspects of the business undertaken since the previous meeting;
- The Executive Committee also provides to members of the Board of Directors the clarifications and additional or supplementary information that are requested.

II.3.3. POWERS OF THE CHAIRMAN OF THE BOARD OF DIRECTORS

To coordinate the activity of the Board of Directors;

To convene the Board of Directors, determine the agenda of the meetings and direct discussions. The Chairman will also convene the Board of Directors whenever requested by two or more Directors and will include on the agenda the items that such Directors request for inclusion;

To foster the communication between the Company and all its stakeholders;

To monitor and consult the Executive Committee on the performance of the powers delegated in the latter;

To contribute to the effective performance of its functions and powers by non-executive Directors and by the Internal Committees of the Board of Directors.

Unless in exceptional circumstances and by means of specific resolution of the Board of Directors, the Chairman of the Board of Directors shall not perform executive duties, as is currently the case.

In the absence or temporary impediment of the Chairman, his duties shall be performed by the Director to whom the Chairman has delegated such representation or, if this is not case, by the Director appointed by the majority of the remaining members of the Board. Whatever the case, this Director will be responsible for performing all the duties of the Chairman of the Board of Directors at the relevant meeting, including the casting vote.

II.3.4. POWERS OF THE CHIEF EXECUTIVE OFFICER

To represent the Executive Committee;

To convene and direct the meetings of the Executive Committee;

To coordinate the activities of the Executive Committee, distributing among its members the preparation or monitoring of the matters that should be subject to appraisal or decision by the Executive Committee;

To propose to the Board of Directors the list of management matters that each member of the Executive Committee should have specific responsibility for;

To act in order to ensure the correct implementation of the resolutions of the Executive Committee.

Besides the abovementioned duties, the Chief Executive Officer must also:

Ensure that all information concerning the activities and the resolutions of the Chief Executive Officer is provided to the other members of the Board of Directors;

Ensure the compliance with the limits of the delegation, the Company's strategy and the duties of collaboration with the Chairman of the Board of Directors.

II.3.5. ALLOCATION OF RESPONSIBILITIES WITHIN THE EXECUTIVE COMMITTEE

Without prejudice of the collective exercise of the functions delegated in the Executive Committee, each of its members has been specifically entrusted with the responsibility of monitoring certain Functional Areas, as follows:

EXECUTIVE COMMITTEE

FRANCISCO JOSÉ QUEIROZ DE BARROS DE LACERDA
CHIEF EXECUTIVE OFFICER - CEO

- Strategy and Development;
- Human Resources and Organization (Group);
- Legal (Group);
- External Relations and Communication;
- Internal Audit;
- Company Secretary.

LUÍS FILIPE SEQUEIRA MARTINS

- Iberia and Cape Verde;
- Latin America (Brazil)
- Egypt;
- Asia (India and China);
- Cement and Sustainability Competence Centre (CimporTec);
- Health and Safety (Group).

ANTÓNIO CARLOS CUSTÓDIO DE MORAIS VARELA
CHIEF FINANCIAL OFFICER - CFO

- Planning and Control Department;
- Accounting, Consolidation and Tax;
- Financial Department;
- Investor Relations;
- Information Technology.

LUÍS MIGUEL DA SILVEIRA RIBEIRO VAZ

- Southern Africa (South Africa and Mozambique);
- Med Rim except Egypt (Turkey, Tunisia and Morocco);
- Concrete, Aggregates and Mortars Competence Centre;
- Trading and Logistics;
- Purchases.

II.3.6. SUPERVISORY BODIES

II.3.6.1. FISCAL BOARD

The Fiscal Board is responsible together with the Chartered Accountant for the supervision of the Company, being provided with the powers and subject to the duties set forth in applicable legal provisions and in the Articles of Association.

In addition to other powers conferred by law and by the Articles of Association, the Fiscal Board is responsible for, in particular:

- Supervising the management of the Company;
- Monitoring the compliance with the law and Articles of Association;
- Preparing an annual report on its supervisory activities and give an opinion on the report, accounts and proposals submitted by the management;
- Supervising the process of preparation and disclosing of financial information;
- Supervising the effectiveness of internal control systems, internal auditing and risks management;
- Receiving the whistleblowing reports submitted by shareholders, Company's employees or others.

The Fiscal Board, in the exercise of its powers and performance of its duties, proposes to the General Meeting the appointment of an incumbent and deputy Chartered Accountant of the Company, supervises and assesses its independence, in the scope of the respective services and the audit of the Company's accounts and financial statements.

The Fiscal Board represents the Company before the external auditor, in all purposes, and it is responsible for, in particular:

- Proposing hiring, contract renewal and remuneration of the external auditors;
- Ensuring that the external auditor is provided with adequate conditions for rendering its services to the Company and to the companies with which it is in a group or control relationship;
- Appraising the content of the audit reports, annually assess the performance of the Company's external auditor and propose its removal to the General Meeting whenever fair grounds for such removal exist.

II.3.6.2. CHARTERED ACCOUNTANT

The Chartered Accountant is responsible, pursuant to sub-paragraphs (c), (d), (e) and (f) of Article 420(1) and Article 446 of the Portuguese Companies Code, for supervise the accounting books, accounting records and supporting documents thereto, as well as, whenever it deems appropriate and in the manner it deems suitable, supervising the extent of cash and the stocks of any kind of goods or assets belonging to the Company or received by it as security, deposit or under any other form, as well as the accuracy of the financial statements, and that the accounting policies and the valuation criteria adopted by the Company result in a correct evaluation of the assets and profits.

The Chartered Accountant is also responsible, as external auditor and in the scope of its powers, monitoring the implementation of the remuneration policies and systems, the effectiveness and functioning of the internal control mechanisms and reporting any defects to the Fiscal Board of the Company.

II.3.7. SPECIALIZED COMMITTEES

II.3.7.1. CORPORATE GOVERNANCE AND SUSTAINABILITY COMMITTEE

This Committee (called the Corporate Governance and Sustainability Committee) is responsible for assisting the Board of Directors on corporate governance matters and conduct rules, as well as on sustainable development and social responsibility of the CIMPOR Group. It is responsible for:

- The evaluation of the corporate governance model, principles and practices of corporate governance of the Company and the relevant subsidiaries of the CIMPOR Group, in order to constantly improve it and to submit proposals in that scope to the Board of Directors, in particular, the functioning and powers of the Board of Directors and its internal committees and their articulation with the other governing bodies and management structures, as well as the prevention of conflicts of interest and information discipline;
- The definition of the guidelines of the policies that ensure the sustainable development of the Company and the CIMPOR Group, fostering social responsibility and environmental protection;
- The definition, collaboration in the implementation and supervision of

compliance with conduct rules appropriate to the adherence to strict ethical and moral principles in the performance of the duties attributed to the members of the governing bodies and employees of the CIMPOR Group;

- The improvement and update of the Whistleblowing Regulation and the Code of Ethics adopted by the CIMPOR Group, submitting proposals in this regard to the Board of Directors, whenever such is deemed necessary;
- The monitoring the drafting of the annual report on the governance of the Company in the areas of its responsibility and the submission of proposals to the Board regarding the statements to be included in that report concerning the effectiveness of the adopted governance model, the conduct rules and the internal control and risk management systems;
- The submission of proposals to the Board for the purposes of adopting of the necessary measures to ensure the Company complies with legal and regulatory requirements, recommendations and good practices, applicable at any time within matters of corporate governance, conduct rules and social responsibility and sustainability standards.

II.3.7.2. NOMINATION AND EVALUATION COMMITTEE

In accordance with Article 18(1) of the above mentioned Internal Regulations, the Nomination and Evaluation Committee is responsible for, *inter alia*, assisting the Board in the following matters:

a) Filling of positions vacated on the Board of Directors, pursuant to law and the Articles of Association;

b) Selection of Directors to be appointed to the Executive Committee;

c) Monitoring the procedures for the selection and appointment of senior officers of the Company and Relevant Subsidiaries and the members of the corporate bodies of Relevant Subsidiaries, informing the Board of Directors on such processes;

d) Annual process of assessment of the overall performance of the Board of Directors and its Internal Committees, as well as the annual assessment of the members of the Executive Committee of the Company, in this latter case, following the consulting of its Chairman;

e) Drawing up opinions to be submitted to the Remunerations Committee for the process of defining the remuneration of the members of the Executive Committee.

It is also responsible for, in the performance of its duties referred to in sub--paragraphs (a) to (c) above:

- Keeping up-to-date information on the qualifications, knowledge, professional experience and independence required to perform the duties of director of the Company;
- Assisting the Board of Directors and the Executive Committee in the approval and implementation of the succession plan for members of the boards of directors and senior officers of the Company and the Relevant Subsidiaries;
- Whenever deemed necessary, it will draw up a reasoned opinion for the purpose of co-option or appointment of members of the Board of Directors, identifying the entities and/or persons that, in its opinion, have the most appropriate profile for the performance of a specific position.

It is also responsible for, in the performance of its duties referred to in sub-paragraphs (d) and (e) above:

- Proposing to the Board of Directors the criteria to be used in the evaluation process on an annual basis and per term-of-office;
- Proposing to the Remuneration Committee the criteria to be used for determining the variable remuneration on an annual basis and per term--of-office, namely the individual performance goals after, in this latter case, consulting the Chief Executive Officer;
- Proposing or issuing an annual opinion to the Board of Directors and the Remuneration Committee, as applicable, on the remuneration policy and remuneration principles of the management and supervisory bodies and other managers of the Company, and an opinion on the annual statement to be submitted to the General Meeting in this regard;
- Proposing or issuing an opinion to the Board of Directors and the Remuneration Committee, as applicable, on stock allocation plans or stock options plans or based on the changes in price of the Company's shares.

When performing its functions and duties above referred, the Nomination and Evaluation Committee should also submit the proposals to the Board of Directors and the Remuneration Committee, as applicable, it deems necessary for the purposes of the Company's compliance with legal and regulatory requirements, recommendations and good practices, applying at any time, in matters of appointments and remuneration.

II.3.7.3. INVESTMENT COMMITTEE

The role of the Investment Committee is to assist the Board of Directors in the following areas, in order to qualify the definition, execution and assessing process of the strategy of the CIMPOR Group:

- The sustained internationalisation of CIMPOR Group;
- The diversification of businesses and investment and the sale of strategic assets;
- Drawing up multi-year strategic plans, in accordance with the CIMPOR Group's objectives;
- Defining the strategy and policies for the growth and development of the Company.

This Committee is also responsible for assisting the Board of Directors in defining the operating organisational structure of CIMPOR.

II.3.8. FUNCTIONAL STRUCTURE

The CIMPOR Group is structured by Business Units, corresponding to the countries where it operates. These are grouped into large regions, as described below (the head of each is indicated):

(i) Iberia and Cape Verde, including the businesses in Portugal, Spain and Cape Verde (José Augusto Brás Chaves);

(ii) Latin America, corresponding to the operations in Brazil (Alexandre Lencastre);

(iii) Mediterranean, including the businesses in Morocco, Tunisia, Egypt and Turkey (Fernando Plaza);

(iv) Sub-Saharan Africa, with the businesses in Mozambique and South Africa (Pieter Strauss);

(v) Asia, covering the Business Areas of China and India (Álvaro Serra Nazaré).

The various activities in each Business Area are grouped by product, being the core business the production and sale of cement.

The Group's holding company is responsible for its strategic development and overall management of all the different Business Units, ensuring their coordination supported by a set of Corporate and Business Support Units.

Each of the above-mentioned Regions is coordinated by a Region Head, who sits on the management bodies of the major companies located in the respective countries, reporting directly to the Executive Committee.

The organisational model of each region is adapted to the business' characteristics and conditions and the country's legal system. The aim is to take advantage of possible synergies and benefits arising from more favourable financial and tax frameworks. The organisational model in each country follows a standardised template with small adjustments according to national needs, and it comprises the development of the businesses, under the responsibility of the CEO of the country, through Industrial, Commercial, Concrete and Aggregates, and Finance and Shared Services responsibilities.

Each Business Unit is autonomously managed, particularly in day-to-day and operational management matters, according to a planning and control system steered by the holding company. This system's strategic guidelines, business and investment plans and targets and annual budgets are defined through participation and interaction, subject to periodic review and control.

The most important decisions in the different Business Units, e.g. those that exceed specific values or that have greater impact on profits or on the Group's strategic development - must be approved or ratified by the Board of the holding company. This also applies to decisions or actions that, when dealt with at Group level, enable significant synergies to be generated.

The set of Corporate Support Units, which provide support in the Group's management, and Business Support Units, have their duties detailed below.

II.3.8.1. CORPORATE SUPPORT UNITS

This section gives a brief description of the Corporate Support Units (indicating their Heads):

Strategy and Development Department:

(João Salgado)

- Technically supports the definition and implementation of the Group's Development Strategy;
- Advises the Executive Committee on undertaking the acquisitions and sale of companies and shareholdings, specific assets, entering into business partnerships and mergers processes;
- Develops and coordinates the economic and financial evaluation of investment projects related to the installation of new production plants and extending the capacity of existing ones;
- Coordinates the implementation of corporate restructuring measures associated with the Group's international presence.

Planning and Control Department:

(Miguel Silva)

- Supports the Executive Committee in Management Planning and Control;
- Fosters, coordinates and oversees the implementation of the business plan and budget of the Business Areas and of the Group, and undertakes the subsequent management control;
- Supervises, follows-up and monitors the results of group-wide projects of a strategic scope, as well as operational.

Human Resources and Organisation Department:

(Manuela Machado)

- Promotes the management and development of human resources in order to obtain the commitment and engagement of all employees in pursuing the objectives of the Group, as well as their own personal and professional fulfilment;
- Proposes the objectives of the Human Resources and Organisation policy harmonising them with the overall objectives of the Group.

Financial Department:

(Jorge Saraiva)

- Manages the financial assets and liabilities of the Group, directly answering to the Executive Committee, ensuring access, under the best conditions, to the financial resources required for the expansion of the Group and its day-to-day business;
- Controls the financial situation of the Group and its companies, through the centralisation of information on the respective financial resources and cash funds.

Investor Relations Department:

(Filipa Mendes)

- Supports the Executive Committee in relations with the various intervening parties in the capital market, namely the shareholders, supervisors and other public entities, financial analysts and managers of funds and other collective investment entities;
- Ensures strict compliance by CIMPOR with legislation in its capacity as an issuer of securities.

External Relations and Communication Department:

(Raúl Caldeira)

- Develops activities related to the implementation of image and communication policies of the Group;
- Represents the Company in its institutional relations and community support.

Accounting, Consolidation and Tax Department:

(Sérgio de Almeida)

- Promotes, coordinates and implements the financial consolidation of the Group;
- Defines the accounting principles and policies of the Group and coordinates and supports their implementation;
- Ensures asset planning and tax compliance;
- Monitors and supports acquisition, restructuring or financing operations within the Group, ensuring the necessary accounting and tax-related actions.

Health and Safety Department:

(José Teixeira de Freitas)

- Proposes the guidelines that should steer the policy to follow, the objectives to be achieved and the management system to be use in the field of occupational safety, fostering its implementation;
- Functionally coordinates, throughout the entire Group, the activities in question and monitor their implementation, assessing the relevant results.

Internal Audit Department:

(Edney Vieira)

- Coordinates internal financial, asset and operational audits throughout the Group, by examining and assessing the level of adequacy and effectiveness of the internal control systems and the quality of their performance. Irrespective of its hierarchical dependence with CIMPOR's Executive Committee, this Department functionally reports to the Fiscal Board.

II.3.8.2. BUSINESS SUPPORT UNITS

This section gives a brief description of the Business Support Units (indicating their Heads):

Cement and Sustainability Competence Centre (Cimpor Tec):

(Valter Albuquerque)

- Provides technical and technological assistance to the different Group companies;
- Coordinates the design and implementation of the Group's cement industrial investments;
- Launches initiatives common to all Group companies, especially staff training initiatives, with the underlying aim of achieving the technical progress of cement production and sales;
- Provides technical advisory in the assessment of the economic aspects of any opportunities to acquire cement production assets;
- Promotes the knowledge and use of the know-how of the Group.

Aggregates and Concrete Competence Centre:

(Jorge Reis)

- Maximizes the strategic development of the Concrete and Aggregates business, in the technical areas and in the commercial and management fields, increasing the efficiency and performance of operations through the dissemination of knowledge and best practices in the various operations spread throughout the universe of the CIMPOR Group.

Logistics & Trading Department:

(Pedro Marques)

- Plans, coordinates and provides cross-border logistics solutions in the Group, including all transport (road, rail and maritime transport) and shipping operations between countries;
- Plans and coordinates trading activities (mainly cement and clinker) of CIMPOR and its subsidiaries and supports the business areas by establishing business relationships with customers, suppliers and other external entities.

Information Technology Department:

(Eugénio Paupério)

- Ensures the development, coordination and performance of the information systems of the companies of the CIMPOR Group, with the main emphasis on defining and putting forward the Group's Information Technology (IT/IS) strategic plan and the functional coordination of the local IT officers of the Group's Business Areas, ensuring alignment with Group strategy.

II.4. ANNUAL REPORT ON THE ACTIVITIES OF THE FISCAL BOARD

In accordance with Article 6 of the Fiscal Board Internal Regulations, the applicable legal rules and recommendations II.4.2. and II.4.3. of the Corporate Governance Code, the Fiscal Board prepares and discloses on the Company's website its annual report of its activities together with the financial statements. In that report, it describes the supervisory activities carried out during the financial year under analysis, and referring, where applicable, to any constraints found.

II.5. INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS

CIMPOR has the following main internal control systems:

- Strategic control.
- Management control, with particular reference to health and safety, technical and financial control subsystems.
- Operational control.

Systemic redundancy is guaranteed by Internal and External Audits and by the whistleblowing system.

Risks Management is a core responsibility of the entire management structure of CIMPOR, aimed at the timely identification of key risks and opportunities facing the company and studying, deciding on and implementing the appropriate measures.

CIMPOR SGPS and Cimpor Inversiones, as holding companies, are specially entrusted with the risk management requiring specific coverage.

The operational implementation of these systems is primarily the responsibility of the hierarchical structure, broken down into successive levels of responsibility by the Board of Directors and its Executive

Committee, Management Committee, Business Area Executive Committees, and operational and support structures.

Moreover, the Health and Safety Department, Cimpor Tec, where the cement production business is concerned, and the Concrete and Aggregates Competence Centre, in its particular areas, have particular responsibilities in the identification, analysis and measurement and management of the technical, operational and health and safety risks of the industrial areas of CIMPOR.

Three bodies have special responsibilities in risk management, and particularly financial risk, where the corporate support areas are concerned, namely:

Financial Department - responsible, among other duties, for the management of risks of a financial nature, including interest rate, duration, liquidity, currency and counterparty risks.

Insurance Area - responsible for the global insurance programmes of CIMPOR and for the coordination of Group practices in all other coverage.

Internal Audit Department, which, working together with the Board of Directors and the Fiscal Board (to whom it respectively reports in hierarchic and functional terms) of CIMPOR, is not only entrusted with ensuring the adequacy and effectiveness of the internal control systems in all Group areas, but also the good performance of those systems.

The duties of this Department are namely the following:

- Conduct financial, administrative and asset audits;
- Certify the results in accordance with the established strategy and goals;
- Examine and ensure compliance with established policies and plans and the applicable procedures, laws and regulations;
- Verify the powers and responsibilities established within the Group and their level of formalisation;
- Monitor the development or changes in operations, programmes, systems and controls;
- Verify the custody, physical existence and valuation criteria of assets;
- Carry out operational audit tasks (in particular in the areas of marketing, production, investment, maintenance and personnel);
- Evaluate the level of the respective management control;
- Recommend the corrective measures deemed necessary;
- Verify if the reported deficiencies have been duly corrected;
- Conduct computer audits;
- Assess the reliability and integrity of the information and the various means used to identify, process and disclose it; and
- Analyse the existing information systems, namely in terms of their security, basic programmed controls and how up to date the user manuals are.

The different operating managers are also responsible for designing and implementing the most suitable risk control mechanisms. The efficiency of such mechanisms is periodically evaluated - through the relevant Internal Audit Department - in accordance with a plan, annually prepared and implemented, for auditing financial areas and information systems, and verifying processes and conformity with approved procedures.

The internal control system concerning the preparation and disclosure of financial information is jointly secured by the Planning and Control Department - with contributions from the various Units of the Group – and by the Internal Audit and Investor Relations Departments. The Chief Executive Officer and Executive Director responsible for the financial area are entrusted with the definition of the goals, supervision, evaluation of effectiveness and continuous improvement of the activities undertaken.

As regards financial reporting, this occurs whenever the evaluation of the impact or nature of the same leads to its classification, depending on the case, by the Executive Committee or Executive Director responsible for the financial area, as one of the legal aspects requiring disclosure, in which case the Investors Relations Department is responsible for its prompt publication.

Notwithstanding the assumption of the objective of the review for improvement of this systemic set, this has proven to be effective.

II.6. RESPONSIBILITIES OF THE MANAGEMENT AND SUPERVISORY BODIES IN RELATION TO INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS

The creation and operation of internal control systems, risk management and internal audit systems is entrusted to the Board of Directors - and its Executive Committee, to the extent of its delegated powers. On the other hand, the Fiscal Board is responsible for supervising the effectiveness of those systems, as well as assessing their operation and proposing any adjustments according to the Company's needs.

II.7. OPERATING REGULATIONS OF THE CORPORATE BODIES

In addition to the laws and regulations applying to commercial companies, companies with share capital open to public investment and the securities markets, the operation of the Company's bodies is governed by the provisions of the Board of Directors Internal Regulation, the Fiscal Board Internal Regulation and the Company's Code of Ethics, made available for consulting at www.cimpor.com. The activity of the Chartered Accountant is further governed by specific professional rules.

There are no other internal rules applying to the management and supervisory bodies of CIMPOR relating to incompatibility or the maximum number of cumulative offices that can be held.

SECTION II. BOARD OF DIRECTORS

II.8. MECHANISMS FOR COORDINATING THE ACTIVITY OF NON--EXECUTIVE MEMBERS

The Chairman of the Board of Directors of CIMPOR does not perform executive functions.

Between December 3rd, 2009 and April 29th, 2010 the then Chairman of the Board of Directors temporarily performed executive functions, as Chief Executive Officer during that period.

Given the transitory nature of this situation, no mechanisms for coordinating the activity of non-executive directors, as set forth in recommendation II.2.3 of the Corporate Governance Code, were defined.

II.9. IDENTIFICATION OF THE MAIN ECONOMIC, FINANCIAL AND LEGAL RISKS THAT THE COMPANY IS EXPOSED TO IN THE EXERCISE OF ITS BUSINESS

Business and market risks

The set of financial results and profitability of CIMPOR may be negatively affected by a continued decline in construction activity, either globally or in a significant market where it operates.

CIMPOR's business is sensitive to factors such as GDP growth, investments in infrastructure and construction activity. Construction activity arises from housing needs and investment in commercial and office spaces. An economic slowdown could lead to a recession in the construction industry and consequently in the production of cement. The turmoil in the financial sector increased in the second half of 2008, having a negative impact on the real worldwide economy, mainly in 2009, with the reduction in demand for cement and a fall of prices in mature markets and some developing markets. Some of CIMPOR's markets, such as Portugal, Spain and Turkey, were affected by this unprecedented turmoil.

The broad geographic presence of CIMPOR has traditionally contributed to the stability of its profits, since periods of cyclical decline in individual markets were offset by growth in other markets. But, despite the twelve countries where CIMPOR operates having been affected differently by the recent downturn in the world economy, there is no guarantee that a weakening of economic growth does not globally affect the construction market or that negative economic conditions in one or more regions do not affect the construction markets in some countries.

Competition risks

CIMPOR competes with local and foreign competitors, as well as importers, in each of its markets. As a result, the prices that CIMPOR will be able to offer to its customers will not, in principle, be materially different to the prices charged by producers of the same competing products in the same markets. Accordingly, the profitability of CIMPOR's business operations is quite dependent on the level of demand for such products, as well as its ability to control efficiency and operating costs.

The prices in these segments undergo significant changes on account of relatively minor fluctuations in supply and demand, general economic conditions and other market conditions that are outside the control of CIMPOR. Consequently, CIMPOR may be faced with declines in prices, margins or sales volumes in the future which could have a materially significant adverse effect on the profits of CIMPOR.

Increases in capacity by competitors that are not accompanied by an increase in demand could result in surplus supply in some regions, negatively influencing sale prices and reducing profit margins. Antitrust and competition regulators have been increasing their inspections of the cement industry since 1994, levying monetary fines on companies engaged in illegal practices of cartelisation or other practices of unfair competition.

The CIMPOR companies in Brazil and South Africa are currently under investigation and have proceedings filed against them by competition authorities. CIMPOR cannot predict with any certainty the outcome of these pending legal proceedings or investigations, nor guarantee in any way that other subsidiary companies will not come under investigation by the competition authorities.

Raw material availability risk

The long-term success of each of CIMPOR's Business Units depends on their ability to secure raw materials in sufficient quantities, including limestone, gypsum and other materials necessary for the production of clinker and cement, which are available from quarries located close to the different industrial units. Limestone is usually obtained from the mining of quarries owned or leased by CIMPOR, with a minimum service life of 50 to 100 years. In some cases, CIMPOR may have to tackle the risk of the exhaustion of raw materials in some quarries, most notably limestone, and the cancellation of quarry leasing agreements. This would force the Group to find new quarry sources further away from their production units, causing a corresponding impact on raw material extraction and transport costs. These cases may have an adverse effect on CIMPOR's ability to achieve its production targets.

Increased energy costs risk

The operating income of CIMPOR is significantly affected by energy price changes. Energy prices have significantly increased over the last year and may vary significantly in the future, mainly due to market forces and other factors outside CIMPOR's control. CIMPOR seeks to protect itself from energy price inflation risks through the diversification of its fuel sources, the use of alternative fuels, the capacity to transfer all or part of increased costs to the end customer and through the use of long-term contracts for certain energy needs. CIMPOR also seeks to produce different types of cement with lower clinker content, replacing it with other mineral components such as fly ash, slag, pozzolana, and limestone.

Regulatory risk

The businesses of CIMPOR are affected by laws and regulations, including regulations on the concession of quarries, operating licences, environmental regulations, the landscape rehabilitation of quarries, price controls, export bans and the payment of fees for the licensing of new plants. CIMPOR believes that it is in possession of and/or has submitted applications that are entirely viable for obtaining all necessary licences and permits for conducting its manufacturing and quarrying operations. However, CIMPOR cannot ensure that present or future regulations and compliance with such will not have a significant adverse effect on the business of CIMPOR.

