



## MATERIAL INFORMATION

CIMPOR – Cimentos de Portugal, SGPS, S.A. (CIMPOR) hereby informs the public and particularly its Shareholders that its fully owned subsidiary Cimpor Inversiones, S.A. signed today a binding agreement with Grasim Industries Ltd., subject to several precedent conditions, for the acquisition of 53.64% of the share capital of Shree Digvijay Cement Company Limited (Shree Digvijay), a company listed on the Bombay Stock Exchange, assuming simultaneously the obligation of, immediately after and as legally settled, launching a tender offer for an additional 20% of the share capital of this company.

Shree Digvijay, with headquarters in Jamnagar, Gujarat, India, owns an integrated cement plant with an annual production capacity of 1.07 million tons located in Sikka, on the Kutch Gulf, and therefore benefiting from a set of important port facilities.

This year, Shree Digvijay is expected to sell 1 million tons of cement – representing about 6% of the cement consumption of the Gujarat State, the most industrialized in India – reaching a turnover of around EUR 50 million and an EBITDA of EUR 10 million.

The agreed sale price for this transaction – INR 42,50 per share – has an implicit Enterprise Value of INR 6,740 million ( EUR 117 million), corresponding to EUR 110/ton of cement capacity and a multiple of 11.4 x the EBITDA estimated for this year.

With this acquisition, the CIMPOR Group accedes to another important market (the second largest cement market in the world) with a strong growth potential (9% in average in the last three years), increasing to 29.5 million tons/year its capacity of cement production with own clinker.

Lisbon, December 4<sup>th</sup>, 2007

The Board of Directors