CIMPOR

ANNUAL REPORT AND ACCOUNTS
2008 FINANCIAL YEAR

CIMPOR - CIMENTOS DE PORTUGAL, SGPS, S.A.

PROFILE OF THE CIMPOR GROUP

CIMPOR is an international cement Group - ranked among the world's top ten - with head office and decision centre in Portugal. At the end of 2008 the Group was operating in thirteen countries spread over four continents, managing an installed cement production capacity of 31.1 million tonnes/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 2.089 billion in 2008.

STRATEGIC VISION

The CIMPOR Group, as a pioneer in the concept of sustainable development and one of the world's main players in the movement towards consolidation of the sector, aims to continue on the path of growth and internationalization, remaining loyal to that concept whilst maintaining its independence from other large cement producers and keeping its decision centre in Portugal.

VALUES

- Shareholders – To defend their legitimate interests through the intrinsic appreciation of the capital invested in the company and its adequate return.
- Clients – Focus on full satisfaction of clients' expectations, in accordance with the ethical principles of integrity and compliance with the applicable standards.
- Personnel – Fair remuneration for their work, with career advancement opportunities and fair treatment by fostering an active policy of respect for good standards of hygiene, health and safety at in the workplace.
- Organization – Constantly striving for excellence by setting ambitious goals and selecting leaders at all levels of the organization that are able to shoulder responsibility and meet these goals.
- Quality – Compliance with national and international standards, with particular reference to product certification and the smooth running of the Quality Management System.
- Environment – Harmonious integration into the social and cultural surroundings, based on an active policy of environmental protection and cooperation with local communities.
- Innovation – Pursuit of a policy of innovation and the development of technologies, products and services in collaboration with the academic and scientific community, clients and suppliers.
- Local Communities - Implement a policy of social support considering the shortfall at the local level in terms of infrastructures and support to social and cultural activities.
- Society in General - Pursue communication and corporate social responsibility policies that are wholly transparent in regard to the Group's undertakings and which demonstrate its proactive adoption of civic responsibilities.

STRATEGY

- To consolidate current positions through internal growth (increased efficiency and capacity) and greater penetration in markets where the Group already operates (through expansion into business areas related to the cement sector).
- To make new acquisitions within the Group's financial limits, seeking to ensure balance between operations focused on emerging markets and the Group's presence in consolidated and mature markets, where the lower potential for growth is offset by lower risk.
- Optimize operations by taking advantage of synergies, cutting costs (particularly energy costs), increasing employee productivity and investing in R&D.
- To develop trading between the Group's companies so as to balance demand peaks in certain markets with excess supply in others.

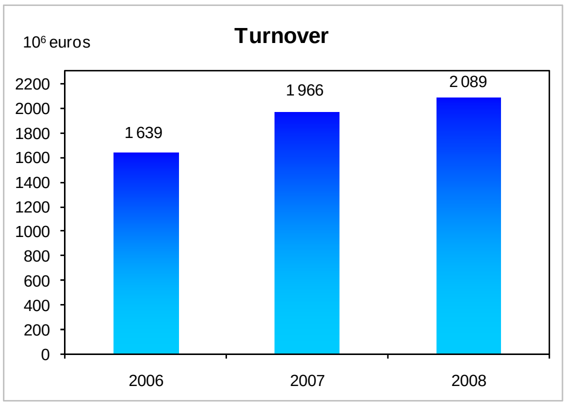
KEY FINANCIALS

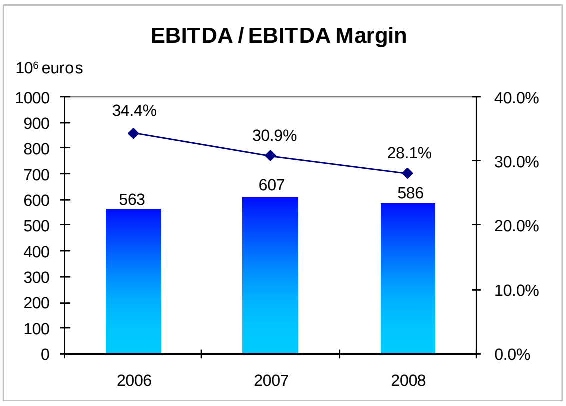
Consolidated Data	Unit	2008	2007	Change	2006
Installed Capacity (Cement) (1)	10^3 ton	31,070	28,360	9.6 %	24,115
Group Sales					
Cement and Clinker	10^3 ton	26,807	24,547	9.2 %	20,445
Concrete	10^3 m^3	8,567	8,664	-1.1 %	6,943
Aggregates	10^3 ton	16,109	15,196	6.0 %	12,987
Mortar	10^3 ton	562	543	3.4 %	485
Turnover	10^6 euros	2,088.9	1,966.1	6.2 %	1,638.9
Payroll Expenses	10^6 euros	224.9	207.1	8.6 %	173.2
Operating Cash Flow (*EBITDA*)	10^6 euros	586.3	607.0	-3.4 %	563.0
Operating Income (*EBIT*)	10^6 euros	392.6	438.1	-10.4 %	408.1
Financial Income (net)	10^6 euros	-134.4	-48.0	s.s.	-42.3
Current Income	10^6 euros	258.3	390.1	-33.8 %	365.8
Net Income after Minority Interests	10^6 euros	219.4	304.1	-27.8 %	291.9
Total Assets	10^6 euros	4,615.3	4,834.0	-4.5 %	3,857.8
Shareholders' Equity	10^6 euros	1,505.1	1,796.4	-16.2 %	1,579.7
Minority Interests	10^6 euros	110.7	102.9	7.6 %	74.1
Net Financial Debt (2)	10^6 euros	1,862.6	1,359.3	37.0 %	865.6
Capital Employed	10^6 euros	3,382.5	3,214.6	5.2 %	2,547.1
Capital Invested	10^6 euros	3,703.2	3,498.4	5.9 %	2,763.0
Employees (31 Dec)	units	8,369	7,608	10.0 %	5,950
Turnover / Employee	10^3 euros	256.5	279.5	-8.2 %	279.3
Value Added / Employee	10^3 euros	99.6	115.7	-13.9 %	125.5
Net Investment					
Goodwill (Subsidiaries)	10^6 euros	166.6	332.9	-49.9 %	14.5
Tangible Fixed Assets	10^6 euros	423.7	498.8	-15.1 %	166.1
Operating *CF* / Turnover (EBITDA Margin)		28.1%	30.9%		34.4%
Operating Income / Turnover (EBIT Margin)		18.8%	22.3%		24.9%
Return on Equity (*ROE*)		13.3%	18.1%		18.9%
Return on Equity Employed (*ROCE*) (3)		10.4%	11.6%		13.1%
Net Financial Debt / Capital Invested		50.3%	38.9%		31.3%
Market Capitalization (31 Dec)	10^6 euros	2,339	4,032	-42.0 %	4,227
Earnings per Share (*EPS*)	euros	0.33	0.45	-27.4 %	0.44
Price (31 Dec) / Price Earnings Ratio (*PER*)		10.6	13.2		14.4