Environmental risk

The activities of cement suppliers are subject to numerous national and international environmental laws, regulations, treaties and conventions, including those governing the discharge of materials into the environment, which enforce the removal and clean-up of environmental contamination, or relating to environmental protection.

Infringements of environmental regulations leave offenders open to fines and substantial monetary penalties and may require technical measures or investment to ensure compliance with mandatory emission limits.

Environmental regulations in force may be amended or modified, and new environmental rules may be established, reducing or regulating cement industry operations in the various jurisdictions where CIMPOR operates.

Environmental regulation currently in force mainly applies to CO_2 emissions by the cement industry, which primarily results from the chemical process used to produce clinker and the burning of fossil fuels.

As a result of the Kyoto Protocol, the European Union placed a cap on CO_2 emissions, which has been in force since January 1st, 2005. This cap only applies to the activities of CIMPOR in Portugal and Spain, where the significant companies of CIMPOR receive allowances from their governments that set the limits for carbon dioxide emissions. CIMPOR's policy on CO_2 emissions has been to adjust the levels of clinker production in Portugal and Spain in line with the permits granted, thus limiting the need to buy or sell additional allowances on the market.

For the 2008 to 2012 period, the CIMPOR companies operating in Portugal and Spain received approximately the same allowances that they received on the previous period (2003 to 2007). This fact will enable these entities to produce a level of clinker similar to the previous period. From 2013 it is expected that the European Union significantly reduces the volume of allowances available for issue to the sector. It should not be ruled out that the cost of CO_2 allowances rises in proportion to that reduction. There is a risk, given the low allocation of allowances, that CIMPOR may have to buy additional allowances or reduce the production of clinker in Portugal and Spain. Some of the developing markets where CIMPOR operate still do not have legislation requiring the reduction of CO_2 emissions, but the

Kyoto Protocol creates financial incentives and promotes clean development mechanisms in these regions too. The implementation of growing and varying regulatory systems in different parts of the world will affect international competitiveness and, ultimately, lead to the discontinuation of the use of assets in regions with heavy regulation on emissions, such as Europe. CIMPOR cannot guarantee that it will be able to meet all CO_2 emissions targets or meet the targets imposed on the cement industry by external regulators. Furthermore, additional regulation and/or new requirements in this field, such as the imposition of ceilings that are even lower than those presently allowed, may come into force, which could generate a significant negative impact on CIMPOR's profits.

CIMPOR increasingly uses alternative fuels to reduce CO_2 emissions, which, in some cases, require that CIMPOR take special measures to protect its collaborators and local populations.

Health and safety risk

There is the risk of accidents or deficient actions, given the nature of the sector in which CIMPOR operates. Although CIMPOR invests significant resources in occupational health and safety measures, serious accidents continue to occur, partly due to the growth of the business of CIMPOR in developing markets, where compliance with safety rules and practices is more difficult to guarantee than it is in developed markets.

There is no guarantee that, despite the measures taken or which may be taken by CIMPOR, that deficient actions or accidents will not occur and, if they occur, there is no guarantee that such accidents or deficient actions will not endanger the environment and/or CIMPOR and subcontractor staff. This fact may result in an adverse effect on the profits of CIMPOR and its reputation.

Developing markets risk

CIMPOR's expansion to developing markets, where more than 70% of total production is located, exposes it to political risks, including the nationalisation and expropriation of assets, risks associated with legal and fiscal frameworks, risks related to GDP volatility of several developing economies, inflation, interest rates and currency exchange rates, price controls, export bans, licensing fees for the construction of new plants, restrictions on money movements and the repatriation of capital, and the difficulties of attracting skilled employees and managers. These risks may adversely affect the financial situation and profits of CIMPOR's operations.

Currency exchange risk

CIMPOR, due to its exposure to developing markets, faces foreign currency risks arising from operating in various currencies, since variations in currency exchange rates have significant influence on profits and the financial situation of the Group. The conversion of local financial statements to the currency in which CIMPOR publishes its financial results (Euro) leads to currency conversions impacts that CIMPOR usually does not actively cover.

Moreover, the balance sheet is only partly covered by borrowing funds in foreign currency and, consequently, a significant decrease in the aggregate value of such currencies against the Euro could have a materially significant impact on the Equity of CIMPOR. Those currency fluctuations may also give arise to the reporting of currency exchange losses in operations, which will be reflected in the consolidated financial statements of CIMPOR.

Investment risk

CIMPOR's investments in fixed assets include investments in the maintenance of existing plants and expansion investments related to projects for the implementation of organic growth, as well as the acquisition of new businesses.

CIMPOR has made, and may do so in the future, and as an integral part of its growth strategy, selective acquisitions to strengthen and develop its portfolio, particularly in geographical areas that it believes are growing and may have strong synergies with existing business activities. The successful implementation of this strategy of acquisitions depends on a number of factors, including CIMPOR's ability to identify adequate opportunities, to agree on the appropriate prices and to access the necessary financing. There may also be substantial difficulties or delays in the integration and creation of added value in businesses acquired or to be acquired by CIMPOR.

Integration costs may be substantially higher than forecast and CIMPOR may not achieve the synergies expected from such acquisitions, which could cause a negative effect on profits. CIMPOR may be subject to other risks, such as unexpected liabilities or those that exceed forecasts for acquired assets or businesses and the possibility of making the sellers liable for such assets is non-existent, unpredictable or insufficient to cover all potential liabilities.

Logistics risk

CIMPOR relies on outsourced services to transport its products to customers. CIMPOR's ability to serve customers at reasonable costs often depends on its bargaining capacity with suppliers, including rail, road and sea operators. CIMPOR bears substantial transport costs, due to the heavy weight of its products. As logistics providers increase their freight rates CIMPOR may be forced to support those increases before it can pass them on to the end customer, assuming it can do such.

CIMPOR owns and operates a small fleet of transport ships as a means of limiting the impact of any increase to the shipping of cement, clinker and petcoke.

Financing risks

The ability of CIMPOR to obtain finance from banks or the capital market depends on favourable market conditions. The recent financial crisis has limited the ability of companies to obtain the necessary funds, especially in relation to bank financing, and increased the costs of financing due to the widening of spreads.

This slowdown in the market may adversely affect CIMPOR's ability to borrow from banks or capital markets and could significantly increase the costs of such loans. In the event there do not exist sufficient sources of funding in the future, for these or other reasons, CIMPOR may be unable to meet its financing needs, which may lead to its profits and financial position being materially affected in a negative manner.

CIMPOR's rating risks

The ability of CIMPOR to successfully compete in the financing market depends on various factors, including its financial stability, which is reflected in its operating income, and credit ratings assigned by internationally recognised credit agencies. Therefore, a downgrade of the credit ratings could have an impact on CIMPOR's ability to raise funds, which in turn could affect its business, financial situation and operating income. The current rating by Standard & Poor's of CIMPOR – Cimentos de Portugal, SGPS, S.A. and Cimpor Inversiones, S.A.U. is BBB- with stable outlook. Credit ratings are likely to change at any time and the credit rating of CIMPOR - Cimentos de Portugal, SGPS, S.A., on account of the above-described, could suffer a downgrade at any time.

Impairment risk

The cement industry and, to a lesser degree, the concrete and aggregates industries, are characterised by being very capital intensive. The majority of acquisitions involve substantial goodwill, which undergoes annual impairment testing.

CIMPOR annually assesses whether there is any indication that a non-financial asset may be impaired. If such indication exists, the recoverable amount of the relevant non-financial asset is estimated in order to determine the extent of the impairment loss, if any. If it is found that the recoverable amount of a non-financial asset is lower than the amount registered on the balance sheet, the value of the asset on the balance sheet is reduced to the amount calculated as the recoverable amount. Impairment losses are recognised in the Profit/Loss Statement and they could therefore have a materially significant impact on CIMPOR's profits.

Tax risk

CIMPOR may be negatively affected by changes to the tax framework in the countries where it operates. It has no control over such changes, or changes in the interpretation of tax legislation by any tax authority. Significant changes of tax legislation or difficulties in implementing or complying with new tax laws could have an adverse impact on the business of CIMPOR, its financial situation and operating income.

Business interruption risk

Interruptions in the availability of any plant could, due to the capital intensive nature of the cement industry, lead to a significant decline in productivity and operating income during the period of interruption. The cement manufacturing processes are dependent on vital pieces of equipment such as raw materials grinders, kilns to manufacture clinker and cement mills. This equipment may occasionally be out of service due to strikes, unexpected failures, accidents or events of *force majeure*. There is also the risk that the equipment or production facilities may be damaged or destroyed in the course of such events.

Litigation risk

CIMPOR is presently, and may be in the future, in the day-to-day course of its business, involved in legal proceedings, complaints, investigations and lawsuits, including matters of product liability, property, commercial, health and safety and tax proceedings. Such processes may have a negative impact on the assets, financial situation and operating income of CIMPOR.

Insurance coverage risk

The operational risk management policy of CIMPOR is covered by a reinsurance company - CIMPOR Reinsurance, S.A. - which is headquartered in Luxembourg and is wholly owned by CIMPOR - Cimentos de Portugal, SGPS, S.A. This entity directly takes on all risks of property damage and damage to machinery with compensatory caps of up to 3 million euros for each insured event and third party and product risks of up to 250,000 euros per insured event. The surplus is covered, in each case, by international reinsurance companies.

Some CIMPOR locations on the Iberian Peninsula and in some Mediterranean countries are exposed to increased risks of earthquakes and other natural disasters.

CIMPOR has no insurance cover for acts of terrorism.

In the event of damage to property, plants and equipment of CIMPOR, besides third party liability, for which CIMPOR does not have insurance coverage or has insufficient coverage, the operations and financial situation of CIMPOR could be affected.

Key employees' risk

The development of CIMPOR's business and, in particular, its technological evolution and geographical diversification, depend on the ability to attract and retain qualified and motivated employees.

Competition for personnel with these characteristics has been increasing in recent years, creating difficulties in obtaining or retaining such personnel. The loss of employees, particularly of individuals in key positions or at management level, or staff shortages could have a negative impact on the future development of CIMPOR and its ability to maintain the required level of know-how.

Information technology and communication risk

The efficiency and operational continuity of CIMPOR's computers, telecommunications and data processing are essential to the ongoing business of its manufacturing facilities, sales and all support services, including wage processing, accounting, planning and the financial area. In the event these systems are affected by disturbances, damage, power failures, computer viruses, fires and similar events, there could be a significant adverse impact on CIMPOR and, as a result, its operations and financial situation may be adversely affected.

II.10. POWERS OF THE MANAGEMENT BODY, PARTICULARLY IN RELATION TO RESOLUTIONS TO INCREASE THE SHARE CAPITAL

The powers of the Board of Directors are those conferred by the Portuguese Companies Code, as the management body, with exclusive powers of representation of the Company and giving it the responsibility of managing the Company's activities. It must comply with the decisions of the shareholders or the interventions of the Fiscal Board, in those cases determined by law or the Articles of Association.

In addition, pursuant to Articles 4 and 5 of the Articles of Association, the Board of Directors is empowered to:

(i) increase the share capital, through cash-ins, with pre-emption rights for shareholders, until the share capital attains the amount of one billion euros;

(ii) issue covered warrants on its own securities (which may confer the right to subscribe to or purchase shares of the Company up to the mentioned limit of one billion euros).

II.11. POLICY OF ROTATION OF RESPONSIBILITIES IN THE BOARD OF DIRECTORS - APPOINTMENT AND REPLACEMENT OF MEMBERS

II.11.1. POLICY OF ROTATION OF RESPONSIBILITIES

The Board of Directors is responsible for the assignment of responsibilities following proposal by the Chief Executive Officer.

Responsibility for the financial area is attributed to António Carlos Custódio de Morais Varela, who is performing this duty in his first term-of-office, therefore the rotation of this responsibility in light of recommendation II.2.5. of the Corporate Governance Code is currently not an issue.

II.11.2. RULES ON THE APPOINTMENT AND REPLACEMENT OF MEMBERS OF THE BOARD OF DIRECTORS

The Board of Directors, as provided for in Articles 11(1) and (2) and 6(2) of the Articles of Association, is composed of five to fifteen members elected for terms of three years by the General Meeting, which will also appoint its Chairman.

The Articles of Association do not envisage any specific rules regarding the replacement of members of the Board of Directors. The Articles of Association only provide for (i) the change in the number of members (within statutory limits) during a term-of-office (see Article 6) and (ii) rules concerning substitution in the event of permanent absence (see Article 11).

According to Article 11(6) of the Articles of Association, three successive absences or five absences, spread over the course of a term-of-office, from meetings of the Board of Directors by any member of the Board, without justification accepted by the Board, will lead to the Board declaring the respective Director to be in permanent absence. Neither the Articles of Association or the Board of Directors Internal Regulations define specific rules for replacement in the event of permanent absence, therefore only the provisions of the Portuguese Companies Code apply for this purpose (Article 393).

The Articles of Association do, however, establish that if an extra election is held or substitution occurs, the term-of-office of the member(s) thus elected shall coincide with that of the other directors.

In the absences and temporary impediments of the Chairman, the duties of that office shall be performed by the Director sitting on the Board in whom the Chairman has delegated such representation or, if no such director has been designated, then the Director of the Board that is designated by the majority of the other members of the Board. Whatever the case, this Director of the Board will be responsible for exercising all the duties of the office of Chairman of the Board of Directors at the meeting in question, including having the casting vote.

II.11.3. RULES ON THE APPOINTMENT AND REPLACEMENT OF MEMBERS OF THE FISCAL BOARD

The Fiscal Board, as provided for in Articles 6(2) and 17(2) of the Articles of Association, is composed of three members and one deputy elected for terms of three years by the General Meeting.

Moreover, Article 4 of the Fiscal Board Internal Regulations also establishes that this body should be composed by a majority of independent members and that it is the responsibility of the Fiscal Board to appoint its own Chairman, if the General Meeting has not done such.

There are no specific rules regarding the replacement of members of the Fiscal Board, thus the relevant laws shall apply in this regard. The Company's Articles of Association only provide for the change to the number of members (within the limits set out in the Articles of Association) during a term-of-office – Article 6(4).

If an extraordinary election is held or replacement occurs in this body, the end of the term-of-office of the member(s) thus elected shall coincide with that of the other members.

II.12. NUMBER OF MEETINGS OF THE MANAGEMENT AND SUPERVISORY BODIES AS WELL AS REFERENCE TO THE DRAWING UP OF THE MINUTES OF THOSE MEETINGS

The Board of Directors met 21 times during 2010. It drew up minutes of the meetings, which were duly submitted to the Fiscal Board.

The Fiscal Board held 12 meetings during 2010, drawing up minutes of those meetings.

II.13. NUMBER OF MEETINGS OF THE EXECUTIVE COMMITTEE AND PROVISION OF THE MINUTES AND NOTICES OF MEETING

This Executive Committee met 45 times during 2010, drawing up minutes of the meetings. The Chief Executive Officer, under section II.3.2 above, provides the members of the Board of Directors and the Chairman of the Fiscal Board with the minutes and notices of the relevant meetings.

II.14. EXECUTIVE AND NON-EXECUTIVE MEMBERS - RULES ON INCOMPATIBILITY AND INDEPENDENCE CRITERIA

The Board of Directors includes a number of non-executive members guaranteeing the effective supervision, monitoring and assessment of the activity of the executive members. Thus, the majority of the current members of the Board of Directors of CIMPOR (eleven out of a total of fifteen) are non-executive directors.

The composition of the Executive Committee is presented in section II.2.2 of this Report.

Among the remaining members of the Board of Directors, are considered as non-independent non-executive members those who, in light of the criteria provided for by the Portuguese Companies Code, if they were applied, in each of the following cases would be considered incompatible or non--independent:

Non-Independence by application of "Incompatibilities criteria":

Where they are bound to the interests of competing companies or perform management functions in more than five companies, as provided for in sub-

-paragraphs (f) and (h) of Article 414 of the Portuguese Companies Code, according to the description of activities detailed in Annex I of this Report.

DIRECTOR	ARTICLE 414ºA OF CSC(1) f)	h)
José Manuel Baptista Fino		X
Jorge Humberto Correia Tomé		X
Albrecht Curt Reuter Domenech	X	X
José Edison Barros Franco	X	X
Walter Schalka	X	
Álvaro Luís Veloso	X	

(1) Portuguese Commercial Code

Non-Independence by application of "Independence criteria":

Where they discharge offices within Qualifying Shareholders, as indicated below:

DIRECTOR	QUALIFYING SHAREHOLDER (PARAGRAPH a) OF no.5 OF ARTICLE 414 OF CSC (1)
José Manuel Baptista Fino	Investifino
Jorge Humberto Correia Tomé	Caixa Geral de Depósitos
Albrecht Curt Reuter Domenech	Camargo Corrêa Group
João José Belard da Fonseca Lopes Raimundo	Millenium BCP
José Edison Barros Franco	Camargo Corrêa Group
Walter Schalka	Votorantim Group
Álvaro Luís Veloso	Votorantim Group

(1) Portuguese Commercial Code

Consequently, one-fifth of the members of the Board of Directors are independent non-executive directors, which is considered to be an appropriate number given the existence of the Fiscal Board, the shareholder structure of CIMPOR, the diversity of affiliations and qualifications of the remaining non-executives and that all executive members are independent professionals discharging their duties in such capacity, as well as the limited participation of the free float in the Company's capital (around 15%).

INDEPENDENT NON-EXECUTIVE DIRECTORS
Manuel Luís Barata de Faria Blanc
António Sarmento Gomes Mota
José Neves Adelino

II.15. RULES FOR ASSESSING THE INDEPENDENCE OF MEMBERS OF THE MANAGEMENT

The assessment of the independence of the directors of the Company is based on the information they provide under the requirements of Article 6(4) of the Board of Directors Internal Regulations, with reference to the range of situations envisaged in Article 414(5) of the Portuguese Companies Code.

II.16. SELECTION PROCESS OF CANDIDATES FOR NON-EXECUTIVE DIRECTOR

The Board of Directors is appointed by the General Meeting according to lists of members selected by the proposing shareholder or shareholders (with votes solely cast for lists). The lists are drawn up by shareholders without the intervention of the Company.

The Articles of Association set out in its Article 12 the possibility of one of the members of the Board of Directors being elected from among the persons proposed on lists (containing the name of at least two people eligible for the office) that are submitted and subscribed by groups of shareholders (provided that these do not represent less than 10% and no more than 20% of the share capital and the same shareholder shall not endorse more than one list). Should there be such a proposal, the director in question is appointed separately and prior to the appointing of the remaining directors. If more than one group submits a list, the votes shall be cast on all lists.

Taking into account the role of the Nomination and Evaluation Committee on co-optations and although the Chief Executive Officer being a member of such committee, he is impeded to participate and vote in these resolutions to ensure the non-interference of the executive directors in these processes.

II.17. DESCRIPTION OF THE ACTIVITY OF NON-EXECUTIVE DIRECTORS

The annual management report summarily describes the activities of non executive directors with regard to the supervision, overview and assessment of the activity of executive directors, referring any constraint that may have occurred.

In relation to the above mentioned, the constraints imposed by the signing of an Agreement for the Reversibility of the Operation (APRO) with the Brazilian Competition Authority (CADE) will be notable. That agreement results in the members of the Board of Directors related to the shareholders Camargo Corrêa, S.A. and Votorantim Cimentos, S.A. being impeded from receiving information or participating in the management of the operations of CIMPOR in Brazil and in the compliance with the competition obligations and the communication information to that same authority.

II.18. PROFESSIONAL QUALIFICATIONS OF THE MEMBERS OF THE BOARD OF DIRECTORS, INDICATION OF THE PROFESSIONAL POSITIONS HELD IN AT LEAST THE LAST FIVE YEARS, THE NUMBER OF SHARES OF THE COMPANY THEY HOLD, THE DATE OF FIRST APPOINTMENT AND ENDING DATE OF THE TERM-OF-OFFICE

The current functions and curricula vitae of the members of the Board of Directors, the number of the Company's shares held and the year of first appointment and the ending date of their term-of-office are presented in Annex I of this Report.

II.19. OFFICES DISCHARGED BY THE MEMBERS OF THE BOARD OF DIRECTORS IN OTHER COMPANIES, DETAILING THOSE DISCHARGED IN OTHER GROUP COMPANIES

The offices discharged in other companies or entities by the members of the Board of Directors are detailed in Annex I of this Report.

SECTION III. FISCAL BOARD

II.21. IDENTIFICATION OF THE MEMBERS OF THE FISCAL BOARD AND COMPLIANCE WITH INCOMPATIBILITY RULES AND INDEPENDENCE CRITERIA

In accordance with the respective self-assessment:

- All the members of the Fiscal Board identified in section II.1.2 above comply with the incompatibility rules established in Article 414-A(1) of the Portuguese Companies Code;
- The independence criteria set forth in Article 414-A(5) of the Portuguese Companies Code are complied with by two of the three members of this Board.

Ricardo José Minotti da Cruz Filipe qualifies as non-independent in light of Article 414(5)(b) of the Portuguese Companies Code since he discharged hid office as Chairman of the Fiscal Board for more than three terms-of-office.

II.22. PROFESSIONAL QUALIFICATIONS OF THE MEMBERS OF THE FISCAL BOARD, INDICATION OF THE PROFESSIONAL POSITIONS HELD IN AT LEAST THE LAST FIVE YEARS, THE NUMBER OF SHARES OF THE COMPANY THEY HOLD, THE DATE OF FIRST APPOINTMENT AND ENDING DATE OF THE TERM-OF-OFFICE

The current position and the curricula vitae of the members of the Fiscal Board, the number of the Company's shares held by the latter and the year of first appointment and ending date of their term-of-office are presented in Annex I of this report.

II.23. OFFICES DISCHARGED BY THE MEMBERS OF THE FISCAL BOARD IN OTHER COMPANIES, DETAILING THOSE DISCHARGED IN OTHER GROUP COMPANIES

The offices discharged in other companies or entities by the members of the Fiscal Board are detailed in Annex I of this Report.

II.24. REFERENCE TO THE FACT THAT THE FISCAL BOARD ANNUALLY EVALUATES THE EXTERNAL AUDITOR AND THE POSSIBILITY OF SUBMITTING TO THE GENERAL MEETING THE REMOVAL FROM OFFICE OF THE AUDITOR BASED ON FAIR GROUNDS.

The Fiscal Board, in accordance with Article 6(4) of the Fiscal Board Internal Regulations, represents the Company before the external auditor for all purposes, and it is responsible for in particular:

- Proposing its hiring, renewal of contract and remuneration;
- Ensuring that the external auditor is provided with adequate conditions for the provision of services to the Company and the companies within a group or control relationship;
- Appraising the content of the audit reports, annually evaluate the performance of the external auditor and propose its removal from office to the General Meeting whenever there are fair grounds for such removal.

II.25. TO II.28.

The information provided for in regard to these items by Regulation no. 1/2010 of CMVM does not apply to CIMPOR, since the Company chosen to adopt a one-tier Latin model of Corporate Governance.

II.29. COMPANY REMUNERATION POLICY

The overall remuneration policy of the company, encompassing the executive management bodies and senior officers of the top of the organisational structure and with the most significant influence on the performance of the company, is compliance with four common principles:

a) The structuring of the remuneration in a fixed and variable components;

b) The practice of competitive remuneration levels that enable the attraction and retaining of talent, ensuring that the company has skilled and motivated workers.

c) Underlying the variable remuneration are evaluation criteria that encourage individual performance and simultaneously ensure adequate alignment with the goals of value creation and with a long-term perspective;

d) An effective coherence of the objectives and assessment criteria of executive directors and senior officers in order to maximise the level of integration of performance throughout the company's management structure.

The compliance with of these principles promotes individual and overall performance, enhancing the sustainable creation of value for shareholders. The Annex II of this Report contains a statement on the remuneration policy of the Company's managers within the meaning of Article 248-B of the Portuguese Securities Code, which will be submitted to the General Meeting.

II.29.1. BOARD OF DIRECTORS

The remuneration of the members of the Company's Board of Directors, as well as its supplementary retirement or disability pension scheme, are determined by the Remuneration Committee, appointed by the General Meeting. Such remuneration may include a variable component determined considering the fiscal year's profits, which may not in total exceed 5% of the profit, pursuant to Article 16(6) of the Articles of Association.

In 2010, the abovementioned Committee awarded the members of the Executive Committee based on those criteria, a total of EUR 1,070,000 in bonuses, equivalent to around 0.42% of the Group's net income (after minority interests) and to 0.77% of the Company's net profit, on an individual basis.

The allocation of shares and stock options is carried out under the overall programme described in section III.10. below, following exactly the same rules.

In accordance with the characteristics of investing in shares, the benefit arising from their acquisition is dependent on the medium and long-term performance of CIMPOR and sustainability of its profits. A fact that is even truer in the possibility of exercising share options spread in time (over a period of four years).

Accordingly, the remuneration of the members of CIMPOR's management body is structured so as to permit the alignment of their interests with the Company's interests.

In relation to the executive directors, the number of options granted, exercised and extinguished in 2010 was:

	SERIES				
	2007	2008	2009	2010	TOTAL
Exercise Price (Euros)	4.900	4.250	2.850	4.250	
Options Awarded					
Initial Options	-	-	-	65,000	65,000
Derivative Options	-	-	-	195,000	195,000
Exercisable Options	45,000	45,000	50,000	65,000	205,000
Options exercised by outgoing member of EC [1]					
By exercise of derivative options of 2010	25,000	25,000	25,000		75,000
Options exercised by outgoing member of EC [1]					
By exercise of initial options of 2010	-	-	-	65,000	65,000
By exercise of derivative options of 2010	-	20,000	25,000	-	45,000
Extinguished Options					
Exercisable in 2010					
By non-exercise of derivative options [2]	20,000	-	-	-	20,000

(1) Executive Committee
(2) Derived options not exercised by decision of Directors.

A total of 265,000 options were still to be exercised at the year's end.

In accordance with Article 16(3) of the Articles of Association a lifetime retirement pension may also be granted to directors who have terminated their term-of-office, provided tat the following requisites are met:

a) They have been executive directors for more than ten years, continuously or with interruptions;

b) They have maintained an employment contract with or performed administrative duties for the Company or dependent companies for over twenty-five years, continuously or with interruptions.

The amount of the pension is determined on the basis of the time or the relevance of the services rendered and the beneficiary's situation, and it may be annually reviewed. This amount, set in accordance with these criteria, may never exceed the highest value of the remuneration set at any time for the directors in office, is established by and may be subject to additional terms and conditions determined by the General Meeting or the Remuneration Committee, if there is one, and may take the form of a contract.

This provision of the Articles of Association has never been applied.

