



MATERIAL INFORMATION

CIMPOR - Cimentos de Portugal, SGPS, S.A. (CIMPOR), informs that its subsidiary Cimpor Chengtong Cement Corporation, Limited (CCCC), signed today a binding agreement (subject to the Chinese authorities' approval) for the acquisition of 60% of the share capital of Shandong Liuyuan New Type Cement Development Company, Limited (New Liuyuan), with the remaining 40% being held by Shandong Liuyuan Cement Company, Limited.

CCCC, recently incorporated, with headquarters in Hong Kong and a share capital of HKD 10 thousand, is 80% held by Cimpor Inversiones, S.A., and 20% by China Chengtong Cement Group, Limited (CCCG), a subsidiary of China Chengtong Development Group, Limited (a company listed on the main board of the Stock Exchange of Hong Kong Limited).

Cimpor Inversiones, S.A., will briefly transfer its shareholding in CCCC to a new company, which will be incorporated in Macau, with the participation of Cimpor Inversiones, S.A., C+PA – Cimentos e Produtos Associados, S.A., and Sociedade de Investimento Predial Estrela Nova, Limitada, a Macao company controlled by Chinese investors. Cimpor Inversiones, S.A., will hold 50% of the share capital of this new company (and its management control) and the two remaining shareholders 25% each.

With the completion of New Liuyuan's acquisition, Cimpor Inversiones, S.A., and CCCG will increase CCCC's issued share capital to HKD 207.48 million, being the subscription price, for the former, paid with cash and, for the latter, paid with the transfer of its 71.03% participation on the share capital of Suzhou Nanda Cement Company, Limited, a company governed by the law of the People's Republic of China, owning a cement grinding mill (near Shanghai), with an annual production capacity of 600 thousand tons.

New Liuyuan is a cement company, located near the City of Zaozhuang, on the south of the Shandong Province, owning two clinker production lines (1.8 million tons per year) and a milling annual capacity correspondent to 1.2 million tons of cement. In 2005, New Liuyuan operated at full capacity, reaching a turnover close to EUR 30 million and an EBITDA of around EUR 4 million. The company has now under construction two new clinker production lines, which will allow it, in the medium term, to have an annual capacity of around 3.6 million tons of clinker and 4.5 million tons of cement. The natural market of New Liuyuan is the south of the Shandong Province and all the Jiangsu Province, including the region of Shanghai.

CCCC will pay CNY 20.7 million (around EUR 2.1 million) for 60% of New Liuyuan's equity, an amount corresponding to an asset value of USD 29 per ton of clinker production installed capacity, a very attractive multiple taking into consideration the most recent acquisitions in the Chinese and worldwide cement sector.

Operating in Portugal, Spain, Morocco, Tunisia, Egypt, Brazil, Mozambique, South Africa and Cape Verde, CIMPOR Group accedes, with this acquisition, to a cement market which is the biggest worldwide and shows a high growth potential. CIMPOR therefore sees reinforced its position among the main international cement players, increasing its cement production capacity to 25.7 million tons per year, proceeding with a geographical diversification strategy as a way to guaranty its growth, increase of cash flow generation and sustainable shareholder value creation.

Lisbon, 16th October 2006

The Board of Directors