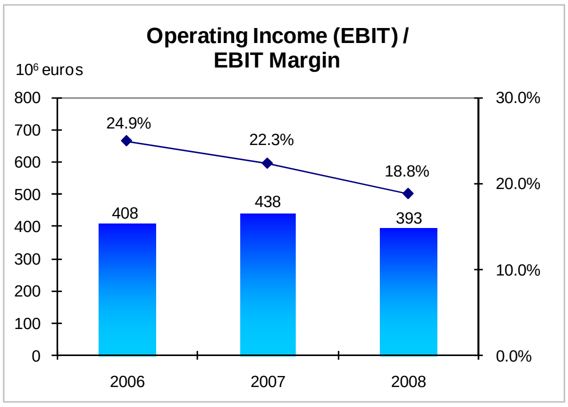
(1) Annual capacity of ccement production w ith ow n clinker (31 Dec)

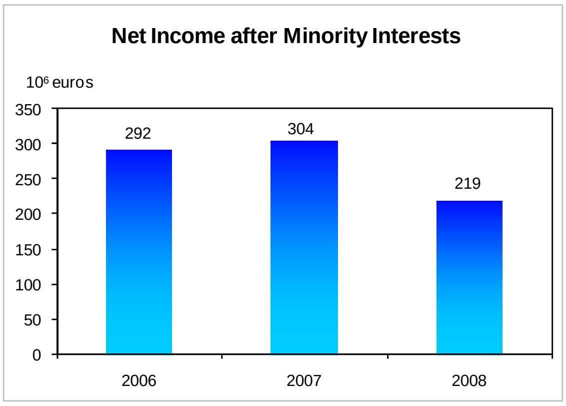
(2) Loans Contracted (including Leasing and Added Costs deriving from Financial Debt) - Liquid assets, Tradable securities and other Financial Applications

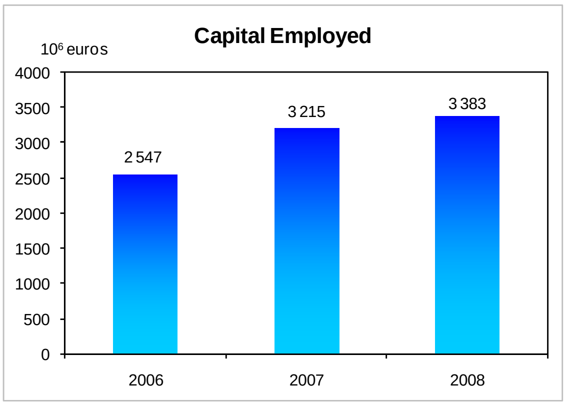
(3) Adjusted Operating Income (net of Cash Taxes) / Capital Employed

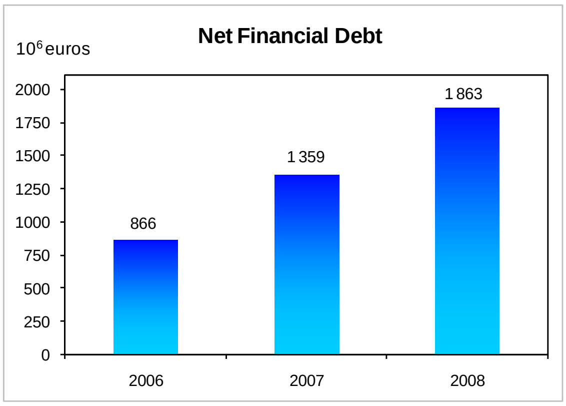

Turnover
10⁶ euros
2200
2000
1800
1600
1400
1200
1000
800
600
400
200
0
1 639
1 966
2 089
2006
2007
2008