As of December 31st, 2010, the total value of remunerations, contributions to the supplementary retirement or disability pensions scheme and other incentives earned by members of the Company's board of directors (including the difference between the purchase price of the shares acquired under the "Stock Purchase Plan" and the "Stock Options Plan" and their market price on the date of purchase) were as follows:

	FIXED REMUNERATION	VARIABLE REMUNERATION	FINANCIAL COMPENSATION FOR EARLY TERMINATION OF TERM OF OFFICE	TOTAL REMUNERATION
Executive Directors	1,600,089.91	1,283,557.81	2,260,000.00	5,503,647.76
Non-Executive Directors	914,773.28	174,944.24	2,553,500.00	3,643,217.52
Total	**2,514,863.19**	**1,458,502.09**	**5,173,500.00**	**9,146,865.28**

The members of the Board of Directors did not earn any other remuneration whatsoever from other companies in a group or control relationship with CIMPOR – Cimentos de Portugal, SGPS, S.A.. Neither did they earn from CIMPOR – Cimentos de Portugal, SGPS, S.A. or from other companies in a group or control relationship with the latter, any significant non-monetary benefits that may be considered remuneration. The same is also applicable for the members of the Fiscal Board.

II.29.2. FISCAL BOARD

The remuneration of the Fiscal Board is likewise determined by the Remuneration Committee and it solely includes a fixed component, which amounted to EUR 134,032.50 in 2010, broken down as follows:

	(EUROS)
Ricardo Minotti da Cruz-Filipe	56,600.00
Luís Black Freire de Andrade	38,912.50
J. Bastos, C. Sousa Góis & Associados, SROC, Lda.	38,520.00

II.29.3. SENIOR MANAGEMENT

The managers that Article 248-B(3) of the Portuguese Securities Code refers to are included in the Senior Management. There are no other employees whose work may have a significant impact on the risk profile of the company and whose remuneration contains a significant variable component.

The remuneration policy of the Senior Management is aligned with good practices in this matter. The total remuneration package of each employee should be at the median values of the reference market, and include three components: fixed remuneration, variable remuneration and benefits.

SECTION IV. REMUNERATION

II.30. DESCRIPTION OF THE REMUNERATION POLICY OF THE MANAGEMENT AND SUPERVISORY BODIES REFERRED TO BY ARTICLE 2 OF LAW NO. 28/2009 OF JUNE 19TH

The Company's remuneration policy for Executive Directors is defined taking into account three fundamental principals:

i) The relevance of the size and level of complexity of the management of the Company, the most significant being the very high technological standard that characterizes its activity and its international component, responsible for most of the turnover and profits and which is reflected in the establishment of industrial operations in over 10 countries in Europe, Africa, Asia and South America;

ii) The importance of ensuring a competitive remuneration, capable of attracting and retaining the most qualified professionals capable of meeting the challenges of an enterprise operating in a sector with strong competition from multinational companies;

iii) The need to ensure the adequate alignment of remuneration policy and the long-term interests of shareholders and other stakeholders of the Company.

The compliance with these principles takes into consideration the remuneration practices of national companies with a similar management complexity and international companies within CIMPOR's industry as well as the development of a remuneration structure which rewards long and medium-term performance in line with the sustainable creation of value for shareholders.

Thus, the remuneration structure is based on two components: a fixed annual remuneration and a variable remuneration defined according to the company's performance and the quality of the work performed by the relevant professional managers, in the context of a value creating process for shareholders, according to the set of criteria described in II.33.

Non-executive directors are only entitled to a fixed remuneration, seeking to ensure a balanced commitment between:

a) A competitive remuneration to attract and retain qualified persons for their roles, which adequately compensates the effort and dedication in the satisfactory exercise of their duties, in particular of those who are members of specialised committees of the Board of Directors;

b) Remunerations that mitigate the creation of a dependence relationship with the Company, ensuring in particular, with respect to independent directors, an appropriate positioning in relation to the Company.

Members of supervisory bodies are only entitled to a fixed remuneration, seeking to ensure a balanced compensation for the work carried out while taking into account the market standard remuneration for similar roles.

In the General Meeting of April 29th, 2010, the Remuneration Committee of CIMPOR submitted for approval the statement on the remuneration policy of the management and supervisory bodies of the Company at that date.

II.31. REMUNERATION EARNED INDIVIDUALLY BY THE MEMBERS OF THE COMPANY'S MANAGEMENT AND SUPERVISORY BODIES

In compliance with Article 3 of Law no. 28/2009 of June 19th, the annual amount of remuneration earned by the members of the Board of Directors is individually disclosed as detailed below. All remunerations indicated below were paid in the course of 2010.

Remuneration of Members of the Board of Directors:

(EUROS)	FIXED REMUNERATION (1)	VARIABLE REMUNERATION BONUS (2)	VARIABLE REMUNERATION OPTIONS (3)	VARIABLE REMUNERATION SHARES (4)	FINANCIAL COMPENSATION FOR EARLY TERMINATION OF TERM OF OFFICE (5)	TOTAL REMUNERATION
Ricardo Manuel Simões Bayão Horta(6)	100,655.32				820,000.00	920,655.32
Luís Eduardo da Silva Barbosa(7)	23,175.00				184,500.00	207,675.00
Vicente Àrias Mosquera(7)	23,175.00				184,500.00	207,675.00
José Enrique Freire Arteta(7)	23,175.00					23,175.00
Jorge Manuel Tavares Salavessa Moura(7)	23,175.00		174,600.00		2,000,000.00	2,197,775.00
Pedro Manuel Abecassis Empis(7)	23,175.00				184,500.00	207,675.00
Albert Corcos(7)	20,884.60					20,884.60
Jean Desazars de Montgailhard(7)	0.00					0.00
António José de Castro Guerra(7)	210,828.41					210,828.41
José Manuel Baptista Fino(7)	73,045.08					73,045.08
Jorge Humberto Correia Tomé(7)	0.00					0.00
Albrecht Curt Reuter Domenech(7)	51,535.83					51,535.83
João José Belard da Fonseca Lopes Raimundo(7)	51,535.83					51,535.83
José Edison Barros Franco(7)	51,535.83					51,535.83
Walter Schalka(7)	51,535.83					51,535.83
Manuel Luís Barata de Faria Blanc						0.00

(EUROS)	FIXED REMUNERATION (1)	VARIABLE REMUNERATION BONUS (2)	OPTIONS (3)	SHARES (4)	FINANCIAL COMPENSATION FOR EARLY TERMINATION OF TERM OF OFFICE (5)	TOTAL REMUNERATION
As executive director (6)	62,018.61		109,125.00		1,800,000.00	1,971,143.61
As non-executive director (7)	97,297.87			344.24		97,642.11
António Sarmento Gomes Mota(7)	79,602.05					79,602.05
José Manuel Trindade Neves Adelino(7)	59,092.11					59,092.11
Álvaro Luís Veloso						0.00
As executive director (6)	41,997.28					41,997.28
As non-executive director (7)	52,004.84					52,004.84
Francisco José Queiroz de Barros de Lacerda(6)	324,417.37					324,417.37
Luís Filipe Sequeira Martins(6)	366,744.82	360,000.00	92,393.00	1,770.97		820,908.79
António Carlos Custódio de Morais Varela(6)	370,364.52	360,000.00	3,168.00	1,870.56		735,403.08
Luís Miguel da Silveira Ribeiro Vaz(6)	333,891.99	350,000.00	3,024.00	2,206.32		689,122.31
Total	**2,514,863.19**	**1,070,000.00**	**382,310.00**	**6,192.09**	**5,173,500.00**	**9,146,865.28**

(1) Includes supplementary pension schemes and subsidies
(2) Performance bonus paid in cash
(3) Difference between purchase price of shares acquired under the Stock Options Plan for Directors and Senior Management of the Group and the respective market price on the acquisition date.
(4) Difference between purchase price of shares acquired under the Stock Purchase Plan and the respective market price on the acquisition date.
(5) Financial compensation for early termination of term of office
(6) Executive director
(7) Non-executive director

II.32. ALIGNMENT OF THE INTERESTS OF MEMBERS OF THE MANAGEMENT BODY WITH THE LONG-TERM INTERESTS OF THE COMPANY AS WELL AS THE MANNER IN WHICH IT IS BASED ON THE PERFORMANCE ASSESSMENT AND DISCOURAGES EXCESSIVE RISK TAKING

The remuneration of executive directors is structured so as to guarantee, on one hand, a fixed remuneration that is competitive and adequately compensates the effort and dedication in the appropriate exercise of their duties and, on the other, a variable remuneration that fosters the creation of value in a sustained manner for the shareholders.

The set of indicators and metrics used to determine the variable component, which have been consistently used over the years, mitigate less appropriate actions in regard to the lever of risk taking, and instead encouraging the pursuit of a policy of active risk management and the reward of long-term performance.

Moreover, the adequate proportionality between the fixed and variable components as well as the definition of a ceiling for the variability of the variable component, both contribute to discourage the pursuit of business strategies that encompass inadequate risk profiles.

Lastly, as evidenced by the criteria and metrics described below, recommendation II.1.5.1. of the Corporate Governance Code is fully complied with by the Company taking into account the following principles:

- The variable remuneration component is based on the assessment of performance carried out by the Remuneration Committee in accordance with objective and transparent criteria and considering, inter alia, the real growth of CIMPOR, the alignment with corporate strategy and the generation of effective wealth for shareholders, as well as ensuring the long-term sustainability of the Company and compliance with the rules applicable to its business;
- The deferral of a significant percentage of the variable compensation for a period of up to 4 years, making its actual payment dependent on the confirmation of the positive performance of the Company during that period.

II.33. IN RELATION TO THE REMUNERATION OF THE EXECUTIVE DIRECTORS

a) Reference to the fact that the remuneration of executive directors includes a variable component and information on how this component depends on the assessment of performance

The remuneration structure of executive directors has both a fixed and a variable component that is annually defined by a set of predetermined criteria better described below. Those criteria encompass a set of indicators of the performance of the Company and of its executive management, focusing on economic and financial parameters, the creation of value and the qualitative performance of the executive members.

This component is calculated based on a percentage of the annual fixed remuneration and the annual performance assessment, based on predetermined criteria. Such component will only be due if a minimum level of 80% compliance with defined objectives is achieved. Those objectives aim to simultaneously create a performance incentive which tends to be competitive and aggressive, while continuing to ensure a balanced weighting between the fixed and variable components.

The criteria underlying the assessment include the Company's performance as well as an individual assessment of the Executive Directors by the Remuneration Committee.

b) Indication of the competent company bodies for conducting the assessment of executive directors performance

Without prejudice of the powers of the Remuneration Committee to set out the variable remuneration of the Executive Committee's members, under its Internal Regulations, the Board of Directors, assisted by the Nomination and Evaluation Committee, endeavours an annual assessment of the performance of the members of the Executive Committee, after consulting with its Chairman.

c) Indication of the pre-determined criteria for assessing the performance of the executive directors

The criteria for assessing the performance of executive directors are divided into four major groups:

- Individual and collective criteria: In this context, a greater appreciation of collective criteria over individual criteria is envisaged, taking into consideration the number of executive directors of CIMPOR and the allocated areas of responsibility;
- Stock market performance criteria: These criteria encompass the creation of value for shareholders (via Total Shareholder Return), and as supported by the best practices, they foster an element of comparison, whether in the domestic market (by reference to the PSI-20 Index) or to the cement sector (through the establishment of an Industry Peer Group referring to companies with a size and geographic distribution comparable to CIMPOR);
- Company profitability criteria: For these purposes are considered indicators of growth and sector comparability (value creation and the relative performance of the return on assets, compared with the Industry Peer Group);
- Qualitative management criteria: These criteria consider the degree of compliance with the investment plan and an individual assessment of the Executive Directors by the Remuneration Committee.

The combination of these four aspects ensures alignment with the interests of shareholders, adequate incentive of management performance, the pursuit of real growth of the Company, the creation of wealth for shareholders as well as the long-term sustainability of the Company.

d) The relative importance of the fixed and variable components of directors' remuneration, as well as an indication of the ceilings of each component

The weight of the fixed remuneration (FR) and the variable remuneration (VR) may range from a minimum FR/VR of 100/0 to a maximum of 30/70, where the former corresponds to a performance that did not meet minimum acceptable performance standards and the latter refers to an outstanding performance.

The division between these two remuneration components has an adequate equilibrium between the two as its starting point, expressed as a ratio of 50/50 in a scenario of 100% achievement of the objectives associated with the criteria for variable remuneration, backing an aggressive progression of the variable component driving performance, but subject to ceiling, so as to discourage short-term strategies likely to generate risks and imbalances to the Company.

In section III.10.2. of this report further information regarding the variable remuneration awarded in the scope of the Stock Options Plan is disclosed, which is annually determined by the Remuneration Committee.

e) Deferring the payment of the remuneration's variable component

Until 2010 the deferred variable component was assured through the participation in the stock options plans, as detailed in section II.10.2.

In 2011 the Remuneration Committee statement regarding remuneration policy foresees that payment of the variable remuneration in cash awarded annually is deferred in 50% for a period of three years from the date it is awarded, and which will occur in the month following the General Meeting approving the accounts for the year to which that remuneration refers to.

The abovementioned statement also refers to a variable remuneration which is paid in stock options, the exercise of which may only occur after a minimum period of three years from the date of award.

f) Explanation on how the payment of variable remuneration is tied to the continued positive performance of the company during the deferral period

While it is unnecessary to explain why variable remuneration through the attribution of options is tied to the continued positive performance of the Company, the payment of the deferred variable remuneration (in cash and stock options) is subject to the positive performance of the Company, being pre-defined on an annual basis by the Remuneration Committee, taking into account appropriate indicators, an assessment of the economic and financial context of the Company, the economy and industry, and also exceptional factors and those beyond the control of the management that may influence Company's performance.

g) Sufficient information on the criteria on which the award of variable remuneration in shares is based as well as on maintenance by executive directors of awarded company's shares, information on any contracts concluded regarding those shares, namely hedging or risk transfer contracts, the respective limits, and their ratio in the total annual value of the remuneration

By resolution of the General Meeting, the Company has offered each year CIMPOR shares to its directors and other personnel within the context of the plans described in section III.10. of this report, not being deemed as variable remuneration in shares.

h) Sufficient information on the criteria on which the award of variable remuneration in stock options is based and indication of the period of deferral and exercise price

The criteria used for the attribution of stock options within the Stock Options Plan are the same as those used in respect to the award of variable remuneration (of which the award of options is a complement).

The maturing options for the current Executive Directors are the following:

SERIES	PRICE (EUROS)	2011	2012	2013	TOTAL
2008	4.25	20,000	-	-	20,000
2009	2.85	25,000	25,000	-	50,000
2010	4.25	65,000	65,000	65,000	195,000
TOTAL		**110,000**	**90,000**	**65,000**	**265,000**

i) Identification of the main parameters and grounds for any annual bonus scheme and any other non-cash benefits

Information already disclosed in paragraphs c) and d) above.

j) Remuneration paid in the form of profit sharing and/or bonus payments and the reasons for such bonuses and/or profit sharing being paid out

Sharing in the profits of the Company, as provided for in Article 20(1) (d) of the Articles of Association, is made through the award of bonuses. In 2010 the amount of bonuses awarded to the Executive Directors amounted to 1.07 million euros, as individually detailed in section II.31 above, being the reasons for such attribution subject to the criteria presented above.

l) Compensation paid or owed to former executive directors following the termination of duties during the financial year

In 2010 the amount of compensation paid to Executive Directors for the termination of their term-of-office in that capacity amounted to 5.174 million euros, as individually detailed in section II.31 above.

m) Reference to the contractual limitation established for the compensation payable for dismissal without fair grounds of a director and its relationship with the variable component of remuneration

Pursuant to the remuneration policy for members of the Board of Directors approved by the Remuneration Committee, in the event of dismissal of any director or termination by agreement of the director's relationship, no compensation will be paid when the dismissal or termination is due to inadequate performance of the role.

n) Amounts paid for any reason by other companies in a control or group relationship

The Executive Directors do not earn any remuneration from any other companies in a group or control relationship with CIMPOR – Cimentos de Portugal, SGPS, S.A.. Neither do they earn from CIMPOR – Cimentos de Portugal, SGPS, S.A. or from other companies in a group or control relationship with the same, any significant non-cash benefits that may be deemed remuneration.

o) Description of the main characteristics of supplementary pension schemes or the early retirement of directors, indicating whether or not they were appraised by the General Meeting

As described in section II.20 above, the type and payments of any supplementary retirement or disability pension scheme of Directors and, as such, of Executive Directors, are determined by the Remuneration Committee, elected by the General Meeting.

Article 16(3) of the Articles of Association also sets out the award of a lifetime retirement pension to Directors who have left their position in accordance with the conditions described in section II.29 above.

Such benefits are not defined nor has a lifetime retirement pension ever been granted.

Nonetheless, the Executive Directors' fixed remuneration includes an amount of 12.5% on the salary intended to be applied in a retirement savings plan, or similar instrument, in order to contribute to their retirement.

p) Estimate of the value of significant non-cash benefits considered as remuneration not covered by the situations defined above

There are no significant non-cash benefits considered as remuneration not covered by the situations defined above.

q) Existence of mechanisms that prevent executive directors from concluding contracts that undermine the grounds of the variable remuneration

Pursuant to the remuneration policy for members of the Board of Directors approved by the Remuneration Committee, directors shall not enter into any contracts with either the Company or with third parties, which have the effect of mitigating the risk arising from the variability of the remuneration defined by the Company.

II.34. REFERENCE TO THE FACT THAT THE REMUNERATION OF NON-EXECUTIVE DIRECTORS OF THE MANAGEMENT BODY DOES NOT INCLUDE VARIABLE COMPONENTS

The remuneration of the non-executive directors of CIMPOR, following recommendations in this field, is exclusively composed of a fixed component paid 14 times a year in cash, and it is based on the type of duties performed and market practices.

II.35. WHISTLEBLOWING POLICY

The Whistleblowing Regulations are disclosed to all CIMPOR personnel through its internal communication network (CIMPORnet) and posters in the workplaces. Those regulations include a set of rules and procedures for the reception, registering and processing and whistleblowing communications allegedly occurred within CIMPOR and clearly provides for the confidential and anonymous handling of all communications.

These irregularities are analysed in the light of the provisions of laws and regulations, the Articles of Association, the recommendations applying at all times (including recommendation II.1.4.1. of the Corporate Governance Code) and the principles and rules of the Code of Ethics adopted by CIMPOR.

The Internal Audit Department and the Fiscal Board - without prejudice to the powers of the Corporate Governance and Sustainability Committee – are responsible for monitoring and supervising the entire system, in particular the respective levels of adequacy and effectiveness.

In summary, the abovementioned Regulations provided for that the reporting of any irregularity by the personell should be made in writing to the responsible officer identified for such purpose in each country. Such responsible officer then registers it and informs the Central Officer appointed for such purpose, sending a copy to the Board of the Directors of the relevant company in the report and a copy to the Executive Committee of CIMPOR. The investigation of the irregularity is carried out by the Board of Directors of the relevant company, unless it relates to or is likely to focus on any of its directors, in which case the investigation is carried out by the Executive Committee of CIMPOR.

SECTION V. SPECIALIZED COMMITTEES

CIMPOR has three specialized committees to assist the Board of Directors, in addition to the Executive Committee.

II.36. CORPORATE GOVERNANCE AND SUSTAINABILITY, NOMINATION AND EVALUATION AND INVESTMENT COMMITTEES

The composition of the Corporate Governance and Sustainability, Nomination and Evaluation and Investment Committees was detailed in section II.2.

Although CIMPOR's corporate governance structure does not provide for the existence of an independent committee with powers to identify candidates to discharge the Director's role, certain powers were delegated in the Nomination and Evaluation Committee as regards the identification of such candidates, namely in case of cooptation, as described in section II.3.3.2. above.

II.37. NUMBER OF MEETINGS OF COMMITTEES WITH MANAGEMENT AND SUPERVISORY POWERS

During 2010, the Corporate Governance and Sustainability Committee met twice, the Nomination and Evaluation Committee met twice and the Investment Committee met four times, all of them drawing up minutes of the meetings.

II.38. REFERENCE TO THE FACT THAT A MEMBER OF THE REMUNERATION COMMITTEE HAS KNOWLEDGE AND EXPERIENCE IN REMUNERATION POLICY MATTERS

The Remuneration Committee elected at the General Meeting and the specialized committee of Nomination and Evaluation Committee of the Board of Directors are composed by members with not only a high academic and university qualifications in the areas of business management and human resources policy, but also a relevant professional experience at the highest level of management in large companies and very extensive contact with the fields of remuneration and evaluation of directors and senior management, thus ensuring the theoretical and business knowledge essential for a proper evaluation of remuneration policy.

II.39. INDEPENDENCE OF THE PERSONS ENGAGED FOR THE REMUNERATION COMMITTEE

The members of the Remuneration Committee are independent regarding the Company and its Board of Directors.

III. INFORMATION AND AUDITING

III.1. CAPITAL STRUCTURE

The share capital of CIMPOR amounts to 672 million euros and is fully paid up, represented by 672 million nominative and ordinary shares (each with a nominal value of one euro) traded on Euronext Lisbon.

Characteristics of CIMPOR Securities

Title:	CIMPOR – Cimentos de Portugal, SGPS, S.A.
Share Trading:	Euronext Lisbon
Futures trading:	Euronext Lisbon
Codes:	LISBON TRADING: CPR
	REUTERS: CMPR.IN
	BLOOMBERG: CPR PL
Number of shares (with a nominal value of 1 euro):	
	Total – 672,000,000
	Listed for trading – 672,000,000

III.2. QUALIFYING SHAREHOLDINGS CALCULATED PURSUANT TO ARTICLE 20 OF THE PORTUGUESE SECURITIES CODE

According to the information on qualifying shareholdings received by the Company with reference to December 31st, 2010, and in compliance with the rules on attribution of voting rights established in the Portuguese Securities Code, the qualifying holders, on that date, were as follows:

SHAREHOLDERS	Nº OF SHARES	% OF SHARE CAPITAL (2)	% OF VOTING RIGHTS
Camargo Corrêa Group	**221,360,153**	**32.94%**	**32.94%**
Rosana Camargo de Arruda Botelho,Renata de Camargo Nascimento and Regina de Camargo Pires Oliveira Dias who, 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. and RCNPN Empreendimentos e Participações, S.A.; and (c) RCPODON Empreendimentos e Participações, S.A. and RCPODPN Empreendimentos e Participações, S.A..	221,360,153	32.94%	32.94%
Through 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..	221,360,153	32.94%	32.94%
Through the jointly and directly controlled company, Morro Vermelho, S.A.	221,360,153	32.94%	32.94%
Through the company Camargo Corrêa, S.A. which it fully controls.	221,360,153	32.94%	32.94%
Through the company Camargo Corrêa Cimentos Luxembourg, S.à.r.l.	221,360,153	32.94%	32.94%
Votorantim Group	**142,492,130**	**21.20%**	**30.83%**
António Ermírio de Moraes, who directly controls the company AEM Participações S.A., Ermírio Pereira de Moraes, who directly controls the company ERMAN Participações S.A., Maria Helena Moraes Scripilliti who directly controls the company MRC Participações, S.A., and José Ermírio Moraes Neto, José Roberto Ermírio de Moares and Neide Helena de Moraes, who jointly and directly control the company JEMF Participações, S.A.	142,492,130	21.20%	30.83%

SHAREHOLDERS	Nº OF SHARES	% OF SHARE CAPITAL (2)	% OF VOTING RIGHTS
Through the companies AEM Participações, S.A., ERMAN Participações, S.A., MRC Participações, S.A. and JEMF Participações, S.A.	142,492,130	21.20%	30.83%
Through the jointly and directly controlled company, Hejoassu Administração, S.A.	142,492,130	21.20%	30.83%
Through the company Votorantim Participações, S.A. which it controls	142,492,130	21.20%	30.83%
Directly and through the company Votorantim Industrial, S.A., which it controls	142,492,130	21.20%	30.83%
Through the company Votorantim Cimentos, S.A. (5)	142,492,130	21.20%	30.83%
Manuel Fino, SGPS, S.A.	**71,735,960**	**10.67%**	**20.26%**
On its own account	500	0.00%	0.00%
Through its fully and directly controlled companies Limar, Limited e Jevon, Limited.	71,735,460	10.67%	20.26%
Through the company Investifino - Investimentos e Participações, SGPS, S.A.(3)(7), controlled by Limar, Limited and participated by Jevon, Limited.	71,735,460	10.67%	20.26%
On its own account	71,734,000	10.67%	20.26%
Through members of its board of directors and audit committee	1,460	0.00%	0.00%
Banco Comercial Português, S.A. (BCP) and BCP Pension Fund	**67,474,186**	**10.04%**	**10.04%**
Banco Comercial Português, S.A. and entities related to it (4)	274,186	0.04%	0.04%
Banco Comercial Português, S.A.	500	0.00%	0.00%
Banco Millennium BCP Investimento, S.A.	261,586	0.04%	0.04%
Fundação Banco Comercial Português	12,100	0.00%	0.00%
Fundo de Pensões do Banco Comercial Português, S.A.	67,200,000	10.00%	10.00%
Caixa Geral de Depósitos, S.A. (CGD) (6)	**64,713,220**	**9.63%**	**30.83%**
On its own account	64,477,124	9.59%	30.79%
Through Caixa Seguros e Saúde, SGPS, S.A., which it fully owns	22,090	0.00%	0.00%
Through Fidelidade Mundial, S.A., which it fully owns	20,700	0.00%	0.00%
Through Império Bonança – Companhia de Seguros, S.A., which it fully owns	1,390	0.00%	0.00%
Through Parcaixa, SGPS, S.A., which it controls	57,653	0.01%	0.01%
Through Fundo de Pensões da Caixa Geral de Depósitos, S.A.	156,353	0.02%	0.02%

(1) As per official qualifying shareholdings announcements and other information received by the company.
(2) With voting rights.
(3) The company is fully controlled by Manuel Fino, SGPS, S.A..
(4) As foreseen in article 20 of the Portuguese Securities Code.
(5) Attribution of voting rights according to the Shareholders' Agreement signed with Caixa Geral de Depósitos, S.A., under article 20 of the Portuguese Securities Code.
(6) Attribution of voting rights according to the Shareholders' Agreement signed with Votorantim Cimentos, S.A., under article 20 of the Portuguese Securities Code.
(7) Call option over 64,406,000 shares (9,6% of the share capital) held by Caixa Geral de Depósitos, S.A. on its behalf.

III.3. IDENTIFICATION OF SHAREHOLDERS HOLDING SPECIAL RIGHTS

No shareholder of CIMPOR holds any special rights and all the shares representing the Company's share capital are freely traded on regulated market (with no restrictions on their ownership) and no employee equity system is envisaged.

III.4. POSSIBLE RESTRICTIONS ON THE TRANSFERABILITY OF SHARES, SUCH AS DISPOSAL CONSENT CLAUSES OR RESTRICTIONS ON THE OWNERSHIP OF SHARES

Information already provided herein in section III.3 above.

