CIMPOR
CIMENTOS DE PORTUGAL
SGPS, S.A.

ANNOUNCEMENT OF CONSOLIDATED PROFITS

2004, 3rd QUARTER

In the first nine months of 2004, the CIMPOR Group's Consolidated Net Profits, after Minority Interests, reached 139.2 million euros, revealing a 6.6% decrease compared with the previous year results for the same period.

GROUP CONSOLIDATED INCOME

(EUR million)	January – September		
	2004	**2003**	**% Chg**
Turnover	1,036.0	1,028.2	+ 0.8
Operating Cash Costs	682.9	631.8	+ 8.1
EBITDA	353.0	396.4	– 10.9
Depreciation and Provisions	166.9	169.0	– 1.2
EBIT	186.1	227.4	– 18.1
Financial Income	13.3	– 19.0	n.a.
Income Before Extraordinary Items	199.4	208.4	– 4.3
Extraordinary Income	– 4.2	19.1	– 121.8
Income Tax	51.1	71.5	– 28.5
Minority Interests	4.9	7.0	– 29.8
Group's Net Income	139,2	149,0	– 6.6

Turnover reached 1.036 million euros, a slight increase (0.8%) over turnover from the first nine months of 2003. Excluding intra-Group transactions, we must point out the significant increase of the contributions from the Business Areas of Spain and South Africa, which rose by 34.0 million euros (+ 15.1%) and 14.0 million euros (+ 28.7%), respectively, being also at par with the increasing trend of Turnover in the Egypt and Mozambique Business Areas which rose their contributions to the Group's Turnover 9.0% and 10.3%, respectively.

Portugal (due to lower domestic sales) and Brazil (due to significantly lower sale prices in local currency) greatly decreased their contribution to the said indicator (in both cases by about 21 million euros).

The CIMPOR Group's consolidated cement and clinker sales in these first nine months of 2004 reached approximately 14.2 million tons, a 2.6% increase over the same period in the previous year. Cement and clinker sales rose most in the Business Areas of Spain (+ 14.5%) and of South Africa (+ 8.1%), emphasis also going to higher sales in Brazil (+ 5.9%) and Portugal (+ 5.4%). Although domestic sales in Portugal decreased by 3.6% in quantity, the sales volume (4.6 million tons) may be explained by the fact that cement and clinker exports (including intra-Group sales to Spain) increased nearly 74%.

The growing importance of exports in Portugal's Turnover (with substantial transport costs and at inevitably lower sales prices than those in the domestic market) combined with generally higher energy costs (particularly fuel), more expensive maritime freight and lower sales prices in Brazil have caused a sharp decrease in the Group's Operating Cash Flow in 2004. By the end of September, and when compared with the first nine months of 2003, the Operating Cash Flow fell about 10.9%, causing the EBITDA margin to drop from 38.5% in the first three quarters of 2003 to 34.1% in the same period of this year.

Financial Results improved from a loss of 19.0 million euros to earnings of 13.3 million euros – essentially due to higher results achieved by companies consolidated through the asset equivalence method and by applying the IAS 39 in 2004 (whose impact until the end of September was of about 14 million euros). Consequently, the Group's Results before extraordinary items fell only 9 million euros (4.3 %) compared with the same period last year.

Extraordinary Results, however, decreased (from earnings of nearly 19 million euros in the first nine months of 2003 to the current loss of 4.2 million euros). Therefore, despite the lower average tax rates, Consolidated Net Profits, after Minority Interests, fell by about 9.8 million euros.

SUMMARY OF THE GROUP'S

CONSOLIDATED BALANCE SHEET

(EUR million)	September 30 2004		December 31 2003	
	Value	%	Value	%
NET ASSETS				
Fixed assets	2,275.5	71.1	2,237.4	72.4
Current assets	794.7	24.8	739.3	23.9
Accruals & deferrals	129,1	4.0	112.5	3.6
Total	3,199.3	100.0	3,089.2	100.0
SHAREHOLDERS' EQUITY	947.0	29.6	960.6	31.1
MINORITY INTERESTS	78.3	2.4	78.3	2.5
LIABILITIES				
Provisions for contingencies &	142.4	4.5	127.9	4.1
Debt to third parties	1,774.8	55.5	1,784.5	57.8
Accruals & deferrals	256.8	8.0	137.8	4.5
Total	3,199.3	100.0	3,089.2	100.0

On 30 September 2004, Net Assets (consolidated) reached 3.2 billion euros, an increase of nearly 110 million euros over the end of 2003. Shareholder's Equity, due to dividend payment for the previous year and adjustments related with IAS 39, decreased by about 13.6 million euros (1.4%) compared with figures in the previous year. The Net Financial Debt, of 1.2 billion euros, decreased by more than 40 million euros in the first nine months of this year.

Lisbon, 8 November 2004