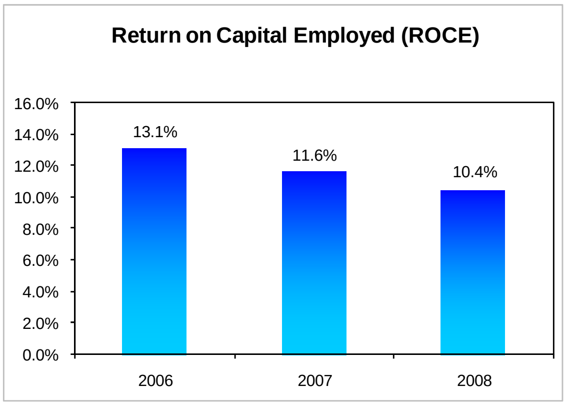

EBITDA / EBITDA Margin
10⁶ euros
1000
900
800
700
600
500
400
300
200
100
0
40.0%
30.0%
20.0%
10.0%
0.0%
34.4%
30.9%
28.1%
563
607
586
2006
2007
2008

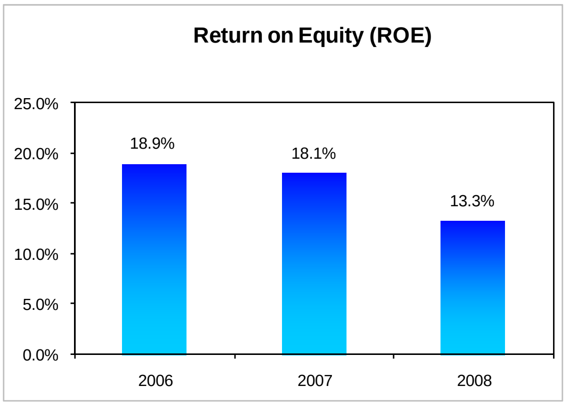

Operating Income (EBIT) /
EBIT Margin
10⁶ euros
800
700
600
500
400
300
200
100
0
30.0%
20.0%
10.0%
0.0%
24.9%
22.3%
18.8%
408
438
393
2006
2007
2008


Net Income after Minority Interests
10⁶ euros
350
300
250
200
150
100
50
0
292
304
219
2006
2007
2008


Capital Employed
10⁶ euros
4000
3500
3000
2500
2000
1500
1000
500
0
2 547
3 215
3 383
2006
2007
2008


Net Financial Debt
10⁶ euros
2000
1750
1500
1250
1000
750
500
250
0
866
1 359
1 863
2006
2007
2008


Return on Capital Employed (ROCE)
16.0%
14.0%
12.0%
10.0%
8.0%
6.0%
4.0%
2.0%
0.0%
13.1%
11.6%
10.4%
2006
2007
2008


Return on Equity (ROE)
25.0%
20.0%
15.0%
10.0%
5.0%
0.0%
18.9%
18.1%
13.3%
2006
2007
2008

CORPORATE HIGHLIGHTS

- The CIMPOR – Cimentos de Portugal, SGPS, S.A., Annual General Meeting was held on 9 May 2008, which besides approving all the proposals submitted by the Board of Directors, elected a new alternate member of the Audit Committee for the period to the end of the current term of office of said Committee (2005-2008).
- The CIMPOR Group enters the Indian market through the acquisition by Cimpor Inversiones, S.A. of 73.6% of the share capital of the company Shree Digvijay Cement Company Limited, listed on the Bombay Stock Exchange, for the total sum of approximately EUR 73.5 million.

Portugal

- Disposal by Cimentaçor – Cimentos dos Açores, Lda. of all the shares representing the share capital of Betaçor – Fabrico de Betão e Artefactos de Cimento, S.A..
- Exercise of the purchase option held by Cecisa – Comércio Internacional, S.A. to buy 80% of the share capital of Cecime – Cimentos, S.A. and the subsequent raising of this share capital from EUR 1,247,000 to EUR 6,300,000.
- Acquisition by Cimpor – Indústria de Cimentos, S.A. of 50% of the share capital of Teporset – Terminal Portuário de Setúbal, S.A..
- Acquisition by Agrepor Agregados – Extracção de Inertes, S.A., of 95% of the share capital of Sogral – Sociedade de Granitos, S.A..
- Liquidation and winding up of Cimpor Investimentos, SGPS, S.A., of Inergranitos, S.A., and of Betrans – Sociedade Produtora e Distribuidora de Betão Transmontano, S.A..
- Merger and incorporation of Cimpor Betão, SGPS, S.A. into Cimpor Portugal, SGPS, S.A..
- Increase to the share capital of Mossines – Cimentos de Sines, S.A., in EUR 10 million.
- Increase to the share capital of Cimpor Imobiliária, S.A., in EUR 15.5 million.
- EUR 2.2 million increase to the stake held by Cimpor – Indústria de Cimentos, S.A. in the "Luso Carbon Fund" Closed Special Mutual Fund.
- Start of the process of recovering hazardous industrial waste at the Souselas plant and attainment of the construction licence required to implement the project to carry out the recovery of ordinary industrial waste at the Loulé plant.
- Award to Cimpor – Indústria de Cimentos, S.A., of certification of its Occupational Health and Safety Management System according to the OHSAS 18001 standard.

- Continuation of the registration of Cimpor – Indústria de Cimentos, S.A. in the EMAS (Eco-Management and Audit Scheme) and validation of the respective "2007 Interim Environmental Statement".
- Award to Transviária – Gestão de Transportes, S.A. of certification of its Quality Management System according to the ISO 9001:2000 standard.