III.5. SHAREHOLDERS' AGREEMENTS THAT MAY LEAD TO RESTRICTIONS ON THE TRANSFER OF SECURITIES OR VOTING RIGHTS

According to announcements published on February 4th, 5th and 9th, 2010, available on the Company's website, www.cimpor.com and on the websites of the CMVM and NYSE Euronext, Caixa Geral de Depósitos, S.A. and Votorantim Cimentos, S.A. concluded a shareholders' agreement on February 3rd, 2010, in order to establish their relationship as shareholders of CIMPOR, with the purpose of:

- "establishing a minority shareholders block, representing less than one-third of the voting rights of CIMPOR, which is cohesive and stable and contributes to fostering shareholder stability in CIMPOR,
- the sustained development of the company and the continuation of the independence of its business, structure and corporate culture, in particular as a listed company with registered office in Portugal, and
- the preservation of a financial situation likely to be rated as an investment grade."

For such purpose, the parties "undertook reciprocal obligations in regards to the exercise of their voting rights (voting syndicate), maintaining their equity holdings in CIMPOR (lock-up and stand-still) and taking on restrictions as regards the sale of their equity interests (right of first refusal)", for an initial period of ten years.

III.6. AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Articles of Association may be amended pursuant to the provisions established in law and according to the rules defined in the Articles of Association (Article 8).

In order to pass a resolution on the amendment of the Articles of Association on its first call, the shareholders attending or represented at the Shareholders Meeting must hold at least one-third of the share capital; and

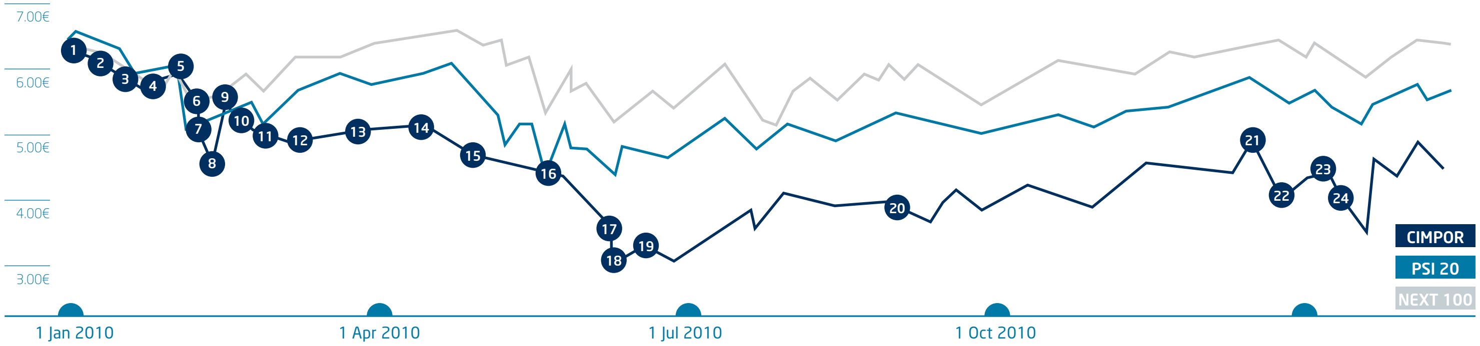
Resolutions on the amendment of the Articles of Association shall be approved by a minimum of two-thirds of the votes cast, whether the General Meeting is convened at the first call or the second call, unless, in this latter case, the shareholders attending or represented at the Shareholders Meeting hold at least half of the share capital, in which event such resolutions may be passed by simple majority of the votes cast.

III.7. CONTROL MECHANISMS PROVIDED FOR IN ANY EMPLOYEES EQUITY SCHEME

There is no scheme that specifically envisages employee participation in the share capital of the Company, which implies that the respective voting rights are not directly exercised by the employees.

III.8. DESCRIPTION OF THE COMPANY'S SHARE PRICE EVOLUTION

STOCK MARKET PERFORMANCE OF CIMPOR SHARES



NOTE	DATE	EVENT
1	07-Jan	Board of Directors rejects preliminarlily announced CSN Public Offerat the price of euros per share under the condition of the success of half of the share capital plus one share.
2	13-Jan	Camargo Corrêa, S.A. presents merging propoasal with CIMPOR.
3	27-Jan	CSN Cement, S.à.r.l. Public Offer ("Offer") registration.
4	29-Jan	Camargo Corrêa, S.A. Withdraws merger propasal with CIMPOR.
5	03-Feb	Boar of Directors updates opinion on Offer rejecting it.
	03-Feb	Votorantim Cimentos, S.A. acquires a 17,3% qualyfying participation in CIMPOR.
6	09-Feb	Votorantim Cimentos, S.A. and Caixa Geral de Depósitos, S.A. announce shareholders agreement.
7	10-Feb	Camargo Corrêa, S.A. acquiresa 22,2% qualyfying participation in CIMPOR and announces potencial further 3% acquisition from third parties related with the seller.
8	11-Feb	Camargo Corrêa, S.A. acquires a 6.5% qualyfying participation in CIMPOR.
9	16-Feb	CSN revies price of Offer to 6.18 euros per share and alterssuccess condition to one third of share capital plus one share.
10	17-Feb	Board of Directors considers the reviewed price of the Offer as below the real value of CIMPOR and alerts shareholders on the uncertanties and liquidity risks of their investment.
	17-Feb	Votorantim Cimentos, S.A. acquires a 3.9% qualifying participation in CIMPOR.
11	23-Feb	The failure of the Offer is announced.
12	03-Mar	2009 Results announcement.
	03-Mar	CIMPOR signes with Brazilian competition authority ("CADE") an agreement to keep the reversability of the material impacts of its new shareholder structure on the Brazilian market ("APRO") .
13	23-Mar	Votorantim Cimentos, S.A. and Caixa Geral de Depósitos, S.A. Announce the update of their shareholders agreement.
14	07-Apr	Dividend announcement relative to 2009.
15	29-Apr	Annual General Meeting.
16	11-May	2010 First Quarter Results announcement.
17	24-May	S&P reafirms long term rating as "BBB-" with "stable" outlook.
18	25-May	Shares traded with no 2009 dividend.
19	28-May	2009 dividend distribution: of 0,20 euros per share (net: 0,16 euros per share).
20	17-Aug	2010 First Half Results announcement.
21	09-Nov	2010 Third Quarter Results announcement.
22	16-Nov	Announcement of Private Placement in US with prices below the the Portuguese Republic ones.
23	19-Nov	Announcement of a set of 1Bn euros refinancing operations (including US Private Placement) assuring CIMPOR's financing needs for the next two years.
24	25-Nov	Announcement of new capacity investment in Brazil and CIMPOR growth strategy for 2010-2015.

III.9. DIVIDEND DISTRIBUTION POLICY

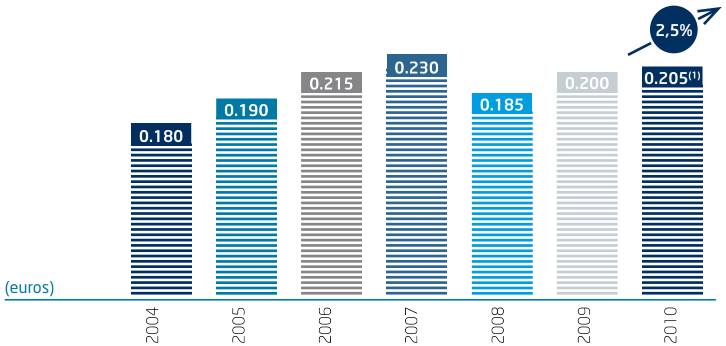
The financial management of the company aims to support the distribution of a growing dividend per share, consistent with the approved strategy of CIMPOR and the profits achieved and tied to the goal of maintaining the investment grade rating.

The dividend distribution policy will aim to further the stability of the payout ratio and the competitiveness of the dividend yield in the context of the Portuguese market and the international cement market.

On May 28th, 2010, the dividend for the year 2009 was paid, at a gross value of 0.20 euros per share (0.16 euros net).

The proposed distribution of profits stated in the management report and relating to 2010 follows the policy guidelines set forth above, with a proposed dividend of 0.205 euros per share, amounting to around 57.0% of CIMPOR's net profit.

DIVIDEND / NET PROFIT



(1) Dividend to be proposed by the Board of Directors of CIMPOR at the General Meeting of 18 April 2011

III.10. STOCK PURCHASE AND STOCK OPTIONS PLANS

The General Meeting of April 29th, 2010, seeking to reinforce CIMPOR's relationship with its personnel and to foster their interest in the profits and evolution of value, approved the sale of treasury shares to employees and members of the management bodies of the Company or subsidiaries, under a new Stock Purchase Plan for employees and management and under the "2010 Series" of the Stock Options Plan for CIMPOR's directors and officers.

III.10.1. STOCK PURCHASE PLAN FOR EMPLOYEES AND MANAGEMENT FOR 2010

This Plan is aimed at the directors and most personnel with a stable employment relationship with CIMPOR or the companies, with head offices in any country of the Iberian Peninsula, directly or indirectly controlled by CIMPOR, at the directors and senior officers of the other Group companies (proposed by the managers of the respective areas for that purpose) and at other personnel (indicated for that purpose by the Executive Committee) engaged by companies in which the holding company or any company controlled by it has a shareholding. The Stock Purchase Plan for employees and management (2010 year) consisted in awarding to each beneficiary - as resolved by the Remuneration Committee with regard to the Directors of the holding company, and by the Executive Committee in all other cases – one of the following two options:

OPTION A:

The right to acquire at a price equivalent to 75% of the average of closing prices in the week from May 2nd to 8th, 2010 (rounded up), a certain number of CIMPOR shares, defined according to the following rule:

Maximum number of shares to purchase:

$$\frac{\text{Gross monthly base remuneration } / 2}{75\% \text{ of the average of closing prices in the week from May } 2^{nd} \text{ to } 8^{th}, 2010}$$

rounded down to the nearest multiple of five or ten shares, depending on whether the above formula results on a value less than or greater than 100 shares, respectively.

In this option, the shares are paid by discount from the employee's wages of the month when holiday pay is paid.

OPTION B:

The right to acquire at a price equivalent to 85% of the average of closing prices in the week from 2nd to 8th May 2010 (rounded up), a certain number of CIMPOR shares, defined according to the following rule:

Maximum number of shares to purchase:	Gross monthly base remuneration / 85% of the average of closing prices in the week from May 2nd to 8th, 2010

rounded down to the nearest multiple of five or ten shares, depending on whether the above formula results on a value less than or greater than 100 shares, respectively.

The shares are paid by discounting 50% of the total amount from the employee's wages of the month when holiday pay is paid, and the remaining 50% is paid by means of monthly instalments discounted every month from the wages until December 31st, 2010. In this second option, the transfer or encumbrance of the shares acquired under the plan is not permitted prior to the date of final payment set forth above, without prejudice to the payment of dividends. In the event of termination of employment, for whatever reason, the outstanding amount should be considered matured and be immediately paid.

Of the 1,382 beneficiaries eligible to purchase CIMPOR shares according to this rule, a total of 432 decided to subscribe during the timeframe specified for that purpose (April 15th to 24th). A total of 146,800 shares at a price of 3.879 euros per share were acquired under option A (378 beneficiaries), and 53,845 shares at a price of 4.397 euros per share were acquired under option B (55 beneficiaries).

The Board of Directors is responsible for implementing this plan and any change to the same requires the approval of the Remuneration Committee.

III.10.2. STOCK OPTIONS PLAN FOR THE GROUP'S DIRECTORS AND OFFICERS

The Stock Options Plan - 2010 Series was intended for the directors of the holding company who the Remuneration Committee decided to select as beneficiaries and the members of the boards of directors of the affiliates and other Group senior managers designated for such by the Executive Committee.

As mentioned in the resolution of the Annual General Meeting of April 29th, 2010, the essential features of this plan (with the amendments made by the Remuneration Committee in March 2004) are as follows:

- Every year each beneficiary is granted the right to acquire a specific number of CIMPOR shares (initial options) at a price determined by the Remuneration Committee (within thirty days of the Annual General Meeting having approved the accounts), the price being no less than seventy-five percent of the average closing price of the shares on the sixty stock market sessions immediately prior to that date;
- For each share acquired through the exercise of an initial option, the beneficiary is granted the option to acquire a new share (derivative option) for the same unit price in each of the subsequent three years. The shares acquired by exercising the initial options and the related derivative options correspond to a "series";
- The number of initial options assigned to each beneficiary is determined by the Remuneration Committee for members of the Board of Directors of the holding company and by the Executive Committee in all other cases;
- The number of derivative options each beneficiary can exercise every year cannot exceed in total the number of shares held by the beneficiary on February 28th of the relevant year, regardless of whether such shares were acquired or not under this Plan;
- The period during which the initial options can be exercised is determined by the Executive Committee, while derivative options are always exercised in March of each year;
- The shares acquired in this way are not subject to any clause restricting their sale, by contrast to the options, which cannot be transferred by a transaction inter vivos (in case of death of the beneficiary, only the right to settle the respective options is transferred to the heirs, which effectively means entitlement to receive the difference in value between the options exercise price and the market price of the shares on the date of death);
- The plan and respective regulations may be revoked or changed at any time, by resolution of the Remuneration Committee, without prejudice of the options already awarded being maintained.

In 2010, 217,300 initial options were granted to 239 Group Directors and senior managers under this plan, with an exercising period from May 15th to 20th. Among those beneficiaries 183 exercised part or all of their options, at the price of 4.25 euros per share, acquiring a total of 189,630 shares.

Thus, in the years 2011 to 2013 inclusive, a maximum of 568,890 derivative options of this series may be exercised at that same price per share.

Options Granted, Exercisable and Extinguished:

Under the 2007, 2008 and 2009 series, of the 829,240 derivative options that could be exercisable in 2010, a total of 651,900 options were exercised, and the remaining 177,340 were extinguished.

To summarize the situation for 2010:

	SERIES 2007	2008	2009	2010	TOTAL
Exercise Price (Euros)	4.900	4.250	2.850	4.250	
Options Awarded					
Initial Options	-	-	-	217,300	217,300
Derivative Options	-	-	-	651,900	651,900
Exercisable Options	238,250	264,090	326,900	217,300	1,046,540
Exercised Options					
By exercise of initial options of 2010	-	-	-	189,630	189,630
By exercise of derivative options of 2010	183,960	235,045	300,650	-	719,655
Extinguished Options					
Exercisable in 2010					
By non-exercise of initial options [1]	-	-	-	27,670	27,670
By non-exercise of derivative options [2]	54,290	29,045	26,250	-	109,585
Exercisable from 2011 to 2013, inclusive					
By non-exercise of initial options [1]				83,010	83,010
By lapse on removal from office		40,000	80,000		120,000

[1] Initial Options not exercised by decision of employee
[2] Derivative Options not exercised by decision of employee

Therefore, while the number of shares required at the beginning of the year to meet the exercise of options granted up to 2009, inclusive, rose to 1,747,130, the number of shares required at the end of the year to meet the exercise of all the options granted in the meantime was 1,366,780, broken down as follows:

SERIES	OPTIONS EXERCISEBLE IN: 2011	2012	2013	TOTAL
2008	224,090	-	-	224,090
2009	286,900	286,900	-	573,800
2010	189,630	189,630	189,630	568,890
TOTAL	**700,620**	**476,530**	**189,630**	**1,366,780**

The Board of Directors is responsible for implementing this plan. Any change to the plan requires the approval of the Remuneration Committee.

III.11 BUSINESS AND TRANSACTIONS BETWEEN THE COMPANY AND MEMBERS OF ITS MANAGEMENT AND SUPERVISORY BODIES, OR COMPANIES IN A CONTROL OR GROUP RELATIONSHIP, OUTSIDE OF NORMAL MARKET CONDITIONS

Apart from the sale of treasury shares under the stock purchase and stock options plans referred to in sections III.10 and II.29 above, and the sale of a company vehicle for its book value (49,753 euros, i.e. practically identical to its market value) to Manuel Luís Barata de Faria Blanc (former Executive Director), neither the Company nor any of the companies it controls has undertaken any business or transaction with any members of its management and supervisory bodies or companies within a group or control relationship, with the exception of some transactions of no economic relevance to any of the parties involved, and which were conducted under normal market conditions for similar operations and executed as part of the Group's regular business activity.

III.12. BUSINESS AND TRANSACTIONS BETWEEN THE COMPANY AND HOLDERS OF QUALIFIED SHAREHOLDINGS OR ENTITIES WITHIN A RELEVANT RELATIONSHIP PURSUANT TO ARTICLE 20 OF THE PORTUGUESE SECURITIES CODE, OUTSIDE OF NORMAL MARKET CONDITIONS

CIMPOR nor any of the companies it controls undertook any business or transaction with the holders of qualified shareholdings or companies related to those pursuant to Article 20 of the Portuguese Securities Code, with the exception of some transactions of no economic relevance to either of the parties involved, conducted under normal market conditions for similar operations and executed as part of the Group's regular activity.

It should be noted, due to its special strategic significance and without prejudice to the above disclosed, that, in accordance with the privileged information dated October 1st, 2010, the Company signed a binding contract for the purchase from Camargo Corrêa Cimentos, S.A. of shares representing 51% of the share capital of the company CINAC - Cimentos Nacala, S.A. ("CINAC"), a shareholding just acquired by said CIMPOR shareholder from the Mozambican Group INSITEC.

The completion of such announced acquisition was subject to notification to the competent authorities of Mozambique and the approval of the financing banks of CINAC, with this latter approval still pending on December 31st, 2010.

CINAC is a company located in Nacala in northern Mozambique, which owns a cement grinding mill with an installed capacity of 350,000 tons/year and various plots of land and limestone quarries. Under the binding agreement signed, the management of CINAC, in partnership with the Mozambican group INSITEC, will be conducted by CIMPOR through a majority position.

The final price of the acquisition of 51% of CINAC will be adjusted based on an audit, being the equity value of the holding to be acquired estimated to be around USD 6 million.

III.13. INTERVENTION OF THE SUPERVISORY BODY FOR THE PRIOR ASSESSMENT OF BUSINESS TO BE CONDUCTED BETWEEN THE COMPANY AND THE HOLDERS OF QUALIFYING SHAREHOLDINGS

As provided for in Article 20 of the Board of Directors Internal Regulations, any business of significant relevance, under the terms defined by the Fiscal Board, on proposal of the Board of Directors, to be concluded between, on one hand, any holder of a qualifying shareholding greater than or equal to 2% of the voting rights of the share capital of CIMPOR or any related party pursuant to Article 20 of the Portuguese Securities Code and, on the other hand, CIMPOR or any company within a control or group relationship, requires the prior opinion of the Fiscal Board.

Whenever CIMPOR intends to undertake any transaction of special economic relevance for any of the parties involved or in conditions that may be deemed outside normal market conditions for similar operations and executed as part of CIMPOR's regular business activity, the Board of Directors submits the proposed transaction to the prior opinion of the Fiscal Board, mentioning the relevant grounds as well as the technical and statistical information adequate for such assessment.

The Fiscal Board assesses the received information, requiring, if necessary, further elements or studies and including support from the Chartered Accountant and oversees the compliance of the applicable rules in the areas of conflict of interests, fair treatment, non-prejudicial, fair relationship with suppliers and service renderers and of preservation of the Company's interests.

III.14. STATISTICAL DATA CONCERNING BUSINESS REQUIRING THE PRIOR INTERVENTION OF THE SUPERVISORY BODY

The only business requiring the Fiscal Board's opinion during 2010 are those described above in sections III.11 and III.12.

TRANSACTIONS REQUIRING THE PRIOR INTERVENTION OF THE AUDIT COMMITTEE	ORIGIN OF THE REQUIREMENT FOR AN OPINION OF THE AUDIT COMMITTEE	VALUE	OBSERVATIONS
Acquisition of shareholding in CINAC - Cimentos de Nacala, S.A.	Board of Directors Internal Regulations, seccion VI, 20	Final value still not established	Provisional values: shares USD 6,408,773, plus Shareholder Loans of USD 17,637,063, plus interest and additional shareholder loan of up to USD 4,000,000
Purchase of motor vehicle by the Director Manuel Luís Barata de Faria Blanc	Article 397(2) of Companies Code	EUR 49,753.00	

III.15. INDICATION OF THE PUBLICATION ON THE COMPANY'S WEBSITE OF THE ANNUAL REPORTS ON THE ACTIVITIES OF THE FISCAL BOARD

As provided for in Article 8 of Regulation no. 5/2008 of the CMVM, the Annual Report of the Company includes the opinion of its Fiscal Board on the financial statements, which is available together with the annual report of the Fiscal Board (which will report any constraints which this body has encountered) in the Company's website, www.cimpor.com.

III.16. INVESTOR RELATIONS DEPARTMENT

The duties of the "Investor Relations Office" set out in the applicable regulations are discharged by the Investor Relations Department, responsible for keeping the financial community informed of the evolution of the Group's business and supports current and potential shareholders of CIMPOR in their relations with the Company, in full compliance with the principle of equal treatment of shareholders.

This office's contact with private and institutional investors, fund managers and other collective investment bodies, analysts and other stock market operators is maintained through presentations, meetings and replies to requests for information by telephone, e-mail or regular mail.

Investor Relations Department contacts:

Personal Contacts:

Filipa Mendes (Investor Relations Officer)

Address:

Investor Relations Department
CIMPOR – Cimentos de Portugal, SGPS, S.A.
Rua Alexandre Herculano, 35
1250-009 Lisboa
PORTUGAL

Telephones: 21 311 81 00 / 21 311 88 89

Fax: 21 311 88 67

E-mail: investorrelations@cimpor.com

Internet: www.cimpor.com

In addition to information that might influence the share price, also available through the website of the CMVM (www.cmvm.pt) and Euronext (www.euronext.com) and to the mandatory information provided for in Article 5 of the CMVM Regulation no. 1/2010), the following information in Portuguese and English on the website of CIMPOR (www.cimpor.com):

- Evolution of the CIMPOR share price;
- Notices convening General Meetings and the relevant participation mechanisms;
- Reports and Accounts and other periodic information;
- A summary description of the shareholder structure;
- A detailed report on the structure and corporate governance practices;
- The Group's Code of Ethics;
- The Board of Directors Internal Regulations;
- The Fiscal Board Internal Regulations;
- CIMPOR's Sustainability Report;
- Information on CIMPOR's environmental and R&D policies;
- Other information of interest related to the business of CIMPOR.

The site also enables any interested party to register to immediately receive information published by CIMPOR via a mailing list specifically created for the purpose.

The representative for relations with the securities' market and the CMVM, pursuant to and for the purposes of the Portuguese Securities Code, is, since October 1st, 2004, Filipa Mendes.

III.17. INDICATION OF THE ANNUAL REMUNERATION PAID TO THE AUDITOR AND OTHER INDIVIDUALS AND LEGAL PERSONS PART OF THE SAME NETWORK PAID BY THE COMPANY AND/OR BY LEGAL PERSONS IN A CONTROL OR GROUP RELATIONSHIP

In 2010, the total cost of services rendered to the CIMPOR Group by its external auditor (Deloitte & Associados, SROC, S.A.), including all individuals or legal persons part of its "network" (as set forth in European Commission Recommendation no. C (2002) 1873 of May 16th), amounted to 1,587,000 euros, broken down in the following percentages:

a) statutory audit services	85.5%
b) other assurance services	0.4%
c) tax consultancy services	11.7%
d) services other than statutory audit services	2.4%

The services other than those of statutory audit were contracted under the special authorisation granted by the Fiscal Board at the request of the management, based on the comparative advantage of the services provided, namely through the gains arising from knowledge already in place on the Group's companies, structures and operations due to its duties as auditor.

To safeguard the independence of these entities, the acquisition of any type of service that may jeopardize such independence is expressly forbidden, specifically:

- Accounting and administrative services, such as book-keeping, the preparation of financial statements and reports, the processing of salaries and the preparation of tax returns;
- Conception, design and implementation of management information systems;
- Assessment of assets or liabilities that may be included in CIMPOR's financial statements;
- Services provided under the duties allocated to internal auditing;
- Legal consultancy services requiring the entities in question to represent any of the Group's companies in the settling of litigation and disputes with third parties;
- Recruitment and selection of senior staff.

In addition, the acquisition of services from the external auditor or entities belonging to its "network", both in Portugal and in the countries where CIMPOR operates, must comply with a set of rules established by the holding company and communicated to all Group companies. Thus being, besides prohibiting the contracting of the aforementioned services, the following must be emphasized:

- The entities in question must, in any case, demonstrate the ability, credentials, resources and comparative advantages in relation to third parties, with respect to the provision of the services in question;
- Proposals to render services submitted by those entities are analyzed and assessed, and whenever possible compared to the market, by the person in charge of the area (or company) requiring the service, and subsequently, depending on the value of the proposal, by the director responsible for that area or by the Executive Committee, who must decide whether or not to engage such service.

III.18. REFERENCE TO THE PERIOD OF ROTATION OF THE EXTERNAL AUDITOR

Deloitte & Associados, SROC, S.A. has been providing external audit services to CIMPOR since 2001, under services contracts with duration of four years. In 2007, six years since the beginning of the provision of those services, a new partner was appointed to oversee or directly implement those services.

The proposal to the General Meeting to maintain the external auditor for a period longer than three terms of office is submitted on the grounds of a specific opinion of the Fiscal Board expressly considering the independence conditions of the auditor as well as the advantages and costs of its replacement.

ANNEX I

MEMBERS OF THE MANAGEMENT AND SUPERVISORY BODIES (END OF THE TERM-OF-OFFICE: 2012)

BOARD OF DIRECTORS

António José de Castro Guerra

Chairman of the Board of Directors (since April 29th, 2010).

Born in Valhelhas, Municipality of Guarda, on February 4th, 1953. PhD by ISEG/UTL Instituto Superior de Economia e Gestão / Universidade Técnica de Lisboa.

Professional activities performed in the last 5 years:

- Chairman of the Board of Directors of CIMPOR – Cimentos de Portugal, SGPS, S.A.;
- Deputy State Secretary to the Minister for Industry and Innovation in the 17th Constitutional Government, from March 2005 to October 2009;
- Associate Professor in ISEG/UTL – Instituto Superior de Economia e Gestão / Universidade Técnica de Lisboa, from October 2009 to March 2010;
- Those listed below.

Offices in entities outside the Group, on December 31st, 2010:

- Manager of Caixa Geral de Depósitos, S.A.- since March 2010;

- Advisor to MRG Group – Engenharia e Construção, S.A. - since April 2010.

Number of shares of CIMPOR – Cimentos de Portugal, SGPS, S.A. held on December 31st. 2010: 10,000.

José Manuel Baptista Fino

Member of the Board of Directors (since April 2005).

Born in Portalegre, Portugal, on January 10th, 1954. Supplementary High School Course (1971) and attended North East London Polytechnic (Business Studies), in London (1972-1974).

Professional activities performed in the last 5 years and in entities outside the Group on December 31st, 2010:

Chairman of the Board of Directors of:

- Ramada Holdings, SGPS, S.A.;
- Ramada Energias Renováveis, S.A.;
- Área Infinitas – Design de Interiores, S.A.;
- Dignatis – Investimentos Imobiliários, S.A.;
- Ethnica – SGPS, S.A.

Member of the Board of Directors of:

- Grupo Soares da Costa, SGPS, S.A.;
- Investifino – Investimento e Participações, SGPS, S.A.;
- Manuel Fino, SGPS, S.A.;
- Specialty Minerals Portugal – Especialidades Minerais, S.A.;

Manager of Dorfino – Imobiliária, Lda.

Number of shares of CIMPOR – Cimentos de Portugal, SGPS, S.A. held on December 31st, 2010: 1,050.

Jorge Humberto Correia Tomé

Member of the Board of Directors (since May 13th, 2009).

Born in Angola, on November 7th, 1954. Graduated in Business Management and Organisation from ISCTE. Master's Degree in Applied Economics (Faculty of Economics of Universidade Nova de Lisboa).

Professional activities performed in the last 5 years:

- Chief Executive Officer of Caixa – Banco de Investimento, S.A. (2002 – 2008);
- Those listed below.

Offices in entities outside the Group, on December 31st, 2010:

Chairman of the Board of Directors of:

- Caixa – Banco de Investimentos, S.A.;
- Gerbanca, SGPS, S.A.;
- Credip – Instituição Financeira de Crédito, S.A.;
- Trem – Aluguer de Material Circulante, A.C.E.;
- Trem II – Aluguer de Material Circulante, A.C.E.;

Vice-Chairman of the Board of Directors of Banco Caixa Geral – Brasil, S.A.

Member of the Board of Directors of:

- Caixa Geral de Depósitos, S.A.;
- Portugal Telecom, SGPS, S.A.;
- Banco Comercial e de Investimentos, S.A. (Mozambique).

Member of the Strategy and Monitoring Committee of Fomentinvest, SGPS, S.A.

No shares in CIMPOR – Cimentos de Portugal, SGPS, S.A. were held on December 31st. 2010.

Albrecht Curt Reuter Domenech

Member of the Board of Directors (since April 2010).

Born in Puerto Rico, on June 25th, 1947. Master's Degree in Civil Engineering from University of Puerto Rico and Master's Degree in Business Management from Wharton School, University of Pennsylvania.

Professional activities performed in last 5 years:

- Member of the Board of Directors of Duratex, S.A. (2008-2009);
- Those listed below.

Offices in entities outside the Group, on December 31st, 2010:

Vice-Chairman of the Board of Directors of:

- Camargo Corrêa Engenharia e Construção, S.A.;
- Camargo Corrêa Cimentos, S.A.;
- Camargo Corrêa Desenvolvimento Imobiliário, S.A.;

Member of the Board of Directors of:

- Loma Negra CIASA;
- Member of the Board of Directors of TAVEX (Textile Industry).

No shares in CIMPOR – Cimentos de Portugal, SGPS, S.A. were held on December 31st, 2010.

João José Belard da Fonseca Lopes Raimundo

Member of the Board of Directors (since April 2010).

Born in Lisbon, on June 26th, 1960. Graduated in Business Management from Universidade Católica Portuguesa (1982) and MBA from INSEAD (Fontainebleau, 1986-87). Corporate Finance Programme (London), Advanced Capital Markets Course (London) and Risk Management Programme (London) – 1988. "Creating Shareholder Value" Programme – ALCAR Group (London), sponsored by Manufacturers Hanover Trust Company (1989), "Negotiation Dynamics" Prof. Ingemar Dierickx Guest Professor at Universidade Nova de Lisboa (1997) and Programme of INSEAD BCP/Atlântico (Fontainebleau, France) (1998).

Professional activities performed in the last 5 years:

- Chairman of the Board of Directors of Millennium BCP Bank N.A. (2009-2010);
- Member of the Board of Directors of Banco Millennium BCP Investimento, S.A. (2006-2009);
- General Manager of the Private Banking area of Banco Comercial Português, and member of the Supervisory Board of Banque BCP S.A.S. (France), Vice-Chairman of the Board of Directors of Banque Privée BCP (Switzerland), and Chairman of the Board of Directors of BCP Bank & Trust Ltd (2003-2006);
- Those listed below.

Offices in entities outside the Group, on December 31st, 2010:

- Chairman of the Board of Directors of BCP Holdings (USA) Inc.; General Manager of Millenniumbcp;
- Member of the Board of Directors of EDP Renováveis, S.A.

No shares in CIMPOR – Cimentos de Portugal, SGPS, S.A. were held on December 31st, 2010.

José Edison Barros Franco

Member of the Board of Directors (since April 2010).

Born in São Paulo, Brazil, on March 4th, 1950. Degree in Mechanical Engineering from Escola Politécnica of Universidade de São Paulo (1974), Postgraduate in Management from Fundação Getúlio Vargas (1978), Advanced Management Program from Harvard University (USA, 1998).

Professional activities performed in the last 5 years:

General Manager (2006 – 2007) and Advisor (2004 – 2007) of Camargo Corrêa, S.A.;

Chairman of the Board of Directors of:

- Camargo Corrêa Metais (2004-2007);
- Camargo Corrêa Energia (2004-2007);
- Camargo Corrêa Transportes (2004 – 2007).

Member of the Board of Directors of CPFL Energia S.A. (2005 - 2008);

Member of the Finance Committees of Alpargatas, Santista and CCSA; of the Human Resources Committees of Alpargatas and CCSA; of Audit of Alpargatas and CCSA; of Corporate Governance Committee of CCR.

Those listed below.

Offices in entities outside the Group, on December 31st, 2010:

Chairman of the Board of Directors of:

- Camargo Corrêa Cimentos S.A. (2004 - Current date);

- Loma Negra CIASA. (2005 – Current date);
- São Paulo Alpargatas S.A. (2008 - Current date);
- Ferrosur Roca (2005 - Present date);

Member of the Executive Committee of the Camargo Corrêa Group (2007 – Current date);

Manager of Camargo Corrêa Cimentos Luxembourg, S.à.R.L. (2010 - Current date);

Member of the Boards of Instituto Camargo Corrêa and Fundação Loma Negra.

No shares in CIMPOR – Cimentos de Portugal, SGPS, S.A. were held on December 31st, 2010.

Walter Schalka

Member of the Board of Directors (since April 2010).

Born in São Paulo, Brazil, on December 4th, 1960. Degree in Aeronautical Engineering from ITA – Instituto Tecnológico da Aeronáutica (S. José dos Campos, São Paulo, Brazil), Postgraduate in Business Management from Fundação Getúlio Vargas (1978), Graduate of the Executive Improvement Course of IMD (Switzerland) and by AMP/Harvard University (USA).

Professional activities performed in the last 5 years:

- Chief Executive Officer, Chief Operating Officer and Investor Relations of Dixie Toga (1995-2005);
- Those listed below.

Offices in entities outside the Group, on December 31st, 2010:

- CEO of Votorantim Cimentos, S.A. (2005 – Current date).

No shares in CIMPOR – Cimentos de Portugal, SGPS, S.A. were held on December 31st, 2010.

Manuel Luís Barata de Faria Blanc

Member of the Board of Directors (since August 2001).

Born in Lisbon, Portugal, on February 24th, 1955. Degree in Business Management and Administration from the Faculty of Human Sciences of Universidade Católica Portuguesa (1977).

Professional activities performed in the last 5 years:

- Member of the Executive Committee of CIMPOR – Cimentos de Portugal, SGPS, S.A. and member of the Board of Directors of various Group companies, in Portugal and abroad (2001 – 2010).
- Those listed below.

Offices in entities outside the Group, on December 31st, 2010:

- Chairman of the Board of Ponto de Apoio à Vida – Welfare Association;
- Chairman of the General Meeting Board of Patronato de Cristo-Rei.

Number of shares of CIMPOR – Cimentos de Portugal, SGPS, S.A. held on December 31st, 2010: 75,795.

António Sarmento Gomes Mota

Member of the Board of Directors (since May 13th, 2009).

Born in Lisbon, Portugal, on June 10th, 1958. Degree in Management from Instituto Superior de Ciências do Trabalho e da Empresa (ISCTE), MBA (Universidade Nova de Lisboa) and PhD in Management (ISCTE).

Professional activities performed in the last 5 years:

- Member of the Board of Directors of CIMPOR – Cimentos de Portugal, SGPS, S.A.;
- Those listed below.

Offices in entities outside the Group, on December 31st, 2010:

- Professor at ISCTE;
- Chairman of ISCTE Business School;
- Chairman of the Management of INDEG/ISCTE;
- Chairman of the General Board of the Mutual Counter-Guarantee Fund;
- Member of the General and Supervisory Board of EDP – Energias de Portugal, S.A.;
- Member of the Network Academic Board of EABIS – European

Association of Business and Society.

No shares in CIMPOR – Cimentos de Portugal, SGPS, S.A. were held on December 31st, 2010.

José Neves Adelino

Member of the Board of Directors (since April 2010).

Born in Lisbon, Portugal, on March 19th, 1954. Degree in Finance from the ISE – Universidade Técnica de Lisboa (1976) and PhD in Finance from Kent State University (1981).

Professional activities performed in the last 5 years and entities outside the Group, on December 31st, 2010:

- Member of the Board of Directors and Audi Committee of Sonae, SGPS, S.A.;
- Member of the Audit Committee of BPI – Banco Português de Investimento;
- Professor of Finance, Faculty of Economics, Universidade Nova de Lisboa;
- Guest Professor, Bentley College, USA;
- Member of the Investments Committee of Portuguese Venture Capital Initiative – European Investment Fund;
- Member of the Consultative Working Group of CSER – Corporate Finance Standing Committee;
- Independent consultant to several private companies and state owned entities.

No shares in CIMPOR – Cimentos de Portugal, SGPS, S.A. were held on December 31st, 2010.

Álvaro Luís Veloso

Member of the Board of Directors (since April 2010).

Born in Brazil on October 10th, 1964. Degree in Economics from PUC-MG (Pontifícia Universidade Católica de Minas Gerais – 1992), author of two articles in the International Costs Seminar of UNICAMP (1995), attended training courses in various areas, namely: Cost Management (Fifty for the Future, 4 weeks duration, Arthur Andersen, 1995); Advanced Finance Topics Seminar (1 week duration, New York University, 2000); Planning and Strategy Implementation (1 week duration, Michigan University, 2001); Strategic Planning of Marketing (1 week duration, Michigan University, 2001).

Professional activities performed in the last 5 years:

- Superintendent Manager of Engemix, Votorantim Group – Votorantim Cimentos Brasil, S.A (January 2008 - April 2010);
- Deputy Member of the Board of Directors of Usiminas, S.A. - (2006 to 2010);
- Member of the Board of Directors and Member of Audit Committee of Aracuz S.A. – (April 2005 – June 2008);
- Strategic Planning and M&A Manager of Votorantim Investimentos Industriais (March 2005 – December 2007);
- Member of the Executive Committee of CIMPOR – Cimentos de Portugal, SGPS, SA (April 2010 – June 2010);
- Those listed below.

Offices in entities outside the Group, on December 31st, 2010:

- Managing Director of Votorantim Austria, GmbH (2010 – Current Date).

No shares in CIMPOR – Cimentos de Portugal, SGPS, S.A. were held on December 31st, 2010.

Francisco José Queiroz de Barros de Lacerda

Member of the Board of Directors and Chief Executive Officer (since April 2010).

Born in Lisbon on September 24th, 1960. Degree in Business Management and Administration from Universidade Católica Portuguesa.

Professional activities performed in the last 5 years:

- Director of Mague, SGPS S.A. (2008-2010);
- Executive Director of Banco Comercial Português (2000-2008) and member of the Board of Directors of several companies of the Millennium bcp Group during that period;

- Those listed below.

Offices in other companies of the CIMPOR Group, on December 31st, 2010:

- Chairman of the Board of Directors of Cimpor Inversiones, S.A. (Spain);
- Chairman of the Board of Directors of Sociedade de Investimento Cimpor Macau, S.A. (Macau).

Other offices in entities outside the Group, on December 31st, 2010:

- Member of the Board of WBCSD (World Business Council for Sustainable Development);
- Member of the Management of BSCD Portugal;
- Non-Executive Director and Member of the Audit Committee of EDP Renováveis S.A.;
- Manager of Deal Winds – Soc. Unipessoal Lda.;
- Member of the Remuneration Committee of Portugal Telecom, S.A.;
- Member of the Advisory Committee of the Master in Finance of Universidade Católica Portuguesa;
- Member of the Advisory Committee of Nova School of Business & Economics;
- Member of the General Board of Clube Naval de Cascais;
- Chairman of the Fiscal Board of Dragopor, Associação da Classe Internacional Dragão de Portugal.

Number of shares of CIMPOR – Cimentos de Portugal, SGPS, S.A. held on December 31st, 2010: 25,000.

Luís Filipe Sequeira Martins

Member of the Board of Directors and the Executive Committee of CIMPOR – Cimentos de Portugal, SGPS, S.A. (since January 1997). Between February 1987 and January 1997 he was also a director of the companies which, after successive transformations, resulted in the current CIMPOR – Cimentos de Portugal, SGPS, S.A.

Born in Lisbon, Portugal, on June 4th, 1947. Degree in Chemical Engineering from Instituto Superior Técnico of the Universidade Técnica de Lisboa.

Professional activities performed in the last 5 years:

- Executive Director of CIMPOR and member of the Board of Directors of several Group companies, in Portugal and abroad;
- Chairman and Vice-Chairman of the Liaison Committee of CEMBUREAU – European Cement Association;
- Member of the Advisory Committee of the Luso Carbon Fund;
- Member of the Board of BSCD Portugal;
- Member of the Advisory Committee of ATIC – Associação Técnica da Indústria de Cimento.

Offices in other companies of the CIMPOR Group, on December 31st, 2010:

Chairman of the Board of Directors:

- Cimpor Portugal, SGPS, S.A. (Portugal);
- Cimpor – Indústria de Cimentos, S.A. (Portugal);
- Cimpor Tec – Engenharia e Serviços Técnicos de Apoio ao Grupo, S.A. (Portugal);
- Amreyah Cement Company, S.A.E. (Egypt);
- Amreyah Cimpor Cement Company, S.A.E. (Egypt);
- Amreyah Dekheila Terminal Company, S.A.E. (Egypt);
- Amreyah Cimpor Ready Mix Company, S.A.E. (Egypt);
- Cement Services Company, S.A.E. (Egypt);
- Cimpor Sacs Manufacture Company, S.A.E. (Egypt);

Chief Executive Officer of:

- Corporación Noroeste, S.A. (Spain);
- Cimpor Trading, S.A., Sociedade Unipessoal (Spain);

Member of the Board of Directors:

- Cimpor - Serviços de Apoio à Gestão de Empresas, S.A. (Portugal);
- Cimpor Inversiones, S.A. (Spain);
- Asment de Témara, S.A. (Morocco);
- Asment du Centre, S.A. (Morocco);
- CJO – Sociéte Les Ciments de Jbel Oust, S.A. (Tunisia);
- Natal Portland Cement Company (Pty) Limited (South Africa);

- NPC – Cimpor (Pty) Limited (South Africa);
- Cimpor Yibitas Çimento Sanayi ve Ticaret, A.S. (Turkey);
- Cimpor Yibitas Yozgat Isçi Birligi Insaat Malzemeleri Ticaret ve Sanayi, A.S. (Turkey)
- Shree Digvijay Cement Company Limited (India);

Manager of Kandmad, SGPS, Lda. (Portugal);

Other offices in other entities outside the CIMPOR Group, on December 31st, 2010:

- Effective Member of the Board of CEMBUREAU – European Cement Association;
- Chairmam of ATIC – Associação Técnica da Indústria do Cimento.
- Number of shares of CIMPOR – Cimentos de Portugal, SGPS, S.A. held on December 31st, 2010: 71,090.

António Carlos Custódio de Morais Varela

Member of the Board of Directors (since May 13th, 2009) and Member of the Executive Committee (since May 27th, 2009).

Born in Marinha Grande, Portugal, on June 3rd, 1956. Degree in Business Management and Organisation from Instituto Superior de Economia of the Universidade Técnica de Lisboa. Master of Sciences in Industrial Relations and Personnel Management from the London School of Economics and Political Science of London University.

Professional activities performed in the last 5 years:

- Managing Director of UBS AG, performing his functions in his Representative Office in Portugal;
- Executive Director of CIMPOR – Chief Financial Officer (CFO) – and member of the Board of Directors of several Group companies, in Portugal and abroad.

Offices in other companies of CIMPOR Group, on December 31st, 2010:

Chairman of the Board of Directors:

- Cimpor – Serviços de Apoio à Gestão de Empresas, S.A. (Portugal);
- Cimpor Reinsurance, S.A. (Luxembourg);
- Cimpor Egypt for Cement Company – S.A.E. (Egypt).
- Member of the Board of Directors:
- Cimpor Inversiones, S.A. (Spain);
- Asment de Témara, S.A. (Morocco);
- Cimpor Yibitas Çimento Sanayi Ve Ticaret A.S. (Turkey).

Other offices in entities outside the Group, on December 31st, 2010:

Director of C+PA – Cimento e Produtos Associados, S.A. (subsidiary of CIMPOR).

Number of shares of CIMPOR – Cimentos de Portugal, SGPS, S.A. held on December 31st, 2010: 51,320.

Luís Miguel da Silveira Ribeiro Vaz

Member of the Board of Directors (since May 13th, 2009) and Member of the Executive Committee (since May 27th, 2009).

Born in Zimbabwe on August 4th, 1965. Degree in Economics from Universidade Nova de Lisboa. MBA (INSEAD France).

Professional activities performed in the last 5 years:

- Executive Director:
- TAP, S.A.;
- TAP, SGPS, S.A.;
- ONI, SGPS, S.A.;
- Comunitel (Vice-Chairman);
- Non-Executive Director of SPdH – Serviços Portugueses de Handling, S.A.;
- Deputy State Secretary to the Minister of Public Works and Communications;
- Executive Director of CIMPOR and member of the Board of Directors of various Group companies, in Portugal and abroad.

Offices in other companies of the CIMPOR Group, on December 31st, 2010:

Chairman of the Board of Directors:

- Asment du Centre, S.A. (Morocco);
- Asment de Temara, S.A. (Morocco);

- Société Les Ciments de Jbel Oust (Tunisia);
- Cimpor Yibitas Çimento Sanayi ve Ticaret A.S. (Turkey);
- Yibitas Yozgat Isci Birligi Insaat Malzemeleri Ticaret ve Sanayi A.S. (Turkey);
- Cimpor Yibitas Nakliyecilik Ticaret ve Sanayi A.S. (Turkey);
- Natal Portland Cement Company (PTY) Ltd. (South Africa);
- NPC – Cimpor (PTY) Ltd. (South Africa);
- CECIME – Cimentos, S.A. (Portugal);
- Cimpship – Transportes Marítimos, S.A. (Portugal);
- Cement Trading Activities – Comércio Internacional, S.A. (Portugal).

Member of the Board of Directors:

- Cimpor – Cimentos de Portugal, SGPS, S.A. (Portugal);
- Cimpor Portugal, SGPS, S.A. (Portugal);
- Cimpor – Serviços de Apoio à Gestão de Empresas, S.A. (Portugal);
- Cimpor Inversiones, S.A. (Spain);
- Corporación Noroeste, S.A. (Spain);
- Cimpor Trading, S.A., Sociedade Unipessoal (Spain);
- Amreyah Cimpor Cement Company, S.A.E. (Egypt);
- Amreyah Cement Company, S.A.E. (Egypt);
- Cimpor Sacs Manufacture Company (Cimpsac Company) S.A.E. (Egypt).

Number of shares of CIMPOR – Cimentos de Portugal, SGPS, S.A. held on December 31st, 2010: 23,320.

PROFESSIONAL QUALIFICATIONS AND ACTIVITIES OF THE MEMBERS OF THE FISCAL BOARD

Ricardo José Minotti da Cruz-Filipe

Chairman of the Fiscal Board (since March 1992, already performing his functions as Chairman of the Supervisory Committee of CIMPOR – Cimentos de Portugal E.P., since February 1987).

Born in Lisbon, Portugal, on February 19th, 1934. Degree in Civil Engineering from Instituto Superior Técnico (IST).

Professional activities performed in the last 5 years and on December 31st, 2010:

- Chairman of the Audit Committee of CIMPOR – Cimentos de Portugal, SGPS, S.A.;
- Chairman of the Specialized Group for Reprivatisations of the Ministry of Finance;
- Independent Member of the General and Supervisory Board of EDP – Energias de Portugal, S.A.

No shares in CIMPOR – Cimentos de Portugal, SGPS, S.A. were held on December 31st, 2010.

Luis Black Freire d'Andrade

Member of Fiscal Board (since May 2007).

Born in Beja, Portugal, on October 4th, 1954. Degree in Business Management and Administration from the Faculty of Human Sciences of Universidade Católica Portuguesa (1977).

Professional activities performed in the last 5 years:

- Chairman of the Board of Directors of A. Black – Comércio e Indústria, S.A.
- Those listed below.

Offices in other companies, on December 31st, 2010:

- Managing Director of Plenty Adventure, Lda.
- Member of the Audit Committee of Efacec Capital, SGPS, S.A.

No shares in CIMPOR – Cimentos de Portugal, SGPS, S.A. were held on December 31st, 2010.

J. Bastos, C. Sousa Góis & Associados, SROC, Lda. represented by Jaime de Macedo Santos Bastos

Member of the Fiscal Board (since May 13th, 2009). Jaime de Macedo Santos Bastos was, on his own behalf, deputy member of the Fiscal Board between May 2007 and January 2008 and effective member from January 2008 to May 2009.

Born in Lisbon, Portugal, on November 26th, 1956. Degree in Business Administration and Management from the Faculty of Human Sciences of Universidade Católica Portuguesa (1980) and Chartered Accountant (1987).

Professional activities preformed in last 5 years and in entities outside the Group, on December 31st, 2010:

- Chartered Accountant of various companies, representing J. Bastos, C. Sousa Góis & Associados, SROC, Lda. (company registered with the Portuguese Society of Chartered Accountant under the number 104)

Neither the firm nor its representative held any shares of CIMPOR – Cimentos de Portugal, SGPS, S.A. on December 31st, 2010.

ANNEX II

DECLARATION OF THE REMUNERATION COMMITTEE

Under articles 2 and 3 of Law 28/2009, of June 19th, the Remuneration Committee presents the Declaration on the policy for remuneration of the members of the management and supervisory bodies, to be submitted to the CIMPOR's General Meeting.

In doing so, the Committee is performing a legal obligation, but is also acting in accordance with its duty to contribute to the adoption of the best corporate governance practices, in light of new recommendations on the issue, in particular, rules laid down by the CMVM to be applied to listed companies. This means that, in addition to the law already mentioned, this Declaration takes into account the applicable rules from the Portuguese Commercial Companies Code, the Portuguese Securities Code, CMVM Regulation no. 1/2010, of January 7th, 2010, and the Articles of Association of CIMPOR, approved in the General Meeting that took place on 29 April 29th, 2010.

1. Background

CIMPOR's Articles of Association establish that "the remuneration policy, the amounts and methods for fixed and/or variable remunerations and the amounts to be paid to the members of the corporate bodies as compensation or indemnity for the termination of the respective legal contracts, will be fixed after hearing the Board of Directors or any special committee set up for this purpose if it exists, by the General Meeting or by a Remuneration Committee appointed by the former for periods of three years", and CIMPOR's shareholders have opted to confer the legal attributes provided for in relation to this issue upon "the Remuneration Committee".

The current Remuneration Committee was elected at the General Meeting that took place on May 13th, 2009.

2. The year 2010

The year 2010 was one of hard work for the Remuneration Committee, with a view to performing the obligations that fall upon it under article 16 of CIMPOR's Articles of Association. In this way, the Committee carried on the work started in 2009 to conclude the definition of the remuneration policy for the respective corporate bodies.

For this purpose, the Remuneration Committee met once with the Nomination and Evaluation Committee and several times with its President, in order to keep up to date with the evolution of the work carried out in that Committee, which had the objective of defining the criteria for evaluation of performance of the members of the Executive Committee, as well as the areas of intervention of the two Committees which were established as follows:

a. Powers of the Remuneration Committee:

The powers are those attributed by the applicable legislation and by the CIMPOR's Articles of Association, specifically article 16.

In this context, it falls to the Remuneration Committee to decide, in particular, on: (a) fixed remuneration of the management and supervisory bodies; (b) variable remuneration to be attributed to the members of the Executive Committee (annual and over more than one year); (c) contributions to retirement plans; and (d) financial benefits from plans for acquisition of shares and/or options, that are approved by the General Meeting upon the basis of a proposal from the Board of Directors.

In respect of variable remuneration, the Remuneration Committee decides in respect of the limit established in article 16 (6) of the Articles of Association, paying attention to the indications communicated by the shareholders, namely as to the following overall parameters: the upper limit for remuneration of the management and supervisory bodies as a percentage of the personnel costs of the company; the annual variation in the remuneration of the management and supervisory bodies; the proportion of the variable remuneration in respect of the total remuneration; and, distribution of the variable remuneration between the annual components and components relating to more than one year.

In these terms, as to variable remuneration, the Remuneration Committee will decide in light of the evaluation of the performance of the members of the Executive Committee carried out by the Nomination and Evaluation Committee and by the CEO, based on criteria that are as objective and as transparent as possible, so as to allow a comparison to be made with the leading non-financial companies on the PSI-20 and, usually with a group of cement companies with a size and geographical distribution comparable to that of CIMPOR.

b. Intervention of the Nomination and Evaluation Committee:

In respect of remuneration of the management and supervisory bodies, the intervention of the Nomination and Evaluation Committee is limited to evaluation of the performance of the members of Executive Committee, which will be taken into account in determining the variable component of the Total Annual Remuneration. The Remuneration Committee will be made aware of the performance evaluation criteria considered by the Nomination and Evaluation Committee, as well as the respective results, in sufficient time to allow due consideration and to make a subsequent decision.

c. Relationship between the Remuneration Committee and the majority shareholders and the Nomination and Evaluation Committee:

For the purposes of the proper performance of its duties – in particular, contributing to making the overall remuneration "package" of the Board of Directors more challenging, in order to achieve progressively more demanding business objectives – the Remuneration Committee shall receive the relevant guidelines in due time.