Spain

- Founding of the companies Occidental de Áridos, S.L. and Áridos Cosmos, S.L. by partial spin off of the assets of the Hormigones Hércules, S.L. and Firmes y Hormigones Sani, S.L companies, respectively.
- Cementos Cosmos, S.A. and Sociedad de Cementos y Materiales de Construcción de Andalucía, S.A. take a stake in the initial capital of the company Energía para Grandes Consumidores Industriales, S.L..
- Disposal by Corporación Noroeste de Hormigones y Áridos, S.L. of a 10% stake in the share capital of Firmes y Hormigones Sani, S.L..
- Acquisition by Occidental de Hormigones, S.L. of the entire share capital of the companies Arenor Hormigones, S.L.U. and Urgón, S.A. in the amount of EUR 14 million and EUR 1.7 million, respectively.
- Acquisition by Occidental de Áridos, S.L. of 75% of the share capital of Arenor Áridos, S.L.U. and of the entire share capital of Urgón y Trituración, S.L., in the amount of EUR 24.450 million and EUR 4.269 million, respectively.
- Acquisition by Hormigones Hércules, S.L. of three new ready-mix concrete plants.
- Increase to 99.68% of the shareholding of Cementos Cosmos, S.A. in the share capital of Materiales del Atlântico, S.A..
- Merger of the companies Arenor Áridos, S.L.U.; Urgón y Trituración, S.L.; and Occidental de Áridos, S.L., by the incorporation of the first two companies into the latter.
- Merger of the companies Arenor Hormigones, S.L.U.; Urgón, S.A.; and Occidental de Hormigones, S.L., by the incorporation of the first two companies into the latter.
- Founding of the companies Cimpor Canárias, S.L. and Cimpor Hormigón Canárias, S.L., and acquisition by these companies of all the assets - in the cement and ready-mix concrete areas, respectively – held by Grupo Cemex on the island of Tenerife, in the amount of EUR 64 million.
- Acquisition of 50% of the share capital of the companies Cementos Especiales de las Islas, S.A. and Insular de Productos para la Construcción y la Industria, S.L, in the amount of approximately EUR 90 million.
- Increase of the share capital of Canteras Prebetong, S.L..
- Subscription to the increase in share capital of Cementos del Marquesado, S.A., whereby Corporación Noroeste, S.A. obtained a shareholding of 24%, for the amount of around EUR 11 million.

Morocco

- Conclusion between Asment du Centre, S.A. and the State of Morocco of an Investment Protocol relative to the construction of a new clinker production plant (1,500 ton/day) in the Meknès region.
- Award of the contract to supply a third grinding unit for the Asment de Témara plant, which will raise the respective grinding capacity to around 1.6 million ton/year.
- Acquisition of a plot of land in Kenitra and attainment of the right to lease another plot of land in Tanger for Betocim, S.A. to set up and install the new ready-mix concrete plants.

Tunisia

- Announcement of the two-phase construction of one new clinker production line with a nominal capacity of 2,000 tons/day, at the Ciments de Jbel Oust plant.
- Reduction of the share capital of Société Ciments de Jbel Oust from TND 87,423,000 to TND 81,572,500 through the amortization of 58,505 shares held by Cimpor Inversiones, S.A.. and subsequent increase of share capital to TND 84.059.000 by incorporation of the special investment reserve.
- Award of integrated certification of the Environmental Management and Occupational Health and Safety Systems, according to the ISO 14001:2004 and OHSAS 18001:2007 standards.

Egypt

- Disposal of the minority shareholding held by Cimpor Egypt for Cement Co., S.A.E., in the share capital of Misr Cement Co, S.A.E., listed on the Cairo Stock Exchange.
- Approval of the merger operation of Cimpor Egypt for Cement Co., S.A.E. and Amreyah Cement Company, S.A.E.

Turkey

- Continuation of the construction of a new clinker production line of 2,500 tons/day at Hasanoğlan (Ankara), and start of the assembly of a new cement silo with a 7,000 ton capacity, at the same plant.
- Renewal of the certification, according to the OHSAS 18001 standard, of the Occupational Health and Safety Management System of the Yozgat plant.
- Start-up of operations of five new ready-mix concrete plants.

- Conclusion of the merger process, by incorporation of the companies Yibitaş Holding, A.S. and Cimpor Yibitaş Muhendislik Makina Sanayi ve Ticaret, A.S. into Cimpor Yibitaş Çimento Sanayi ve Ticaret A.Ş..

Brazil

- Conclusion of the project to expanding one of the manufacturing lines at the Cezarina plant, raising the total clinker production capacity to 2,750 tons/day.
- Increase in the ready-mix concrete production capacity (fixed location plants) from around 1.2 million cubic metres at the end of 2007 to close to 1.4 million cubic metres as at December 2008.
- Acquisition of a quarry in Paraíba state.
- Attainment of ISO 14001:2004 Environmental Management certification and OHSAS 18001:2007 Occupational Health and Safety certification by the São Miguel dos Campos, Candiota and Nova Santa Rita plants and renewal of the same certifications at the João Pessoa, Cajati and Brumado plants.
- Attainment of ISO 9001:2000 Quality Management certification by eight ready-mix concrete plants and the renewal of the same certification at another nine such plants, as well as at all cement manufacturing plants and at the Recife and São Paulo offices.

Peru

- Increase in the share capital of Cementos Otorongo, S.A.C..
- Acquisition by Cementos Otorongo, S.A.C. of the remaining 50% of the share capital of Agregados Comercializados, S.A.C. for the amount of USD 3 million and the subsequent increase of the share capital of the latter by PEN 3 million.