For the purpose of taking decisions, the Remuneration Committee and the Nomination and Evaluation Committee will preferably meet in the month following the General Meeting that votes on the total variable remuneration to be attributed to the Executive Committee, for information on the evaluation of the performance of the executive directors, on the basis of the approved ratings and criteria.

3. Direction Guideline for 2011

CMVM Regulation no. 1/2010 – Governance of Listed Companies - "establishes the information to be disclosed in respect of the remuneration of the management and supervisory bodies of issuing companies (...), following the publication of Law 28/2009, of June 19th".

In light of this regulatory framework, the Remuneration Committee will continue to make a contribution towards perfecting remuneration policy for CIMPOR's corporate bodies. Without prejudice to this guiding principle, this Committee considers that the adoption of best practices should be done in the context of an evolving process that enables the establishment, for each financial year, of progressively more demanding objectives, so that CIMPOR can establish itself as a reference for good business performance in the context of the cement industry.

Under these guidelines, the Remuneration Committee recommends the following to the CIMPOR shareholders and corporate bodies:

1. That the Corporate Governance Report should include all the issues set out in Chapter II, Section IV, of Annex I of CMVM Regulation no. 1/2010 with a particular focus on the designation of the body with power to carry out the evaluation of the performance of the executive directors and the definition of the pre-determined criteria on the basis of which the evaluation of this performance will be carried out;

2. That, in putting the recommendation set out in the previous number into effect, and in light of objectives of transparency and information to the market, the Corporate Governance Report should contain objective information on the following issues:

a) Upper limit on the remuneration of the management and supervisory bodies as a percentage of the set of costs for personnel of the business;

b) Assumption of the principle that the total annual remuneration covers the fixed remuneration, the variable remuneration and monetary benefits, such as pension plans and plans for acquisition of shares or options, but excluding costs relating to the use of automobiles and mobile phones;

c) The percentage of the variable component of the remuneration, in the total annual remuneration of the directors who carry out executive duties;

d) The part of the variable remuneration in respect of which payment is deferred, as well as the period of the deferral;

e) Conditions to which the payment of the amounts of the variable remuneration with deferred payment are subject;

f) The part of the variable component of the remuneration to be paid in financial instruments issued by the company, the valuation of which depends on the medium and long term performance of the company;

g) Complementary pension plans approved from year to year on the basis of the positive performance of the company and of the director;

h) The rules applicable to the directors without executive functions;

i) Specific remuneration for the non-executive members of the Board of Directors who are members of the special committees that operate with dependence on the Board of Directors, or are appointed by the General Meeting.

3. That the fixed remuneration of the members of the Board of Directors, to take effect in 2011, be established on the basis of the following parameters:

Director that substitutes the President of the Executive Committee (CEO) in his absence and inability: 75 to 85% of the President of the Executive Committee (CEO);

Chief Financial Officer (CFO): 75 to 85% of the President of the Executive Committee (CEO)

Members of the Executive Committee: 70 to 80% of the President of the Executive Committee (CEO);

President of the Board of Directors: 65 to 75% of the President of the Executive Committee (CEO);

Non-executive members who chair the special committees: 20 to 30% of the President of the Executive Committee (CEO);

Non-executive members who are members of the special committees: 15 to 25% of the President of the Executive Committee (CEO);

Other non-executive directors who are not members of the special committees: 10 to 20% of the President of the Executive Committee (CEO);

In accordance with the principles defined above, there is an Annex to this Declaration setting out criteria for the evaluation of the performance of the members of the Executive Committee, proposed by the Nomination and Evaluation Committee and the parameters of reference for the remuneration policy.

4. Transition Adjustment

The Remuneration Committee understands that it is its duty to inform the shareholders that, on the issues of remuneration policy for the management and supervisory bodies, CIMPOR is following a process of adoption of recommendations of the CMVM, on the basis of the following principles:

a. Adjustment, all at once, and for the remaining part of the current term of office, of the relationship between the fixed and variable components, in the total annual remuneration, by reduction in the weight of the variable remuneration, with the corresponding increase in the fixed remuneration;

b. Future adoption of the rule for approval of fixed remuneration for the whole of the term of office, varying the total annual remuneration of the executive directors, of the evaluation of the performance of the company and of the individual performance in each financial year;

c. Non-reduction of the total annual remuneration, when the result of evaluation of the performance of the executive directors reaches the level of "Satisfactory", or greater, which will determine an appreciable increase in the fixed remuneration of the executive directors, already in of 2011, so as to accommodate the reduction in the variable remuneration;

d. Elimination of the monetary benefits with a relevant influence on the total annual remuneration, ensuring greater transparency in the distribution between: fixed remuneration; variable remuneration; pension plans (when approved by the General Meeting); and plans for acquisition of shares or options (also, when approved by the General Meeting).

March 18th, 2011

The Remuneration Committee

ANNEX

REFERENCE PARAMETERS FOR THE REMUNERATIN POLICY AND EVALUATION OF THE PERFORMANCE OF THE EXECUTIVE DIRECTORS

1. Concept of total remuneration

The total annual remuneration covers the fixed remuneration, the variable remuneration and monetary benefits such as pension plans and plans for the acquisition of shares or options, excluding the costs related to the use of automobiles and mobile phones.

2. Structuring of the remuneration of the executive directors

The remuneration of the executive directors is made up of a fixed and a variable part.

The weight of the fixed remuneration (FR) and the variable remuneration (VR) may oscillate between a minimum for FR/VR of 100/0 and a maximum of 30/70, in the first case corresponding to a performance that does not reach the minimum acceptable level of performance and, in the second, where there is exceptional performance.

The distribution between these two remuneration components has as its starting point an appropriate balance between both, expressed as a 50/50 ratio in a scenario where 100% of the objectives associated with the criteria for variable remuneration are achieved. The is an emphasis on an aggressive progression of the variable component to induce performance and achievement, but this has an upper limit so as to de-incentivize the adoption of short term strategies that may create risks and imbalance for the Company.

3. Variable remuneration of the Executive Directors

The variable remuneration will be determined annually in accordance with the criteria referred to in 5.

50% of the payment of the variable remuneration in cash that is awarded annually is deferred for a period of three years from the date it is awarded, which will be in the month following the General Meeting that approved the accounts relating to the financial year to which the remuneration relates.

There may be variable remuneration in options, and the period for the exercise of these options will be a minimum of three years from the date they are allocated, with an exercise price that is equal to the quotation value of the share at the moment it is allocated.

The payment of the deferred variable remuneration (in cash and in options) is subject to the continuation of the positive performance of the company and is defined annually by the Remuneration Committee, taking into account the appropriate indicators, an evaluation of the economic and financial context of the company, the economy and the sector, and also exceptional factors that are outside the control of the management and that may influence the Company's performance.

4. Remuneration of the non-executive Directors

The remuneration of the non-executive directors is exclusively fixed and paid in cash.

5. Criteria for evaluation of the variable remuneration

The criteria for evaluation of the performance of the executive directors are divided into four broad groups:

- Individual criteria and collective criteria: In this context it is intended that there should be greater value given to the collective criteria to the detriment of the individual criteria, taking into consideration the number of executive directors of CIMPOR and the duties distributed;
- Stock market performance criteria: These criteria relate to the creation of value for the shareholders (through Total Shareholder Return) and, as supported by best practices, they favour an element of comparability, whether on the level of the domestic market (preferably with reference to the PSI – 20), or in the cement sector (by defining a Sector Peer Group with reference to companies of a size and geographical distribution comparable to those of CIMPOR);
- Company's profitability criteria: For this area, growth indicators are taken into account (growth of the EBITDA in relation to the budget) and comparison within the comparability by sector (creation of value and the relative performance of the profitability of the assets, by comparison with the Sector Peer Group);
- Qualitative management criteria: These criteria relate to the degree to which the investment plans are brought to fruition and to an individual evaluation of the Executive Directors by the Nomination and Evaluation Committee.

The combination of these four sets of criteria ensures alignment with the interests of the shareholders, an appropriate incentive to management performance, the continuation of real growth of the company, the creation of wealth for the shareholders, as well as the long term sustainability of the Company.

QUALIFYING SHAREHOLDINGS (1)

SHAREHOLDERS	Nº OF SHARES	% OF SHARE CAPITAL (2)	% OF VOTING RIGHTS
Camargo Corrêa Group	221,360,153	32.94%	32.94%
Rosana Camargo de Arruda Botelho,Renata de Camargo Nascimento and Regina de Camargo Pires Oliveira Dias who, 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. and RCNPN Empreendimentos e Participações, S.A.; and (c) RCPODON Empreendimentos e Participações, S.A. and RCPODPN Empreendimentos e Participações, S.A..	221,360,153	32.94%	32.94%
Through 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..	221,360,153	32.94%	32.94%
Through the jointly and directly controlled company, Morro Vermelho, S.A.	221,360,153	32.94%	32.94%
Through the company Camargo Corrêa, S.A. which it fully controls.	221,360,153	32.94%	32.94%
Through the company Camargo Corrêa Cimentos Luxembourg, S.à.r.l.	221,360,153	32.94%	32.94%
Votorantim Group	142,492,130	21.20%	30.83%
António Ermírio de Moraes, who directly controls the company AEM Participações S.A., Ermírio Pereira de Moraes, who directly controls the company ERMAN Participações S.A., Maria Helena Moraes Scripilliti who directly controls the company MRC Participações, S.A., and José Ermírio Moraes Neto, José Roberto Ermírio de Moares and Neide Helena de Moraes, who jointly and directly control the company JEMF Participações, S.A.	142,492,130	21.20%	30.83%
Through the companies AEM Participações, S.A., ERMAN Participações, S.A., MRC Participações, S.A. and JEMF Participações, S.A.	142,492,130	21.20%	30.83%
Through the jointly and directly controlled company, Hejoassu Administração, S.A.	142,492,130	21.20%	30.83%
Through the company Votorantim Participações, S.A. which it controls	142,492,130	21.20%	30.83%
Directly and through the company Votorantim Industrial, S.A., which it controls	142,492,130	21.20%	30.83%
Through the company Votorantim Cimentos, S.A. (5)	142,492,130	21.20%	30.83%
Manuel Fino, SGPS, S.A.	71,735,960	10.67%	20.26%
On its own account	500	0.00%	0.00%
Through its fully and directly controlled companies Limar, Limited e Jevon, Limited.	71,735,460	10.67%	20.26%
Through the company Investifino - Investimentos e Participações, SGPS, S.A.(3)(7), controlled by Limar, Limited and participated by Jevon, Limited.	71,735,460	10.67%	20.26%
On its own account	71,734,000	10.67%	20.26%
Through members of its board of directors and audit committee	1,460	0.00%	0.00%
Banco Comercial Português, S.A. (BCP) and BCP Pension Fund	67,474,186	10.04%	10.04%
Banco Comercial Português, S.A. and entities related to it (4)	274,186	0.04%	0.04%
Banco Comercial Português, S.A.	500	0.00%	0.00%
Banco Millennium BCP Investimento, S.A.	261,586	0.04%	0.04%
Fundação Banco Comercial Português	12,100	0.00%	0.00%
Fundo de Pensões do Banco Comercial Português, S.A.	67,200,000	10.00%	10.00%
Caixa Geral de Depósitos, S.A. (CGD) (6)	64,713,220	9.63%	30.83%
On its own account	64,477,124	9.59%	30.79%
Through Caixa Seguros e Saúde, SGPS, S.A., which it fully owns	22,090	0.00%	0.00%
Through Fidelidade Mundial, S.A., which it fully owns	20,700	0.00%	0.00%
Through Império Bonança – Companhia de Seguros, S.A., which it fully owns	1,390	0.00%	0.00%
Through Parcaixa, SGPS, S.A., which it controls	57,653	0.01%	0.01%
Through Fundo de Pensões da Caixa Geral de Depósitos, S.A.	156,353	0.02%	0.02%

(1) As per official qualifying shareholdings announcements and other information received by the company; (2) With voting rights; (3) The company is fully controlled by Manuel Fino, SGPS, S.A.; (4) As foreseen in article 20 of the Portuguese Securities Code; (5) Attribution of voting rights according to the Shareholders' Agreement signed with Caixa Geral de Depósitos, S.A., under article 20 of the Portuguese Securities Code.; (6) Attribution of voting rights according to the Shareholders' Agreement signed with Votorantim Cimentos, S.A., under article 20 of the Portuguese Securities Code.; (7) Call option over 64.406.000 shares (9,6% of the share capital) held by Caixa Geral de Depósitos, S.A. on its behalf.

INFORMATION REQUIRED BY LEGISLATION

As set forth in article 447º of the Portuguese Comercial Code and CMVM's (Portuguese Securities Comission) Regulation no. 5/2008, 2010 CIMPOR shares and bonds trades relating to members of the Board of Directors, Audit Committee, Management and entities closely related to the aforementioned parties were as follows:

MEMBERS OF BOARD OF DIRECTORS AND AUDIT COMMITTEE

			2010 TRADING			
SHAREHOLDERS	NO. OF SHARES 31-12-2009	NO. OF SHARES 31-12-2010	ACQUISITIONS	DISPOSALS	PRICE €	DATE
António José de Castro Guerra	0(1)					
			19		5.227	09-Nov
			1,084		5.231	09-Nov
			982		5.234	09-Nov
			41		5.240	09-Nov
			500		5.241	09-Nov
			2,019		5.250	09-Nov
			190		5.250	09-Nov
			1,102		5.250	09-Nov
			63		5.250	09-Nov
			228		4.630	26-Nov
			1,152		4.630	26-Nov
			638		4.630	26-Nov
			674		4.632	26-Nov
			704		4.634	26-Nov
			604		4.636	26-Nov
		10,000				
Francisco José Queiroz de Barros de Lacerda	100(1)					
			3,560		4.410	24-May
			403		4.410	24-May
			292		4.410	24-May
			5,106		4.410	24-May
			1,900		4.410	24-May

SHAREHOLDERS	NO. OF SHARES 31-12-2009	NO. OF SHARES 31-12-2010	2010 TRADING ACQUISITIONS	DISPOSALS	PRICE €	DATE
			5,040		4.410	24-May
			4,726		4.410	24-May
			2,843		4.410	24-May
			1,030		4.410	24-May
		25,000				
Ricardo Manuel Simões Bayão Horta	106,550					
		106,550[2]				
Luis Eduardo da Silva Barbosa	3,820					
		3,820[3]				
Vicente Arias Mosquera	2,200					
		2,200[4]				
José Manuel Baptista Fino	1,050					
		1,050				
José Enrique Freire Arteta	1,130 [5]					
Jorge Manuel Tavares Salavessa Moura	0					
			120,000		5.820	04-Feb
				59,757	5.702	10-Mar
				40,000	5.711	12-Mar
				20,243	5.700	12-Mar
			40,000		4.900	22-Mar
			40,000		4.250	22-Mar
			40,000		2.850	22-Mar
		120,000[6]				
Luís Filipe Sequeira Martins	197,860					
				393	6.440	18-Jan

			2010 TRADING			
SHAREHOLDERS	NO. OF SHARES 31-12-2009	NO. OF SHARES 31-12-2010	ACQUISITIONS	DISPOSALS	PRICE €	DATE
				162	6.440	18-Jan
				31,116	6.440	18-Jan
				1,000	6.431	18-Jan
				750	6.430	18-Jan
				1,304	6.422	18-Jan
				288	6.416	18-Jan
				1,000	6.415	18-Jan
				1,000	6.415	18-Jan
				2,000	6.410	18-Jan
				301	6.406	18-Jan
				1,500	6.402	18-Jan
				6,968	6.401	18-Jan
				2,000	6.401	18-Jan
				850	6.400	18-Jan
				1,000	6.400	18-Jan
				2,500	6.400	18-Jan
				75,500	6.400	18-Jan
				368	6.400	18-Jan
			25,000		2.850	22-Mar
			20,000		4.250	22-Mar
				67,860	6.180	16-Apr
			4,090		4.397	17-May
			22,000		4.250	21-May
		71,090				
Manuel Luis Barata de Faria Blanc	216,860					
			25,000		2.850	22-Mar
			25,000		4.250	22-Mar
			25,000		4.900	22-Mar
				216,860	6.180	16-Apr
			795		4.397	17-May

SHAREHOLDERS	NO. OF SHARES 31-12-2009	NO. OF SHARES 31-12-2010	2010 TRADING ACQUISITIONS	DISPOSALS	PRICE €	DATE
		75,795				
António Carlos Custódio Morais Varela	25,000					
			4,320		4.397	17-May
			22,000		4.250	21-May
		51,320				
Luís Miguel da Silveira Ribeiro Vaz	0					
			2,320		3.879	17-May
			21,000		4.250	21-May
		23,320				
Pedro Abecassis Empis	0					
			500		6.130	25-Jan
		500[3]				

(1) on the date of his appointment as a member of the Board of Directors (29-04-2010)
(2) on the date of his resignation as a member of the Board of Directors (18-03-2010)
(3) on the date of his termination of office as member of the Board of Directors (29-04-2010)
(4) on the date of his resignation as a member of the Board of Directors (13-04-2010)
(5) on the date of his resignation as a member of the Board of Directors (12-04-2010)
(6) on the date of his resignation as a member of the Board of Directors (28-04-2010)

PERSONS DISCHARGING MANAGERIAL RESPONSIBILITIES

SHAREHOLDERS	NO. OF SHARES 31-12-2009	NO. OF SHARES 31-12-2010	2010 TRADING ACQUISITIONS	DISPOSALS	PRICE €	DATE
Alexandre Roncon Garcez de Lencastre	67,060					
			3,300		4.900	22-Mar
			4,200		4.250	22-Mar
			6,200		2.850	22-Mar
				3,860	6.180	16-Apr
				63,200	6.180	16-Apr

			2010 TRADING			
SHAREHOLDERS	NO. OF SHARES 31-12-2009	NO. OF SHARES 31-12-2010	ACQUISITIONS	DISPOSALS	PRICE €	DATE
				6,000	5.000	11-May
			12,000		4.990	12-May
			2,080		4.397	17-May
			5,100		4.250	21-May
		26,880				
Álvaro João Serra Nazaré	25,150					
			1,900		4.900	22-Mar
			2,400		4.250	22-Mar
			3,700		2.850	22-Mar
				25,150	6.180	16-Apr
			1,330		3.879	17-May
			3,400		4.250	21-May
		12,730				
Álvaro Nunes Gomes	18,050					
			1,500		4.250	22-Mar
			2,400		2.850	22-Mar
				15,600	6.180	16-Apr
			1,030		3.879	17-May
			1,700		4.250	21-May
		9,080				
Angel Longarela Pena	2,500					
			2,500		2.850	22-Mar
				2,500	6.180	10-Apr
			2,140		3.879	17-May
		4,640				
Duarte Nuno Ferreira Marques da Silva	27,670					
			1,300		4.900	22-Mar

SHAREHOLDERS	NO. OF SHARES 31-12-2009	NO. OF SHARES 31-12-2010	2010 TRADING ACQUISITIONS	DISPOSALS	PRICE €	DATE
			1,800		4.250	22-Mar
			2,500		2.850	22-Mar
				27,670	6.180	16-Apr
			3,030		4.397	17-May
			1,700		4.250	25-May
		10,330				
Fernando Santos Plaza	33,450					
			2,300		4.250	22-Mar
			3,200		2.850	22-Mar
				33,450	6.180	16-Apr
			1,440		3.879	17-May
			2,300		4.250	21-May
		9,240				
João Sande e Castro Salgado	11,390					
			3,300		2.850	22-Mar
			2,500		4.250	22-Mar
			2,000		4.900	22-Mar
				11,390	6.180	16-Apr
			1,030		3.879	17-May
			2,500		4.250	21-May
		11,330				
Jorge Manuel Afonso Esteves dos Reis	23,600					
			3,600		2.850	22-Mar
			2,700		4.250	22-Mar
			2,200		4.900	22-Mar
				23,600	6.180	16-Apr
			1,180		3.879	17-May
			2,800		4.250	21-May

SHAREHOLDERS	NO. OF SHARES 31-12-2009	NO. OF SHARES 31-12-2010	2010 TRADING ACQUISITIONS	2010 TRADING DISPOSALS	2010 TRADING PRICE €	2010 TRADING DATE
		12,480				
Sara Marques Steiger Garção Esteves dos Reis(1)	1,955					
				1,955	6.180	16-Apr
			270		3.879	17-May
		270				
José Augusto Brás Chaves	104,280					
			4,400		4.900	22-Mar
			5,200		4.250	22-Mar
			6,800		2.850	22-Mar
				103,780	6.180	16-Apr
			1,690		3.879	17-May
			1,710		4.599	19-May
			5,200		4.250	21-May
		25,500				
Pedro Manuel de Freitas Pires Marques	19,680					
			1,600		4.900	22-Mar
			2,000		4.250	22-Mar
			2,700		2.850	22-Mar
				87	5.540	23-Mar
				25	5.540	23-Mar
				1,488	5.540	23-Mar
				19,680	6.180	16-Apr
			1,920		4.397	17-May
			2,000		4.250	21-May
		8,620				
Sérgio José Alves de Almeida	23,000					
			1,500		4.900	22-Mar

			2010 TRADING			
SHAREHOLDERS	NO. OF SHARES 31-12-2009	NO. OF SHARES 31-12-2010	ACQUISITIONS	DISPOSALS	PRICE €	DATE
			1,800		4.250	22-Mar
			2,400		2.850	22-Mar
				23,000	6.180	16-Apr
			1,760		4.397	17-May
			1,800		4.250	21-May
		9,260				
Valter Garbinatto de Albuquerque	4,870					
			1,000		4.250	22-Mar
			2,000		2.850	22-Mar
				4,500	6.180	16-Apr
			1,000		4.250	21-May
		4,370				
Victor Manuel de Barros Albuquerque	3,000(2)					
			3,000		2.850	22-Mar
				3,000	6.180	16-Apr
			720		3.879	17-May
			2,800		4.250	21-May
		6,520				

(1) Person closely related with Jorge Manuel Afonso Esteves dos Reis, manager of the group.
(2) On the date of his inclusion on the list forseen on article 15 of the CMVM's (Portuguese Securities Commission) Regulation no. 5/2008 (31-12-2009).

STOCK OPTIONS

MEMBERS OF BOARD OF DIRECTORS AND AUDIT COMMITTEE

			OPTIONS DUE IN:		
SHAREHOLDERS	SERIES	SALE PRICE	2011	2012	2013
Luís Filipe Sequeira Martins	2008	€ 4.25	20,000	-	-
	2009	€ 2.85	25,000	25,000	-

			OPTIONS DUE IN:		
SHAREHOLDERS	SERIES	SALE PRICE	2011	2012	2013
	2010	€ 4.25	22,000	22,000	22,000
Manuel Luis Barata de Faria Blanc	2008	€ 4.25	25,000	-	-
	2009	€ 2.85	25,000	25,000	-
António Carlos Custódio Morais Varela	2010	€ 4.25	22,000	22,000	22,000
Luís Miguel da Silveira Ribeiro Vaz	2010	€ 4.25	21,000	21,000	21,000

PERSONS DISCHARGING MANAGERIAL RESPONSIBILITIES

			OPTIONS DUE IN:		
SHAREHOLDERS	SERIES	SALES PRICE	2011	2012	2013
Alexandre Roncon Garcez de Lencastre	2008	€ 4.25	4,200	-	-
	2009	€ 2.85	6,200	6,200	-
	2010	€ 4.25	5,100	5,100	5,100
Álvaro João Serra Nazaré	2008	€ 4.25	2,400	-	-
	2009	€ 2.85	3,700	3,700	-
	2010	€ 4.25	3,400	3,400	3,400
Álvaro Nunes Gomes	2008	€ 4.25	1,500	-	-
	2009	€ 2.85	2,400	2,400	-
	2010	€ 4.25	1,700	1,700	1,700
Angel Longarela Pena	2008	€ 4.25	1,900	-	-
	2009	€ 2.85	2,500	2,500	-
Duarte Nuno Ferreira Marques da Silva	2008	€ 4.25	1,800	-	-
	2009	€ 2.85	2,500	2,500	-
	2010	€ 4.25	1,700	1,700	1,700
Fernando Santos Plaza	2008	€ 4.25	2,300	-	-
	2009	€ 2.85	3,200	3,200	-
	2010	€ 4.25	2,300	2,300	2,300
João Sande e Castro Salgado	2008	€ 4.25	2,500	-	-
	2009	€ 2.85	3,300	3,300	-
	2010	€ 4.25	2,500	2,500	2,500

			OPTIONS DUE IN:		
SHAREHOLDERS	SERIES	SALES PRICE	2011	2012	2013
Jorge Manuel Afonso Esteves dos Reis	2008	€ 4.25	2,700	-	-
	2009	€ 2.85	3,600	3,600	-
	2010	€ 4.25	2,800	2,800	2,800
José Augusto Brás Chaves	2008	€ 4.25	5,200	-	-
	2009	€ 2.85	6,800	6,800	-
	2010	€ 4.25	5,200	5,200	5,200
Pedro Manuel de Freitas Pires Marques	2008	€ 4.25	2,000	-	-
	2009	€ 2.85	2,700	2,700	-
	2010	€ 4.25	2,000	2,000	2,000
Sérgio José Alves de Almeida	2008	€ 4.25	1,800	-	-
	2009	€ 2.85	2,400	2,400	-
	2010	€ 4.25	1,800	1,800	1,800
Valter Garbinatto de Albuquerque	2008	€ 4.25	1,270	-	-
	2009	€ 2.85	2,000	2,000	-
	2010	€ 4.25	1,000	1,000	1,000
Victor Manuel de Barros Albuquerque	2008	€ 4.25	-	-	-
	2009	€ 2.85	3,000	3,000	-
	2010	€ 4.25	2,800	2,800	2,800

BONDS

Bonds issued by CIMPOR Financial Operations, BV[1] (CIMPPL 4,5 27/05/2011) with a Face Value of € 1,000

			2010 TRADING			
NAME	NO. OF BONDS 31-12-2009	NO. OF BONDS 31-12-2010	ACQUISITIONS	DISPOSALS	PRICE	DATE
Luís Miguel da Silveira Ribeiro Vaz	500					
		500				
Ricardo Manuel Simões Bayão Horta	200					
		200				

NAME	NO. OF BONDS 31-12-2009	NO. OF BONDS 31-12-2010	2010 TRADING ACQUISITIONS	DISPOSALS	PRICE	DATE
Francisco José Queiroz de Barros de Lacerda [2]						
		13,000				
Caixa-Banco de Investimento, S.A. [3]	8,069,000					
			10,000		101.70	27-Jan
			44,000		101.29	16-Mar
				2,000,000	101.81	21-Apr
				200,000	101.00	07-Jun
		5,923,000				

(1) Company fully controlled by CIMPOR - Cimentos de Portugal, SGPS, S.A.;
(2) On the date of his appointment as a board member of CIMPOR (29-04-2010);
(3) Presented here due to the fact that Jorge Humberto Correia Tomé, member of the Board of Directors of CIMPOR, is a member of the Board of Directors of Caixa-Banco de Investimento, S.A.