Mozambique

- Start up of the project to install a new cement grinding unit (500,000 ton/year) at the Matola plant.
- Announcement of the future construction of one clinker production line with a capacity of 1,500 tons/day, at the Dondo plant (Mozambique), complemented by new grinding and bagging facilities.

South Africa

- Start up of operations at the Simuma plant of a new clinker production line of 1,500 tons/day and the start of construction of a new clinker silo with a 40 ton capacity, at the same plant.

- Transfer of all the operational assets of Sterkspruit Quarries (Pty) Ltd. to Sterkspruit Investments (Pty) Ltd., change of the legal designation of the latter to Sterkspruit Aggregates (Pty) Ltd. and subsequent disposal of 26% of the respective share capital, in conformity with South African legislation concerning Black Economic Empowerment (BEE).
- Transfer of all the operational assets of Sterkspruit Concrete (Pty) Ltd. to Concrete Mix (Pty) Ltd. and change of the legal designation of the latter to NPC Concrete (Pty) Ltd..
- Maintenance of the '5-star' classification in the three NPC plants (Durban, Simuma and Newcastle), awarded by the National Occupational Safety Association (NOSA) for Safety and Hygiene in the Workplace.

Cape Verde

- Change of the legal designation of Cimentos de Cabo Verde, S.A. to Cimpor Cabo Verde, S.A. (CCV).
- Increase by CCV of its shareholding in the capital of Cabo Verde Betões e Inertes, S.A. from 54% to 77%.

China

- Start of the construction of a new cement plant at Shanting (Zaozhuang) with a clinker production capacity of 5,500 tons/day and cement capacity of 2 million tons/year.
- Start of the construction of a new grinding unit at Huaian, with a cement production capacity of 1.2 million tons/year.
- Start up at Shandong Liuyuan New Type Cement Development Co., Ltd. (NLG) of a project to recover heat released during the clinker production process to generate electricity.
- Increase of the share capital of NLG from CNY 300 million to CNY 500 million.
- Increase of the share capital of the company currently holding the grinding unit to be installed at Huaian (HLG) from CNY 10 million to CNY 50 million.
- Change of the legal designation of NLG to Cimpor (Shandong) Cement Co., Ltd..
- Acquisition, for EUR 22 million, of 100% of the share capital of Liyang Dongfang Cement Co., Ltd., which owns a clinker plant with a production capacity of approximately 900,000 tons/year.
- Founding of the company Cimpor (Huaian) Cement Products Co., Ltd., 100% owned by Cimpor Chengtong Cement Corporation, Ltd. (CCCC).

GOVERNING BODIES

Board of Directors

Chairman:	Ricardo Manuel Simões Bayão Horta
Members:	Luís Eduardo da Silva Barbosa
	Jacques Lefèvre
	Jean Carlos Angulo *
	Jorge Manuel Tavares Salavessa Moura *
	Luís Filipe Sequeira Martins *
	Manuel Luís Barata de Faria Blanc *
	Pedro Maria Calaínho Teixeira Duarte *
	Vicente Árias Mosquera
	José Manuel Baptista Fino
	José Enrique Freire Arteta

* Executive Committee

Audit Committee

Chairman:	Ricardo José Minotti da Cruz Filipe
Members:	Luís Black Freire d'Andrade
	Jaime de Macedo Santos Bastos
Alternate Member:	João José Lopes da Silva

Statutory Auditor

Deloitte & Associados, SROC, S.A., represented by
João Luis Falua Costa da Silva

General Meeting

Chairman:	Miguel António Monteiro Galvão Teles
Vice-Chairman:	Luís Manuel de Faria Neiva dos Santos

COMPANY SECRETARY

Secretary:	Jorge Manuel da Costa Félix Oom
Alternate Secretary:	Armindo Oliveira das Neves

CONTENTS

DECLARATION OF CONFORMITY

(pursuant to Article 245(1)c) of the Securities' Code)

As far as we are aware: the information set forth in Article 245(1)a) of the Portuguese Securities' Code was 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 (CIMPOR Group), The directors' report faithfully provides an account of the evolution of the business, the performance and the position of the CIMPOR Group and it contains a description of the main risks and uncertainties facing it.

Lisbon, 24 April 2009

THE BOARD OF DIRECTORS

Ricardo Manuel Simões Bayão Horta

Luís Eduardo da Silva Barbosa

Jacques Lefèvre

Jean Carlos Angulo

Jorge Manuel Tavares Salavessa Moura

Luís Filipe Sequeira Martins

Manuel Luís Barata de Faria Blanc

Pedro Maria Calaínho Teixeira Duarte

Vicente Árias Mosquera

José Manuel Baptista Fino

José Enrique Freire Arteta

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ANNUAL REPORT ON CORPORATE GOVERNANCE

CIMPOR – Cimentos de Portugal, SGPS, S.A. ("CIMPOR" or "the Company") has, for a long period of time, been committed to dealing appropriately with issues related to the corporate governance of companies issuing shares admitted to trading on a regulated market, as well as the periodic disclosure to stakeholders, the wider financial community, the authorities and the market in general of the positions and solutions the Group adopts in this area.

As in previous years, the Board of Directors presents the more significant aspects of Corporate Governance and of the Group in this chapter of its annual report. The publication of this information ensures compliance with the information disclosure duties established by the Portuguese Securities' Code and the Regulation no. 1/2007 of the Portuguese Securities' Market Commission (Comissão do Mercado de Valores Mobiliários - CMVM).

0. DECLARATION OF COMPLIANCE

CIMPOR has always attached special importance to the adoption of the best organizational models and the most suitable practices and guidelines concerning Corporate Governance. In doing so, it seeks to remain aligned with the main international trends and encourage critical reflection within the company.

CIMPOR, in line with the importance it allocates such matters, in addition to complying with the corporate governance rules set forth in the Portuguese Companies' Code, nowadays maintains a significant degree of compliance with the recommendations envisaged in the CMVM's recently approved "Corporate Governance Code" (which is available from this entity's site, at www.cmvm.pt).

0.1. Recommendations Adopted and not Adopted

CIMPOR's compliance with the referred to recommendations can be summarised as follows:

		Recommendation	Compliance	Ref.
I.		**General Meeting**		
I.1.		**General Meeting Board**		
	1.	Adequate resources available to the Chairman of the General Meeting Board	COMPLIES	I.1.
	2.	Disclosure of the remuneration of the Chairman of the General Meeting Board	COMPLIES	I.1.
I.2.		Participation in the General Meeting		
	1.	Prior period for the deposit or blocking of shares	COMPLIES	I.2.
	2.	Blocking shares in the event of suspension of the General Meeting	DOES NOT COMPLY	0.2.1.
I.3.		Voting and Exercising Voting Rights		
	1.	Absence of statutory restrictions on postal votal	COMPLIES	I.2.
	2.	Time limit for receiving voting ballots by mail	COMPLIES	I.2.
	3.	"One share, one vote" principle	COMPLIES	I.2.
I.4.		Quorum and Resolutions		
	1.	Quorum not exceeding legal limits	COMPLIES	I.2.
I.5.		Minutes and Information of Resolutions Passed		
	1.	Made available on the Company's website	COMPLIES	I.1.
I.6.		Measures of Corporate Control		
	1.	Absence of measures to prevent the success of takeover bids	COMPLIES	I.4.
	2.	Absence of restrictions on the number of votes	N/A	I.4.
	3.	Absence of defensive measures	COMPLIES	I.4.
II.		**Management and Supervisory Bodies**		
II.1.		General		
	1.	Structure and Powers		
		1.1. Assessment of the governance model by the management body	COMPLIES	II.1.3.
		1.2. Internal control systems to detect risks	COMPLIES	II.3.
		1.3. Internal regulations	COMPLIES	II.6.

		Recommendation	Compliance	Ref.
	2.	Incompatibilities and Independence		
		2.1. Number of non-executive directors	COMPLIES	II.1.2.1.
		2.2. Number of independent non-executive directors	COMPLIES	II.1.2.1.
	3.	Elegibility and Appointment		
		3.1. Independence of the Chairman of the Audit Committee	DOES NOT COMPLY	0.2.2. II.1.1.
	4.	Irregularities' Reporting Policy		
		4.1. Adoption of an irregularities' reporting policy	COMPLIES	II.5.
		4.2. Disclosure of the general guidelines	COMPLIES	II.5.
	5.	Remuneration		
		5.1. Aligned to the interests of the Company'	COMPLIES	II.4.2.
		5.2. Statement on remuneration policy	DOES NOT COMPLY	0.2.3.
		5.3. At least one representative of the Remuneration Committee attends the Annual General Meeting	DOES NOT COMPLY	0.2.4.
		5.4. Plans for the award of shares and/or share options	COMPLIES	III.5.
		5.5. Disclosure of individual remunerations	DOES NOT COMPLY	0.2.5.
II.2.		Board of Directors		
	1.	Delegation of the day-to-day management of the Company	COMPLIES	II.1.2.2.
	2.	The Company pursues its goals and limits exist to the delegation of powers	COMPLIES	II.1.2.2.
	3.	Coordination of the work of the non-executive board members	N/A	II.1.2.1.
	4.	Disclosure of the activities of the non-executive board members	COMPLIES	II.1.2.2.
	5.	Rotation of the board member responsible for financial matters	COMPLIES	II.1.4.1.
II.3.		Executive Board		
	1.	Provision of information to the other members of the governing bodies	COMPLIES	II.1.2.2. II.1.4.1.
	2.	Send the notices to convene meetings and the minutes of meetings to the Chairmen of the Board of Directors and the Audit Committee	COMPLIES	II.1.4.1.
	3.	Send the notices to convene meetings and the minutes of meetings to the Chairmen of the General and Supervisory Board and the Financial Matters Committee	N/A	II.1.4.1.
II.4.		Audit Committee		
	1.	Duties of the General and Supervisory Board	N/A	II.1.
	2.	Disclosure of the annual report on the website of the Company	COMPLIES	II.1.1.
	3.	Description of the supervisory activity in the annual report	COMPLIES	II.1.1.
	4.	Representation of the Company before the external auditor	COMPLIES	II.1.1.
	5.	Assessment and proposal for the discharge of the external auditor	COMPLIES	II.1.1.
II.5.		Special Committees		
	1.	Existence of a performance assessment committee and a committee to evaluate the adopted governance system	DOES NOT COMPLY	0.2.6. II.1.4.2.
	2.	Independence of the members of the remuneration committee	DOES NOT COMPLY	0.2.7.
	3.	Minutes	COMPLIES	II.1.4.1. II.1.4.2. II.4.1.
III.		**Information and Auditing**		
III.1.		General Disclosure Obligations		
	2.	Investor support office	COMPLIES	III.7.
	3.	Disclosure of information in English on the Company's website	COMPLIES	III.7.