COMPANIES CLOSELY RELATED TO BOARD MEMBERS

SHAREHOLDERS	NO. OF SHARES 31-12-2009	NO. OF SHARES 31-12-2010	2010 TRADING ACQUISITIONS	DISPOSALS	UNIT PRICE €	DATE
Camargo Corrêa, S.A.	220,191,187(1)					
			200,000		5.217	29-Apr
			215,000		5.370	30-Apr
			150,000		5.400	03-May
			160,000		5.334	04-May
			336,286		5.315	05-May
			107,680		6.500	05-May
				177,959,633	6.500	26-May
				43,400,520	6.500	26-May
		0				
Camargo Corrêa Cimentos Luxembourg, S.à.r.l [1]	0					
			177,959,633		6.500	26-May
			43,400,520		6.500	26-May
		221,360,153				

SHAREHOLDERS	NO. OF SHARES 31-12-2009	NO. OF SHARES 31-12-2010	2010 TRADING ACQUISITIONS	DISPOSALS	UNIT PRICE €	DATE
Votorantim Cimentos S.A. (2)	142,492,130					
		142,492,130				
Investifino – Investimentos e Participações, SGPS, S.A. (3)	71,734,000					
		71,734,000				
Caixa Geral de Depósitos, S.A. (4)	64,454,585					
			152,780		5.287(5)	between January 15 and December 30
				130,241	5.193(5)	between January 15 and December 30
		64,477,124				
Parcaixa, SGPS, S.A. (4)	88,653					
				31,000	5.900(5)	22-Feb
		57,653				
Caixa-Banco de Investimento, S.A. (4)	0					
			55,000		5.514(5)	between January 13 and February 22
				55,000		
					5.736(5)	
Companhia de Seguros Fidelidade-Mundial, S.A. (6)	20,206					
			625		5.015	02-Nov
				131	5.040	13-Oct
		20,700				
Caxalp, SGPS, Lda. (7)	958,916					
				218,916	6.308(5)	between January 4 and February 3

			2010 TRADING			
SHAREHOLDERS	NO. OF SHARES 31-12-2009	NO. OF SHARES 31-12-2010	ACQUISITIONS	DISPOSALS	UNIT PRICE €	DATE
		740,000				
Atlansider, SGPS, S.A. [8]	43,400,520					
				28,388,656	6.500	09-Apr
				15,011,864	6.500	09-Apr
		0				

(1) José Edison Barros Franco, on the date of his appointment as member of the Board of Directors of CIMPOR.
(2) Walter Schalka, on the date of his appointment as member of the Board of Directors of CIMPOR.
(3) José Manuel Baptista Fino, as member of the Board of Directors of CIMPOR.
(4) Jorge Humberto Correia Tomé, as member of the Board of Directors of CIMPOR.
(5) Average Prices. Detailed information regarding these transactions is disclosed in annex to this report.
(6) Jorge Manuel Tavares Salavessa Moura, as managing partner until 29-04-2010, date of his termination of office in CIMPOR.
(7) José Enrique Freire Arteta, as member of the Board of Directors until 12-04-2010, date of his resignation as a member of the Board of Directors of CIMPOR.

SHARES ENCUMBRANCE:

			2010 TRADING		
SHAREHOLDERS	NO. OF SHARES 31-12-2009	NO. OF SHARES 31-12-2010	ENCUMBRANCE	UNENCUMBRANCE	DATE
Investifino – Investimentos e Participações, SGPS,S.A. [1]	71,734,000				
		71,734,000			

(1) Presented here due to the fact that José Manuel Baptista Fino, member of the Board of Directors of CIMPOR, is a member of the Board of Directors of Investifino – Investimentos e Participações, S.G.P.S.

SHARES OPTIONS:

BENEFICIARY	NUMBER OF SHARES	TYPE OF OPTION	CURRENT SHARES HOLDER	TERM OF OPTION
Investifino – Investimentos e Participações, SGPS, S.A. [1]	64,406,000	Call	Caixa Geral de Depósitos, S.A.	February 16th, 2012

(1) As officially disclosed in a Qualifying Shareholding announcement on February 16th 2009 after the disposal of this shareholding by Investifino - Investimentos e Participações, SGPS, to Caixa Geral de Depósitos, S.A., at the price of €4.75 per share.

CAXALP, SGPS, S.A. (DISPOSALS)			CAIXA GERAL DE DEPÓSITOS, S.A. (ACQUISITIONS)			CAIXA GERAL DE DEPÓSITOS, S.A. (DISPOSALS)		
DATE	UNIT PRICE	QUANTITY	DATE	UNIT PRICE	QUANTITY	DATE	UNIT PRICE	QUANTITY
4-Jan	6.425	12,000	15-Jan	6.379	339	4-Jan	6.465	628
4-Jan	6.478	8,916	15-Jan	6.379	300	4-Jan	6.464	237
4-Jan	6.477	10,000	15-Jan	6.390	753	4-Jan	6.464	53
4-Jan	6.465	12,000	15-Jan	6.390	108	4-Jan	6.464	338
4-Jan	6.473	10,000	15-Jan	6.385	888	4-Jan	6.459	630
4-Jan	6.470	12,000	15-Jan	6.399	1,950	4-Jan	6.462	628
4-Jan	6.463	10,000	15-Jan	6.399	719	4-Jan	6.462	628
4-Jan	6.496	12,000	20-Jan	6.256	1,576	7-Jan	6.450	735
4-Jan	6.450	12,000	20-Jan	6.256	324	7-Jan	6.451	1,143
29-Jan	6.103	50,000	25-Jan	6.118	1,553	8-Jan	6.465	4
1-Feb	6.250	10,000	25-Jan	6.118	900	8-Jan	6.465	225
1-Feb	6.250	10,000	25-Jan	6.118	1,333	8-Jan	6.465	1,000
1-Feb	6.263	7,500	25-Jan	6.118	845	8-Jan	6.465	1,000
1-Feb	6.225	10,000	3-Feb	6.168	1,459	18-Jan	6.449	257
1-Feb	6.230	5,000	4-Feb	5.902	2,198	18-Jan	6.449	93
2-Feb	6.235	7,000	4-Feb	5.902	603	19-Jan	6.371	294
2-Feb	6.235	6,000	4-Feb	5.902	40	19-Jan	6.371	57
2-Feb	6.272	3,131	4-Feb	5.902	288	2-Feb	6.234	100
3-Feb	6.167	4,369	4-Feb	5.902	397	2-Feb	6.234	1,832
3-Feb	6.185	7,000	4-Feb	5.863	1,027	2-Feb	6.234	996
			4-Feb	5.867	7	2-Feb	6.234	300
			4-Feb	5.867	673	5-Mar	5.441	31
			4-Feb	5.820	893	5-Mar	5.441	2,004
			6-Aug	4.662	4,630	5-Mar	5.441	400
			18-Aug	4.462	6,031	26-May	4.141	5,409
			6-Sep	4.781	1,098	26-May	4.182	5,107
			9-Sep	5.883	6,126	26-May	4.182	303
			9-Sep	5.883	6,126	9-Sep	5.883	6,126
			18-Oct	5.004	8,882	9-Sep	5.883	6,126
			18-Oct	5.044	571	20-Oct	5.044	571
			26-Oct	5.079	1,123	27-Oct	5.079	1,123

CAIXA GERAL DE DEPÓSITOS, S.A. (ACQUISITIONS)			CAIXA GERAL DE DEPÓSITOS, S.A. (DISPOSALS)		
DATE (CONTINUE)	UNIT PRICE (CONTINUE)	QUANTITY (CONTINUE)	DATE (CONTINUE)	UNIT PRICE (CONTINUE)	QUANTITY (CONTINUE)
26-Oct	5.079	1,123	4-Nov	5.008	12,700
10-Nov	5.225	5,224	15-Nov	5.105	2,140
12-Nov	5.247	10,703	25-Nov	4.976	10,702
15-Nov	5.133	3,133	30-Nov	4.701	7,861
17-Nov	5.057	8,562	2-Dec	4.593	553
30-Nov	4.690	2,082	10-Dec	5.107	3,482
10-Dec	5.127	13,913	10-Dec	5.094	6,044
14-Dec	5.058	21,404	13-Dec	5.073	1,313
20-Dec	5.345	19,279	14-Dec	5.196	2,363
21-Dec	5.325	1,859	22-Dec	5.174	1,268
30-Dec	5.154	11,738	22-Dec	5.174	2,780
			22-Dec	5.174	570
			22-Dec	5.174	6,000
			22-Dec	5.174	245
			22-Dec	5.174	3
			22-Dec	5.174	9,926
			22-Dec	5.174	1,576
			22-Dec	5.179	13,378
			30-Dec	5.153	8,959

PARCAIXA, SGPS, S.A (DISPOSALS)			CAIXA BI, S.A. (ACQUISITIONS)			CAIXA BI, S.A. (DISPOSALS)		
DATE	UNIT PRICE	QUANTITY	DATE	UNIT PRICE	QUANTITY	DATE	UNIT PRICE	QUANTITY
22-Feb	5.880	1,000	13-Jan	6.430	4,000	13-Jan	6.430	4,000
22-Feb	5.884	1,000	11-Feb	5.432	1,965	12-FEB	5.760	747
22-Feb	5.960	1,000	11-Feb	5.436	1,035	12-Feb	5.760	9,253
22-Feb	5.980	1,000	11-Feb	5.426	1,000	12-Feb	5.761	318
22-Feb	5.890	297	11-Feb	5.421	500	12-Feb	5.761	9,682
22-Feb	5.890	614	11-Feb	5.421	500	12-Feb	5.800	318
22-Feb	5.886	23	11-Feb	5.421	1,000	12-Feb	5.800	9,682
22-Feb	5.886	500	11-Feb	5.417	1,000	12-Feb	5.900	10,000
22-Feb	5.886	477	11-Feb	5.417	1,000	12-Feb	5.840	10,000

PARCAIXA, SGPS, S.A (DISPOSALS)		
DATE (CONTINUE)	**UNIT PRICE** (CONTINUE)	**QUANTITY** (CONTINUE)
22-Feb	5.890	89
22-Feb	5.890	1,000
22-Feb	5.893	1,000
22-Feb	5.894	1,000
22-Feb	5.897	661
22-Feb	5.896	339
22-Feb	5.910	118
22-Feb	5.900	1,000
22-Feb	5.910	882
22-Feb	5.910	1,000
22-Feb	5.920	600
22-Feb	5.920	400
22-Feb	5.892	347
22-Feb	5.892	1,103
22-Feb	5.892	2,550
22-Feb	5.892	234
22-Feb	5.892	766
22-Feb	5.892	197
22-Feb	5.892	803
22-Feb	5.894	2,000
22-Feb	5.895	2,000
22-Feb	5.895	2,000
22-Feb	5.895	1,411
22-Feb	5.894	1,000
22-Feb	5.895	589
22-Feb	5.895	1,000
22-Feb	5.900	10
22-Feb	5.900	990

CAIXA BI, S.A. (ACQUISITIONS)		
DATE (CONTINUE)	**UNIT PRICE** (CONTINUE)	**QUANTITY** (CONTINUE)
11-Feb	5.417	1,000
11-Feb	5.440	1,000
11-Feb	5.446	500
11-Feb	5.446	200
11-Feb	5.446	200
11-Feb	5.446	100
11-Feb	5.446	829
11-Feb	5.446	500
11-Feb	5.446	241
11-Feb	5.446	500
11-Feb	5.446	500
11-Feb	5.446	250
11-Feb	5.446	500
11-Feb	5.450	1,680
11-Feb	5.438	522
11-Feb	5.438	478
11-Feb	5.438	210
11-Feb	5.438	205
11-Feb	5.450	1,000
11-Feb	5.450	2,585
11-Feb	5.441	1,000
11-Feb	5.441	4,000
11-Feb	5.449	200
11-Feb	5.450	3,800
11-Feb	5.440	1,336
11-Feb	5.440	664
11-Feb	5.431	205
11-Feb	5.440	630
11-Feb	5.431	1,795
11-Feb	5.425	1,370
11-Feb	5.420	135

CAIXA BI, S.A. (DISPOSALS)		
DATE (CONTINUE)	**UNIT PRICE** (CONTINUE)	**QUANTITY** (CONTINUE)
22-Feb	5.950	111
22-Feb	5.950	889

CAIXA BI, S.A. (ACQUISITIONS)		
DATE (CONTINUE)	UNIT PRICE (CONTINUE)	QUANTITY (CONTINUE)
11-Feb	5.420	1,865
11-Feb	5.416	1,434
11-Feb	5.416	268
11-Feb	5.416	298
11-FEB	5.415	208
11-Feb	5.415	39
11-Feb	5.415	676
11-Feb	5.415	1,077
11-Feb	5.420	2,000
11-Feb	5.415	193
11-Feb	5.415	693
11-Feb	5.415	1,114
11-Feb	5.415	129
11-Feb	5.415	108
11-Feb	5.415	90
11-Feb	5.415	599
11-Feb	5.415	1,074
11-Feb	5.410	2,000
22-Feb	5.950	111
22-Feb	5.950	889

FIDELIDADE MUNDIAL, SGPS, S.A. (ACQUISITIONS)		
DATE	UNIT PRICE	QUANTITY
2-Nov	5.015	625

FIDELIDADE MUNDIAL, SGPS, S.A. (DISPOSALS)		
DATE	UNIT PRICE	QUANTITY
13-Oct	5.040	125
13-Oct	5.040	6

INFORMATION DISCLOSED AND SOURCES OF INFORMATION

In its capacity as an issuer of securities admitted to trading on the market, CIMPOR - Cimentos de Portugal, SGPS, SA (CIMPOR) published the following information during the 2010 financial year on the site of the Group and the specific sites of its various subsidiaries. According to law or regulations, these announcements were also published on the site of the CMVM and Euronext, and also the Ministry of Justice site when specifically required.

7 January 2010	Publication of the report of the Board of Directors rejecting the takeover bid of Cimpor - Cimentos de Portugal, SGPS, SA (CIMPOR) launched by the Brazilian company Companhia Siderúrgica Nacional, advising its shareholders not to sell their shares under this offer.
13 January 2010	Information on the merger proposal with CIMPOR announced by the Camargo Corrêa Group.
13 January 2010	Information from the Camargo Corrêa Group on the above-mentioned merger proposal.
14 January 2010	Explanation by the Camargo Corrêa Group on the facts relating to the above-mentioned merger proposal.
15 January 2010	Disclosure of the disposal of 440,000 shares in the market by an entity related to a manager.
18 January 2010	Camargo Corrêa, S.A. states that it has taken note of the draft decision of the CMVM requiring that: (I) It categorise it merger proposal with CIMPOR under the "competing bids scheme"; (II) or withdraw its merger proposal and refrain from advertising or disseminating it and from performing any acts related to the same, other than the communication regarding that withdrawal.
18 January 2010	Investifino – Investimentos e Participações, SGPS, S.A. explains, following its announcement of 16 February 2009, that the 9.6% shareholding of Caixa Geral de Depósitos in CIMPOR is imputable to it for the purposes of the Securities Code (CVM) by virtue of its call option on those shares, and therefore, a total shareholding of 20.3% in CIMPOR is imputable to it.
19 January 2010	The Votorantim Group states that it has been in contact with shareholders of CIMPOR since 2008 and it has evaluated the possible acquisition of a shareholding of less than 33.3% in the company, but is not preparing to launch a takeover bid.
19 January 2010	Disclosure of the disposal of 129,632 shares in the stock market by a manager.
21 January 2010	Information from Caixa Geral de Depósitos on contacts with shareholders of CIMPOR, within the Board of Directors, and potential shareholders of CIMPOR to sign an agreement that would foster the stability of the Group.

22 January 2010	Announcement of the appointment by co-option of Pedro Abecassis Empis as a Director of the Company.
26 January 2010	Announcement of an addendum to the preliminary announcement of the takeover bid of CIMPOR launched by Companhia Siderúrgica Nacional: the offeror company is altered to CSN Cement SÀRL (CSN) and addenda are submitted to the international competition authorities that regulate the takeover bid.
26 January 2010	F&C makes a clarification to the market on the sale of the shareholding in CIMPOR of the BCP Group Pension Fund under its management.
27 January 2010	Announcement of a takeover bid for CIMPOR by CSN Cement SÀRL at the price of 5.75 euros per share and the condition for success of the takeover bid of 50% of the share capital plus one share.
27 January 2010	Publication of the prospectus of the CSN takeover bid for CIMPOR.
29 January 2010	Information on the withdrawal of merger proposal with CIMPOR presented by Camargo Corrêa.
3 February 2010	The Board of Directors presents a summary document recommending that the CSN takeover bid for CIMPOR be rejected on account of five reasons: (i) CIMPOR's performance is outstanding; (ii) CIMPOR is one of the most profitable global cement manufacturers; (iii) The CSN offer significantly undervalues CIMPOR; (iv) The offer was not conducted in the best interest of the shareholders of CIMPOR; (v) The offer period was insufficient and less than that of other hostile takeover bids that have occurred in Portugal. In other words, the Offer process was structured to try to acquire control of CIMPOR for a price that is too low.
3 February 2010	Update of the Report of the Board of Directors of CIMPOR on the CSN takeover bid, reiterating its position to reject the bid.
3 February 2010	Disclosure of the purchase of 500 shares in the market by a manager.
4 February 2010	Information on the resignation as directors of the company of Jean Desazards de Montgailhard and Albert Corcos.

4 February 2010	Change to the qualifying shareholdings in CIMPOR of the following companies: (i) Ladelis, SGPS, Lda.: off market disposal of its 12.1% shareholding in CIMPOR (81,407,705 shares); (ii) Financiére Lafarge SAS: off market disposal of its 5.2% shareholding in CIMPOR (34,682,000 shares); (iii) Companhia Nacional de Cimento Portland, S.A.: purchase of the shares above-stated in (I) and (II), giving it a shareholding of 17.3% in CIMPOR (116,089,705 shares). Companhia Nacional de Cimento Portland also informs that it subsequently sold the 17.3% shareholding in CIMPOR to Votorantim Cimentos, S.A., off the market.
4 February 2010	Caixa Geral de Depósitos, SA announces that the 17.3% shareholding in CIMPOR held by Votorantim Cimentos, S.A. is imputed to it on account of a shareholders agreement signed by those two shareholders. Considering the shareholding previously imputed to Caixa Geral de Depósitos, SA (9.6% of the share capital), a shareholding in CIMPOR of 26.9% is now imputed to this entity.
4 February 2010	Disclosure of the disposal of 120,000 shares in the market by an entity related to a manager.
4 February 2010	Disclosure of the purchase of 120,000 shares in the market by a manager.
5 February 2010	Votorantim Cimentos, S.A. announces the acquisition, on 3 February 2010, of a 17.3% shareholding in CIMPOR and the conclusion of a shareholders agreement with Caixa Geral de Depósitos, S.A. (owner of a shareholding of 9.6% of CIMPOR), meaning a shareholding of 26.9% in CIMPOR is imputed to it, pursuant to the Portuguese Securities Code.
9 February 2010	Votorantim Cimentos, S.A. announces the chain of imputation of its shareholding in CIMPOR: A 26.9% shareholding in CIMPOR is imputed to Votorantim Cimentos, S.A., which is likewise imputed to the companies Votorantim Industrial S.A., Votorantim Participações, S.A. and Hejoassu Administração S.A., This shareholding is also imputed to: (i) the companies AEM Participações, S.A., ERMAN Participações S.A., MRC Participações, S.A. and JEMF Participações S.A., which, as the result of the shareholder agreement concluded between them, have joint direct control over Hejoassu Administração, S.A.; (ii) and to António Ermírio de Moraes, who holds direct control of AEM Participações S.A.; to Ermírio Pereira de Moraes, who holds direct control of ERMAN Participações S.A.; to Maria Helena Moraes Scripilliti, who holds direct control of MRC Participações S.A.; and to José Ermírio de Moraes Neto, José Roberto Ermírio de Moraes and Neide Helena de Moraes, who, as the result of the shareholder agreement concluded between them, have joint direct control over JEMF Participações, S.A..

9 February 2010	Caixa Geral de Depósitos, S.A. and Votorantim Cimentos, S.A. announce the shareholders' agreement they have concluded in regards to CIMPOR, for an initial period of 10 years: (I) **Reason:** establishing a minority shareholders block, of less than one-third of the voting rights of CIMPOR, which is cohesive and stable and contributes to fostering shareholder stability in CIMPOR, the sustained development of the company and the continuation of the independence of its business, structure and corporate culture, in particular as a listed company with head office in Portugal, and the preservation of a financial situation likely to generate an investment grade rating; (II) **Commitments:** reciprocal obligations in regards to the exercise of their voting rights (voting syndicate), maintaining their equity holdings in CIMPOR (lock-up and standstill) and adopting restrictions on the disposal of their equity interests (right of first refusal). The agreement includes a limited number of exceptions to the commitments of right of first refusal, standstill and lock-up, specifically to allow the parties to comply with preceding commitments; (III) **Penalties:** the parties agreed to establish a system of penalties (of varying values) applying to breaches of the agreement and the obligations described above, without prejudice to the possibility of terminating the agreement.
10 February 2010	Camargo Corrêa S.A. announces the signing of an agreement with Teixeira Duarte - Engenharia e Construções, S.A. for the off-market purchase of its (direct and indirect) 22.2% shareholding in CIMPOR: Under that agreement the mentioned shareholding is imputed to Camargo Corrêa S.A. through the following chain of imputation: (I) Participações Morro Vermelho, S.A., which entirely controls Camargo Corrêa, S.A.; (II) 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. which hold joint direct control of Participações Morro Vermelho, S.A. through the shareholders agreement concluded between them; (III) Private individuals who jointly hold control of the company RRRPN – Empreendimentos e Participações, S.A. and individually control the following companies: Rosana Camargo de Arruda Botelho, who holds direct control of the companies RCABON Empreendimentos e Participações, S.A. and RCABPN Empreendimentos e Participações, S.A.; Renata de Camargo Nascimento, who holds direct control of the companies RCNON Empreendimentos e Participações, S.A. and RCNPN Empreendimentos e Participações, S.A.; and Regina de Camargo Pires Oliveira Dias, who holds direct control of the companies RCPODON Empreendimentos e Participações, S.A. and RCPODPN Empreendimentos e Participações, S.A..
11 and 12 February 2010	Camargo Corrêa S.A. announces the signing of an agreement with Atlansider, SGPS, S.A. for the off-market purchase of its 6.5% shareholding in CIMPOR, also indirectly imputable to Bipadosa, S.A.. Following this announcement, and considering the information disclosed on 10 February, a 28.7% shareholding in CIMPOR is imputed to Camargo Corrêa S.A. and the above-described chain.

12 February 2010	Announcement of the revision of the conditions of the takeover bid for CIMPOR by CSN to a price of 6.18 euros per share and the condition for success of the takeover bid to one-third of the share capital plus one share. Suspension of the Bid until the offeror submits the addenda to its documents.
12 February 2010	Disclosure of additional information by Votorantim Cimentos, S.A. and Camargo Corrêa, SA concerning the shares held in CIMPOR: (I) If Camargo Corrêa S.A. were to agree to sell the shares obtained through the agreement to purchase from Teixeira Duarte SGPS, S.A. and/or Atlansider, SGPS, S.A. (Bipadosa, SGPS, S.A.) under the takeover bid by CSN and if the price were set at over EUR 6.50 – the surplus that would be generated would belong to Teixeira Duarte and Bipadosa; (II) In the contract signed with Lafarge to sell its stake in CIMPOR to Votorantim Cimentos S.A., there are mechanisms for the review of the price paid depending on the outcome of the takeover bid for CIMPOR by CSN or its competitor.
16 February 2010	Addendum to the prospectus and the announcement of the CSN takeover bid for CIMPOR.
17 February 2010	Atlansider, SGPS, S.A. announces the disposal of the 6.5% shareholding in CIMPOR to Camargo Corrêa, S.A. to be officially transacted on 25 March. The formalisation of this sale means that the companies Atlansider, SGPS, SA; BIPADOSA, S.A.; Metalúrgica Galaica, S.A. and LAF98 S.A., which together with BIPADOSA, S.A. directly and indirectly hold the entire share capital and voting rights of Atlansider, SGPS, SA, no longer hold any qualifying shareholding in CIMPOR. Atlansider, SGPS, SA also discloses that under the above agreement the sale of its shares may occur under the takeover bid by CSN for CIMPOR or the competing bid for CIMPOR, in the event Camargo Corrêa, S.A. instructs it to do such, provided the price offered is more than 6.50 euros per share.
17 February 2010	Votorantim Cimentos, S.A. purchases off market from Cinveste, SGPS, S.A. a shareholding of 3.9% in CIMPOR. In light of the above-stated, and as a result of the shareholders agreement with Caixa Geral de Depósitos, S.A. mentioned above, a shareholding of 30.8% of CIMPOR is now imputed to Votorantim Cimentos, S.A. and the chain disclosed on 9 February.
17 February 2010	Cinveste, SGPS, SA announces that the contract for sale of its 3.9% shareholding of CIMPOR for the price of 5.85 euros per share contains price review mechanisms that may adjust the price paid by Votorantim Cimentos, S.A. on the basis of the price paid in a takeover.
17 February 201	Message from the Board of Directors of CIMPOR to its shareholders stating that despite the revision of the terms offered by the CSN takeover bid for this company, it still believes that the bid does not reflect the real value of the company. In that message the Board of Directors indicates some risks to be taken into account by shareholders when making the decision to accept the offer or not.