CIMPOR is not bound by nor has it voluntarily agreed to comply with any other corporate governance code.

0.2. Comply or Explain

CIMPOR has been analysing, subsequent to the approval in September 2007 of the CMVM's Corporate Governance Code, the recommendations contained in that Code so that the Company may adopt the practices most suited to fostering the transparency and accountability of its governance model and practices.

In its appraisal CIMPOR regarded such recommendations not on the basis of a rigid model – where one size fits all – but as a set of practices to be considered in the light of the Company's individual features, i.e. tailor made, and empowering a balanced composition of the interests of its shareholders and other stakeholders.

Some of these recommendations are, for a range of reasons, still not complied with or are not wholly complied with, to wit:

0.2.1. Blocking shares in the event of suspension of the General Meeting

***Recommendation I.2.2*: Should the General Meeting be suspended, the company shall not compel share blocking during the period until the meeting is resumed; the company shall limit such blocking to that ordinarily required prior to an initial meeting.**

CIMPOR's articles of association do not contain any provision expressly on the blocking of its shares in the event of the suspension of the General Meeting. Nonetheless, paragraph 3 and 4 of article 7 establish that shareholders intending to take part in the General Meeting will have to keep their shares registered in their name until the closing of the same and, therefore, the fact that the shares must remain blocked and they cannot be traded until the close of the meeting means that compliance with this recommendation is not deemed to exist.

Furthermore, this matter will undergo discussion during 2009 in the context of the transposition of Directive 2007/36/EC of the European Parliament and of the Council, of 11 July 2007, relative to the exercise of certain rights by the shareholders of listed companies (and which has a transposition deadline of 3 August 2009). Accordingly, the blocking method will be replaced by the "registration date" method envisaged in that Directive.

0.2.2. Independence of the Chairman of the Audit Committee

> ***<u>Recommendation II.1.3.1</u>: Depending on the applicable model, the Chairman of the Audit Board, the Audit Committee or the Financial Matters Committee shall be independent and be adequately empowered to carry out his/her duties.***

The Chairman of the Audit Committee is adequately empowered to perform the role's duties, considering his qualifications and constancy in the Company, in that role, since March 1992.

CIMPOR does not fully comply with this recommendation since the Chairman of the Audit Committee is not deemed to be independent in the light of article 414(5)b) of the Portuguese Companies' Code. The decision to not accommodate this recommendation is chiefly based on two reasons.

Firstly, it is deemed, in the case under analysis, that the performance of a role since that date ddoes not jeopardise the capacity of those performing such roles to be impartial. It is CIMPOR's opinion that the criteria for remaining in the post should be merely indicative, to be appraised on a case-by-case basis, as is proposed in point 13 – under the heading of "Independence" – of the European Commission's Recommendation of 15 February 2005, relative to the role of non-executive directors or members of the supervisory board of listed companies and of the committees of the board of directors or supervisory board. It is, in fact, stated in that point that, in view of the specific circumstances of the person or company, the competent body considers a certain member to be independent even when remaining linked to the company for more than 3 terms of office or 12 years.

Secondly, for an industrial company, as is the case of CIMPOR, it is especially important that the Audit Committee contains a member who knows the Company business and its reality. Based on the fact that this body already has independent members in the majority, one of which has audit and accounting powers, it is our understanding that the committee's chairman should be someone with solid knowledge of the Company's business. This fact, in CIMPOR's opinion, must take precedence over the "seniority" criteria set forth in the recommendation in question.

0.2.3. Statement on Remuneration Policy

> ***<u>Recommendation II.1.5.2</u>: The Remuneration Committee and the Board of Directors shall submit a statement on the remuneration policy of the Management and Supervisory bodies and other directors to the Annual Shareholders General Meeting for appraisal, as provided for in Article 248-B(3) of the Portuguese Securities' Code. The shareholders shall be informed of the criteria and main factors to be used in the assessment of performance for determining the variable component of remuneration, whether share bonuses; share purchases options, annual bonuses or other awards.***

CIMPOR has chosen not to submit a statement on the remuneration policy of the members of the governing bodies (whether to comply with the CMVM's former recommendation no. 8-A , or with the current recommendation II.1.5.2.), since it considers that the shareholders, by depositing the responsibility for defining such policy in a Remuneration Committee, have conferred said committee with total autonomy in such matters.

It is the understanding of the current Board of Directors in relation to the other managers that , since it is at the end of its term of office, it should not submit a statement on the future remuneration of the policy of such managers to the next Annual General Meeting where a new board of directors is to be elected.

0.2.4. One Representative of the Remuneration Committee attending the Annual General Meeting

<u>Recommendation II.1.5.3</u>: At least one representative of the Remuneration Committee must attend the Annual General Meeting of shareholders.

The presence of a member of the Remuneration Committee at the Company's Annual General Meetings is not deemed to be justified, to now, for the reasons referred to in the previous point.

0.2.5. Disclosure of Individual Remunerations

<u>Recommendation II.1.5.5</u>: The remuneration of the members of the Management and Supervisory Boards shall be individually and annually disclosed and, information on fixed and variable remuneration must be discriminated as well as any other remuneration received from other companies within the group of companies or companies controlled by shareholders of qualifying holdings.