19 February 2010	Cinveste, SGPS, S.A. announces the contract for the sale to Votorantim Cimentos, S.A. of the 3.9% shareholding in CIMPOR, concluded on 11 February 2010. Following the physical and financial settlement of this transaction, Cinveste, SGPS, S.A. will no longer hold any CIMPOR shares.
19 February 2010	Camargo Corrêa, S.A. announces that it has challenged the protective measure filed by CSN with the Brazilian competition authority (CADE - Administrative Council for Economic Defence), seeking to prevent its interference in the management of the CIMPOR subsidiary in Brazil. The mentioned protective order does not jeopardise the acquisition of shares of CIMPOR.
19 February 2010	Votorantim Cimentos, S.A. announces that it has voluntarily and temporarily proposed to CADE not to exercise its shareholder rights in CIMPOR that may change the status quo of the latter's operations in Brazil. This decision does not affect the trading of CIMPOR shareholdings.
23 February 2010	Announcement of the failure of the CSN takeover bid for CIMPOR. Only 8.6% of the share capital of CIMPOR welcomed this offer. The minimum requirement for its success was one-third of the share capital plus one share.
23 February 2010	CIMPOR – Cimentos de Portugal, SGPS, S.A. announces the shareholder structure following the changes that have occurred since the beginning of 2010 and after the announcement of the failure of the takeover bid by CSN.
3 March 2010	Announcement of 2009 Consolidated Results.
3 March 2010	CIMPOR announces that it has signed an "Agreement to Preserve Operation Reversibility" with the Brazilian competition authority (CADE) under which it commits to maintaining the status quo of its operations in that country until a final decision by CADE on business combinations as a result of Camargo Corrêa S.A. and Votorantim Cimentos S.A. taking shareholding positions in CIMPOR.
8 March 2010	Votorantim Cimentos, S.A. announces that it has signed an "Agreement to Preserve Operation Reversibility" with the Brazilian competition authority (CADE) under which it commits to maintaining the status quo of CIMPOR's operations in Brazil, to not request sensitive information, from a competition viewpoint, and not to exchange information on such information with CIMPOR or any other competitor. This shareholder is also confident that CADE will approve its entry in the shareholder structure of CIMPOR taking into account: (i) that Votorantim's shareholding in Cimpor is a minority interest; and (ii) the swap agreement with Lafarge involves the transfer of assets to Lafarge in regions in which Lafarge had no presence, a fact that results in increased competition.

16 March 2010	Disclosure of the disposal of 120,000 shares in the stock market by a manager.
18 March 2010	Announcement of the resignation of the Chairman of the Board of Directors Ricardo Manuel Simões Bayão Horta.
19 March 2010	Votorantim Cimentos, S.A. informs that there is no agreement between it and the Camargo Corrêa Group.
24 March 2010	Following the alteration to the shareholding of Votorantim Cimentos, S.A. in CIMPOR, this party announces in conjunction with Caixa Geral de Depósitos the following addenda to their shareholders' agreement. (I) The holding of shares that result in the imputation to the Parties of no less that around 31.21% of the voting rights of CIMPOR (lock-up), though it is disclosed that this shareholding may stabilise at around 26.46% of the voting rights in CIMPOR; (II) No acquisition of shares that would result in more than 31.21% of the voting rights in CIMPOR being imputed to the Parties (stand-still).
24 and 25 March 2010	Publication of the Notice to Convene the Annual General Meeting and Proposed Amendment to the Articles of Association.
29 March 2010	Disclosure of the purchase of 329,900 shares off market by sixteen managers. Simultaneous disclosure of the off market disposal of 1,600 shares by one of the sixteen managers indicated in the same announcement.
29 March 2010	Teixeira Duarte, SGPS, S.A. announces that on 25 March 2010 its indirect holdings TEDAL – Sociedade Gestora de Participações Sociais, S.A. and TDCIM – S.G.P.S., S.A. completed the process of disposal of their holdings in CIMPOR, of 10.1% and 12.3%, respectively. Following this disposal, Teixeira Duarte SGPS, S.A. no longer holds any qualifying shareholding in CIMPOR.
31 March 2010	Atlansider, SGPS, S.A. adds to the announcement of 17 February, stating that by agreement between the parties, the execution and physical settlement of the referred sale will occur on 12 April 2010.
31 March 2010	Ratification of the announcement of 29 March 2010 on the sale, in the market, of 1,600 shares by a manager, a transaction that had taken place in the market and not off market as had previously been stated.
7 April 2010	Information on the dividend proposed by the Board of Directors to the General Meeting, to the value of 0.200 euros per share.
12 April 2010	Publication of the 2009 Corporate Governance Report to be proposed to the General Meeting.

14 April 2010	Announcement of the resignation of Vicente Árias Mosquera, José Enrique Freire Arteta and Pedro Manuel Abecassis Empis as members of the Board of Directors.
14 April 2010	Announcement of a change to the agenda of the General Meeting convened for 29 April 2010, proposals submitted for appraisal by the Shareholders and other preparatory information for the same General Meeting.
15 April 2010	Atlansider, SGPS, S.A. announces the conclusion of the disposal of its 6.5% holding in CIMPOR. Atlansider, as well as Bipadosa, S.A., Metalúrgica Galaica, S.A. and LAF98 S.A., which directly and indirectly hold the entire share capital and voting rights of Atlansider, no longer hold any qualifying shareholding in CIMPOR.
15 April 2010	Disclosure of the information that was lacking in relation to the disposal in the market of 120,000 shares by a manager.
15 and 16 April 2010	Re-publication of the information contained in the order of the Chairman of the General Meeting, announced on 13 April 2010, in the form of notice convening meeting.
23 April 2010	Disclosure of the disposal of 645,100 shares off market by fifteen managers.
29 April 2010	Announcement of the resignation of Jorge Manuel Tavares Salavessa Moura as a member of the Board of Directors.
29 April 2010	Information on the resolutions of the General Meeting of Shareholders. (I) Approval of all submitted proposals including the amendment of the articles of association. (II) Election of new members to the Board of Directors in view of the resignation or removal from office of former members: **Chairman:** • António José de Castro Guerra **Members:** • Francisco José Queiroz de Barros de Lacerda; • João José Belard da Fonseca Lopes Raimundo; • José Édison Barros Franco; • Albrecht Curt Reuter Domenech; • José Neves Adelino; • Walter Schalka; • Álvaro Luís Veloso.

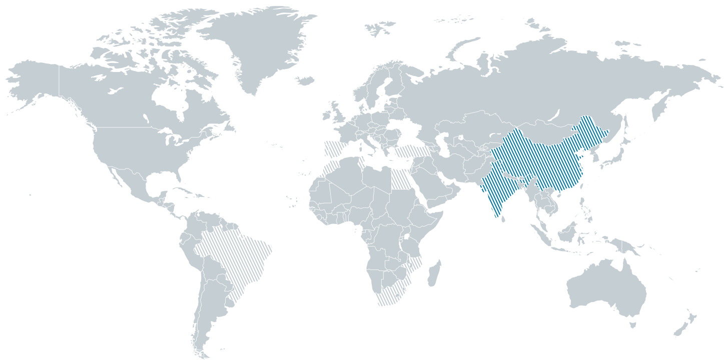
29 April 2010	Announcement of the appointment of the new members of the Executive Committee of the Company's Board of Directors, which shall have the following composition: • Francisco José Queiroz de Barros de Lacerda (Chairman) • Luís Filipe Sequeira Martins • António Carlos Custódio de Morais Varela • Luís Miguel da Silveira Ribeiro Vaz • Álvaro Luís Veloso
4 May 2010	Announcement of the termination of office of Members of the Governing Bodies of the Company on the Ministry of Justice site.
7 May 2010	Publication of the notice of payment of dividends for the 2009 financial year on 28 May 2010.
11 May 2010	Publication of the Consolidated Interim Financial Report of the 1st Quarter 2010.
17 May 2010	Public offering of the distribution CIMPOR shares under the 2010 Employee Stock Purchase Plan.
17 May 2010	Publication of the Annual Summary of Disclosed Information – 2009.
18 May 2010	Announcement of the results of the public offering of the distribution of CIMPOR shares under the 2010 Employee Stock Purchase Plan: disposal to 432 employees of a total of 200,455 shares at the average price of 4.018 euros per share.
24 May 2010	Standard & Poor's confirms the credit ratings of CIMPOR: "BBB-" (long-term) and "A-3" (short-term), removing it from CreditWatch status with its associated negative implications. The outlook is considered stable.
24 May 2010	Disclosure of the off-market purchase of 31,145 shares by sixteen managers and one person closely related to a manager. Simultaneous disclosure of the disposal of 6,000 shares in the market by a different manager and the purchase of 12,000 shares in the market by that same manager.
27 May 2010	Camargo Corrêa, S.A. announces a corporate restructuring that entails the transfer of its direct shareholding of 32.9% in CIMPOR to its fully-owned subsidiary Camargo Corrêa Cimentos Luxembourg, S.à.r.L.. This shareholding thus becomes indirectly held by Camargo Correa, S.A. and it is imputable in accordance with the chain disclosed on 10 February, above.

27 May 2010	Disclosure of the purchase of 24,900 shares in the market by a director.
28 May 2010	Disclosure of the off-market purchase of 97,570 shares by fifteen managers and one person closely related to a manager. Simultaneous disclosure of the disposal of 1,955 shares in the market by the referred person closely related to a manager, as well as the purchase of 1,710 shares in the market by one of the above-mentioned fifteen managers.
31 May 2010	Announcement on the Ministry of Justice site of the termination of office of Members of the Governing Bodies of the Company.
31 May 2010	Announcement on the Ministry of Justice site of the amendment of the articles of association and appointment of members of the Governing Bodies of the Company.
15 July 2010	Álvaro Luís Veloso resigns for professional reasons as a member of the Executive Committee of CIMPOR. The Executive Committee is now composed of: • Francisco José Queiroz de Barros de Lacerda (Chairman) • Luís Filipe Sequeira Martins • António Carlos Custódio de Morais Varela • Luís Miguel da Silveira Ribeiro Vaz
21 July 2010	Announcement on the Ministry of Justice site of the filing of the individual financial statements and accounting documents for the 2009 financial year.
21 July 2010	Announcement on the Ministry of Justice site of the filing of the consolidated financial statements and accounting documents for the 2009 financial year.
17 August 2010	Presentation of Results and publication of the Interim Consolidated Financial Report - 1st Half 2010.
1 October 2010	The signing of a binding agreement for the acquisition of 51% of the share capital of CINAC - Cimentos de Nacala, S.A. (CINAC) from Camargo Corrêa Cimentos, S.A., a shareholding which that shareholder of CIMPOR has just acquired.
5 November 2010	Disclosure of the purchase of 6,000 shares in the market by a manager.
9 November 2010	Presentation of Results and publication of the Interim Consolidated Financial Report - 3rd Quarter 2010.

16 November 2010	Private placement of 10-year bonds in the value of EUR 150 million on the North American market, with a 6.7% coupon, i.e. within the sovereign cost of risk of the Portuguese Republic.
19 November 2010	Announcement on the end result of the set of refinancing transactions that strengthened liquidity by one billions euros and extended the average maturity of liabilities by up to 2 years.
25 November 2010	Announcement of EUR 240 million investment in Brazil to increase production capacity in this country by 35%.
25 November 2010	Presentation of the growth strategy based on four areas: (I) Capture the best growth opportunities; (II) Improve efficiency and performance; (III) Strengthen the organisation and its capabilities; (IV) Maintain a sound financial position.
2 December 2010	Disclosure of additional information concerning the purchase of 6,000 shares by a manager disclosed on 5 November 2010.
3 December 2010	Ratification of the announcement of 2 December 2010 regarding the purchase in the market of 6,000 shares by a manager. It is also disclosed that the same manager subsequently purchased 4,000 shares in the market.

CIMPOR

OUR SOUNDNESS IS IN YOUR LIFE



ASIA

	Installed Capacity* Million ton	Turnover Million Euros	Operating Cash Flow Million Euros	Employees Units - 31 Dec.
CHINA Since 2007	5.3	106.1	8.9	1,022
INDIA Since 2008	1.1	48.2	4.3	502

* - Cement production capacity with own clinker

IV
SUPERVISION AND AUDIT DOCUMENTS

REPORT AND OPINION OF THE AUDIT BOARD ON THE CONSOLIDATED AND INDIVIDUAL ACCOUNTS FOR 2010

(Translation of a report originally issued in Portuguese)

Dear Shareholders,

As required by current laws and in compliance with the articles of association of CIMPOR – Cimentos de Portugal, SGPS, S.A. and with our mandate, the Audit Board hereby submits its report on the activities carried out and issues its opinion on the information and consolidated and individual financial statements for 2010, which were submitted to it for analysis by the Board of Directors.

1. Work of the Audit Board

The Audit Board, as usual, accompanied the activities and business of the Company and its main subsidiaries, specifically by analysing the accounting documents and records, reading minutes of meetings of the Board of Directors and Executive Committee and viewing and analysing other related documents in order to assess compliance with the law and articles of association. The Audit Board also carried out tests and other validation and verification procedures, to the extent that it deemed appropriate in the circumstances.

As part of its work the Audit Board kept in regular contact with the members of the Executive Committee and the Board of Directors, as well as with the Company's various departments, and particularly the Internal Audit department, in order to analyse the positive development of activities, having obtained the information and clarifications it considered necessary. In particular, in analysed the report for 2010 by the Internal Audit Office, as well as the proposal for the Plan of Action for 2011, taking into account the fact that it includes greater pro-activity for fulfilling its mission. In relation to the current year, the Audit Board considers it important to make specific mention of Risk Control and Management, although it is the Board's opinion that there should perhaps be an autonomous department within the Group with that specific role.

In compliance with the articles of association, the Audit Board met on a monthly basis and also on other occasions, whenever circumstances required it. This was in conjunction with the work of each of the members of the Audit Board to analyse documents provided and accompany the progress of the Company and its subsidiaries, as well as in relation to its financial situation, and the progress of operations by geographical region and business area, and the analysis of the new approved organisational model, and comparing management forecasting instruments with the performance achieved. Throughout the year it maintained elucidative dialogue with the Statutory Auditor, which simultaneously performed the role of External Auditor.

Throughout 2010, the Audit Board, in line with current legislation and regulations, issued favourable opinions about several operations, specifically the acquisition of a stake in CINAC – Cimentos de Nacala, SA from Camargo Corrêa, Cimentos, SA, which was an indirect qualified stakeholder, and sale of a company vehicle to a Member of the Board for its book value. It was also involved, as is its responsibility, in hiring the External Auditor, as well as being called on to give its opinion on the amount (20%) and type of non-audit services that could be provided by the Cimpor Group by that Auditor.

The Audit Board also analysed the 2010 individual accounts, which include the balance sheet, the financial statements, by nature and by function, cash flow statements and corresponding annexe, which, this year, for the first time, the company chose to draw up in line with IFRS. Thus the statement of the financial position as at 31st December, 2009 was adjusted for purposes of comparison, in line with IFRS 1 requirements and resulting adjustments were recorded as retained earnings. The Report and Accounts for 2010 clearly states these adjustments.

The Audit Board naturally accompanied the process of preparing the consolidated financial statements, and checked the consolidation perimeter.

In relation to the companies within the consolidation perimeter located in Portugal, the audit Board examined their respective reports and opinions issued by their supervisory boards in line with applicable legal requirements and those of the articles of association. In relation to companies with headquarters outside Portugal, the reports issued by their auditors were examined, which described how their respective audits were carried out, and what the conclusions of these were.

2. Management Report

The Management Report put forward by the Board of Directors outlines, with the progress that it has accustomed us to, the progress of the Cimpor Group in 2010, seeking to optimise its operational management and preparing its strategic development, despite the adverse economic and financial climate.

Consolidated turnover was the highest ever and sales of physical units of cement and clinker, despite the economic context, rose by 3.2% on the previous year, regardless of a fall in consumption in the Spanish, Egyptian, South African and Indian markets, whilst posting significant growth in Turkey, Brazil, China, Mozambique and Tunisia. We should note that cement and clinker sales, which is Cimpor's main business, the weight of so-called emerging markets now accounts for 78% of the total.

In the Cimpor Group's internationalisation process the downturn of the previous year continued, in a precautionary strategic position, with the company remaining as one of the most important global cement companies, focusing on emerging markets and with the highest profitability amongst its peers, without sacrificing its solid financial position.

In the first few pages of its Report, the Board of Directors, clearly lists its four far-reaching strategic guidelines for the near future.

We can thus conclude that the Cimpor Group has demonstrated the quality of its assets, fully justifying the outlined strategy of internationalisation and growth. Operating cash flow also rose by almost 4% against the previous year and Net Profit attributable to Shareholders by 2%, which led to a Net Profit per share of 0.405 euros, or 4.4% more than in the previous year.

In the category of investments, the intention to invest 240 million euros to increase cement production capacity in Brazil, a market that now provides the biggest contribution (30%) to operating cash flow and still has further room to grow.

Net Financial Debt fell by around 140 million euros during the year, with the Net Debt/EBITDA ratio falling from 2.8 to 2.48.

The difficulties, which the crisis that is underway created, and is still creating, of access to credit and an increase in spreads created increased demands from rating agencies which, at the beginning of last year, led Standard & Poor's to downgrade Cimpor with a negative outlook; the measures taken by the Company had the desired effect and S&P last September changed Cimpor's outlook to stable. Furthermore, comparing the Cimpor Group's performance with its most important counterparts, we have to consider it to be excellent.

In 2009, influenced by the Takeover Bid (described in detail in the Board's Report), Cimpor's share price rose significantly (6.420 euros). The failure of the bid subsequently led to a drop in price (4.62 euros), and at the end of 2010 stood at 5.07 euros.

The transactions that took place, due to the Takeover Bid and its effects, substantially altered Cimpor's shareholder profile. Thus, in February 2010, Caixa Geral de Depósitos, SA and Votorantin Cimentos, SA signed a shareholder agreement, and as CGD owned 9.63% and Votorantim 21.20% the two created a "cohesive and stable (shareholder block) that should namely contribute to shareholder stability at Cimpor, the sustainable development of the company and the maintenance of its business independence, with its headquarters in Portugal," whilst also establishing restrictions in relation to the sale of their stakes for an initial ten-year period.

In its turn and independently, Camargo Corrêa, SA acquired a stake of 28.63% in Cimpor.

These profound changes to the shareholder structure are now necessarily influencing Cimpor's future. The responsibilities of its Executive Committee, the strategic priorities approved for the next few years, the definition of the Financial Policy to follow and the in-depth review of the Regulations of the Board of Directors are undeniable indications of very important measures for the future behaviour of Cimpor.

Meanwhile Cimpor was required by the Brazilian Competition Authority (CADE) to commit to the status quo of its operations in the country, until a final decision is made by CADE about the competition issues of the three companies; two Brazilian and one Portuguese, in the Brazilian market. Cimpor has taken all the measures needed to comply with this requirement.

The recent adoption of a new organisational model by CIMPOR as a result of the new shareholder structure is an important step. The company is now structured by Business Units and based on a management hierarchy, regional divisions and boosting relevant corporate functions, such as CIMPORTEC, the Centre for Aggregate and Concrete Skills, the development of Information Systems and a concern with a more consolidated organic for the study of risk problems at the company.

We would also like to note the continued application of an active Sustainable Development policy and the extensive and detailed analysis in the Board of Directors' Report on Corporate Governance and the secure and cautious way in which Cimpor has evolved to comply with the latest governance best practices. The Board also drew up the respective Compliance Statement – explaining the three cases of non-compliance - in terms of the CMVM governance Code (2010).

All of this leads the Audit Board to state its confidence in Cimpor's continued success, although potential adverse developments in Mediterranean countries in the near future should not be downplayed.

3. Individual Financial Statements

The Audit Board duly analysed the individual financial statements for the year ending 31st December, 2010, which include the balance sheet, the results statements, by nature and by function, cash flow statements and corresponding annexe, drawn up by the Board of Directors, this year in line with IFRS, as previously noted.

The proposal of application of results presented by the Board of Directors is in accordance with applicable legal provisions and the requirements of the articles of association.

4. Consolidated Financial Statements

The Audit Board analysed the consolidated financial statements – consolidated by global integration in the controlled companies, by the equity method in associated companies and proportional consolidation when there are other shareholders - which include the consolidated balance sheet at 31st December, 2010, consolidated financial results statement, consolidated financial income statement and recognised expenses, consolidated cash flow statement and corresponding annexes, drawn up by the Board of Directors. In this analysis the use of the accounting principles used in the preparation was noted and presentation in line with International Financial Reporting Standards (IFRS) as adopted by the European Union, as well as compliance with the law and articles of association.

5. Conclusions

The Audit Board has viewed the Statutory Audit Certificate and the Audit Report on the consolidated and individual accounts issued by the Statutory Auditor and External Auditor, with which it agrees without reservation.

In the performance of our duties we detected no infringement of the law or articles of association, or any matters that materially affect the true and appropriate picture of the financial situation of the results and cash flow both on an individual and consolidated basis.

The work carried out by the Statutory Auditor and the External Auditor receives a positive evaluation and its relationship with the Audit Board has become increasingly consistent.

Finally, the Audit Board wishes to thank the Board of Directors, particularly the Executive Committee, and the various managers and other staff at the Company with whom it has been in contact.

In view of the above, the Audit Board issues the following:

6. Opinion

The Consolidated Annual Report, the consolidated and individual balance sheet, for 2010, are in accordance with the applicable accounting standards and legal requirements and of the articles of association, as is the proposal for application of results, and therefore meet the conditions for approval by the General Shareholder Meeting.

Lisbon, 22nd March, 2011

The Audit Board

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Ricardo José Minotti da Cruz-Filipe

CHAIRMAN

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Luís Black Freire d'Andrade

MEMBER

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J. Bastos, C. Sousa Góis & Associados, SROC, Lda., represented by,

Jaime de Macedo Santos Bastos

MEMBER

DECLARATION

(pursuant to 245 (1) c) of the Portuguese Securities Code)

As far as we are aware: The information outlined in article 245(1) a) of the Portuguese Securities Code was drawn up in conformity with applicable accounting standards, providing a true and accurate picture of assets and liabilities, the financial situation and the results of CIMPOR – Cimentos de Portugal, SGPS, S.A., and the companies included in the consolidation perimeter (CIMPOR Group); and the management report is a faithful account of the development of the business, the performance and position of the CIMPOR Group and contains a description of the main risks and uncertainties that it faces.

Lisbon, 22nd March, 2011

The Audit Board

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Ricardo José Minotti da Cruz-Filipe
CHAIRMAN

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Luís Black Freire d'Andrade
MEMBER

____

J. Bastos, C. Sousa Góis & Associados, SROC, Lda., represented by,
Jaime de Macedo Santos Bastos
MEMBER

LEGAL CERTIFICATION OF ACCOUNTS AND AUDITORS' REPORT

(Translation of a report originally issued in Portuguese)

Introduction

1. In compliance with the applicable legislation we hereby present our Legal Certification of Accounts and Auditors' Report on the consolidated and individual financial information contained in the Board of Directors' Report and the accompanying consolidated and individual financial statements of Cimpor – Cimentos de Portugal, SGPS, S.A. ("the Company") for the year ended 31 December 2010, which comprise the consolidated and individual statement of financial position as of 31 December 2010, that presents a total of 5,384,880 thousand Euros and 1,368,844 thousand Euros, respectively and consolidated and individual shareholders' equity of 2,230,231 thousand Euros and 1,299,541 thousand Euros, respectively, including a consolidated net profit attributable to the shareholders of the Company of 241,837 thousand Euros and an individual net profit of 298,250 thousand Euros, respectively, the consolidated and individual statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended and the corresponding notes.

Responsibilities

2. The Company's Board of Directors is responsible for: (i) the preparation of consolidated and individual financial statements which present a true and fair view of the financial position of the Company and of the companies included in the consolidation, the consolidated and individual results and comprehensive income of their operations, the changes in their consolidated and individual shareholders'equity and their consolidated and individual cash flows; (ii) the preparation of historical financial information in accordance with International Financial Reporting Standards as adopted by the European Union ("IAS/IFRS") and that is complete, true, timely, clear, objective and licit, as required by the Portuguese Securities Market Code; (iii) the adoption of adequate accounting policies and criteria and the maintenance of appropriate systems of internal control; and (iv) the disclosure of any significant facts that have influenced the operations of the Company and of the companies included in the consolidation, their financial position or the results and comprehensive income of their operations.

3. Our responsibility is to audit the consolidated and individual financial information contained in the accounting documents referred to above, including verifying that, in all material respects, the information is complete, true, timely, clear, objective and licit, as required by the Portuguese Securities Market Code, and to issue a professional and independent report based on our audit.

Scope

4. Our audit was performed in accordance with the Auditing Standards ("Normas Técnicas e Directrizes de Revisão/Auditoria") issued by the Portuguese Institute of Statutory Auditors ("Ordem dos Revisores Oficiais de Contas"), which require the audit to be planned and performed with the objective of obtaining reasonable assurance about whether the consolidated and individual financial statements are free of material misstatement. The audit included verifying, on a test basis, evidence supporting the amounts and disclosures in the consolidated and individual financial statements and assessing the significant estimates, based on judgements and criteria defined by the Board of Directors, used in their preparation. The audit also included verifying the consolidation procedures, the application of the equity method and that the financial statements of the companies included in the consolidation have been appropriately examined, assessing the adequacy of the accounting policies used, their uniform application and their disclosure, taking into consideration the circumstances, verifying of the applicability of the going concern assumption, assessing the adequacy of the overall presentation of the consolidated and individual financial statements and assessing, in all material respects, if the financial information is complete, true, timely, clear, objective and licit. Our audit also included verifying that the consolidated and individual financial information included in the Board of Directors' Report is consistent with the consolidated and individual financial statements as well as performing the procedures set forth in numbers 4 and 5 of the article 451 of the Portuguese Commercial Code. We believe that our audit provides a reasonable basis for expressing our opinion.

Opinion

5. In our opinion, the consolidated and individual financial statements referred to in paragraph 1 above, present fairly, in all material respects, the consolidated and individual financial position of Cimpor – Cimentos de Portugal, SGPS, S.A. as of 31 December 2010 and the consolidated and individual results and comprehensive income of its operations, the changes on its consolidated and individual shareholders' equity and its consolidated and individual cash flows for the year then ended, in accordance with International Financial Reporting Standards as endorsed by the European Union and that the information included therein is, under the terms of the definitions contained in the auditing standards referred to in paragraph 4 above, complete, true, timely, clear, objective and licit.

Emphasis

6. As disclosed in Note 51 to the financial statements, as at 1 January 2010 the Company has adopted on its individual financial statements the International Financial Reporting Standards ("IAS/IFRS") as endorsed by the European Union, including the corresponding conceptual framework. In the transition process from the previously adopted accounting standards in Portugal embodied in the Official Chart of Accounts ("Plano Oficial de Contabilidade" or "POC") to the IAS/IFRS, the Company followed the requirements set forth in IFRS 1 – First-time adoption of the International Financial Reporting Standards, being the transition date reported to 1 January 2009. Consequently, the individual financial information of 2009, previously presented according to POC, was restated to IAS/IFRS for comparative purposes.

Reporting on other legal requirements

7. It is also our opinion that the consolidated and individual financial information included in the Board of Directors' Report is consistent with the annual consolidated and individual financial statements and the Corporate Governance Report includes the information required by article 245 - A of the Portuguese Securities Market Code.

Lisbon, 21 March 2011

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Deloitte & Associados, SROC S.A.

Represented by João Luís Falua Costa da Silva

CIMPOR
Cimentos de Portugal, SGPS, S.A.

Public Company

Share Capital: 672,000,000 Euros
Tax and Lisbon Companies Registry and Registration number: 500 722 900

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white.com.pt

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