This recommendation has not been adopted. This is mainly because it is understood that the shareholders, by opting pursuant to Article 399(1) of the Companies Code and Article 16(2) of the Articles of Association, to appoint a committee to set the remuneration of the Board members, instead of this being established by the shareholders' general meeting, did so with an objective which, implying some reservation, is not compatible with any public disclosure of individual remuneration. Furthermore, since Portuguese law holds that shareholders are sovereign in this matter, they can always decide otherwise if they deem that not enough information is being made available, and state on an individual basis as provided for by Chapter II item no. II.20 of the Annex to CMVM Regulation 1/2007.

0.2.6. Existence of a Performance Assessment Committee and a Committee to Evaluate the Adopted Governance System

***Recommendation II.5.1**: Unless the company is of a reduced size and depending on the adopted model, the Board of Directors and the General and Supervisory Board shall set up the necessary Committees to: i) ensure that a competent and independent assessment of the Executive Directors' performance is carried out, as well as assess overall performance and the performance of all existing Committees; ii) study the adopted governance system and verify its effectiveness and propose to the competent bodies measures to be implemented with a view to its improvement.*

The Company fully complies with point ii) of recommendation II.5.1., since it has an Internal Consultative Committee of the Board of Directors on Corporate Governance and Social Responsibility that has been fully functioning since 2002, and which performs the referred to functions, among others.

The Company does not, in relation to the first part of that recommendation, deem it appropriate to endow that Committee or any other that may be set up within the management body with specific duties concerning the assessment of governing bodies.

Accordingly, the shareholders of CIMPOR decided to create a Remuneration Committee which, through the process of determining the remuneration, ensures a competent and independent assessment of the performance of the executive directors and the overall performance of the Board of Directors and its internal committees. It does not seem to make sense, based on the specific features of the Company and taking into account this option of the shareholders, to overlap duties, as would be the case with the creation of such a committee in the management body to perform an identical role.

Moreover, the Company affords the Remuneration Committee permanent access to external consultants in several spheres of expertise, at its own expense. Thus, the Committee is equipped with the necessary means to ensure the competent performance of the referred to assessment duties.

0.2.7. Independence of the Members of the Remuneration Committee

***Recommendation II.5.2**: The members of the remuneration committee or equivalent must be independent from the members of the Board of Directors.*

In relation to this recommendation on the independence of the members of the Remuneration Committee from the members of the Board of Directors, the fact that this recommendation has not been fully complied with given that one of its members is held to not be independent from one of the Board members, pursuant to item II.19 of Chapter II of the Annex to CMVM Regulation 1/2007, is explained by the fact that said member is in a minority within this Committee and so any conflict of interest that might arise is adequately safeguarded.

I. GENERAL MEETING

I.1. General Meeting Board

The General Meeting Board of CIMPOR is currently composed of the following members:

		Appointment date	Term of office in progress
Chairman	Miguel António Monteiro Galvão Teles	20/02/2001	2005-2008
Vice-Chairman	Luís Manuel Faria Neiva dos Santos	11/05/2007	2005-2008

Neither one of the members is in any situation of incompatibility as set forth in article 414-A(1) of the Companies Code, and both are considered independent in the light of the requirements envisaged in article 414(5) of the same Code.

The Chairman of the General Meeting Board relies on the support of the Vice-Chairman and the Company Secretary, within their respective legal powers, to convene and conduct the General Meetings. The Chairman is further provided the logistics support and human resources that are vital to the good performance of the role, particularly where contact with shareholders and the guarantee of the correct running of the General Meetings is concerned. Accordingly, the Company considers recommendation I.1.1 to be fully complied with.

The remuneration of the Chairman of the General Meeting Board takes the form of an attendance fee, which currently stands at EUR 1,000.

The Company, in harmony with recommendation I.5.1, publishes the minutes of the meetings of the General Meeting of the preceding three years on its website (together with the respective agenda and simple attendance statistics). Additionally, it has also been CIMPOR's practice to immediately disclose a summary of the resolutions adopted in the respective General Meetings.

I.2. Participation in the General Meeting and Exercising Voting Rights

CIMPOR has implemented an ongoing policy of motivating shareholders to exercise their voting rights by facilitating the participation and exercise of voting rights in the General Meeting (particularly postal voting), and by reducing the number of shares required by a shareholder to attend (and vote) at General Meetings.

In accordance with that established in article 7 of the articles of association and in conformity with recommendation I.2.1, the General Meeting is composed of shareholders with the right to vote. Hence, only those shareholders holding at least one share registered in their name on the fifth work day prior to the date set for the General Meeting in which the shareholder intends to participate, and provided that such shares remain registered in the shareholder's name until the Meeting is closed, are legitimately entitled to take part in the general meetings. To participate, the shareholders shall send the statement issued by the respective financial intermediary to the Chairman of the General Meeting, which proves that at least on the fifth work day prior to the date set for the General Meeting such shares were registered in their name and they are also blocked and cannot be traded until the General Meeting is closed.

As referred to above, CIMPOR has already provided for the principle of "one share, one vote" in its Articles of Association (article 7(2)), with the aim of motivating the active exercise of voting rights. This fact ensures that CIMPOR is in conformity with recommendation I.3.3. of the CMVM.

According to article 7(5) of the articles of association, in the event of co-ownership of shares, only the common representative or its representative shall participate in the meetings of the General Meeting.

CIMPOR's articles of association do not establish higher than legally established quorum for the sitting of meetings or voting, and they neither envisage any system of highlighting equity rights. Accordingly, the Company fully complies with recommendation I.4.1.

CIMPOR's articles of association do not establish any restriction on postal voting rights, in conformity with recommendation I.3.1. The procedures to be taken and the applicable time limits are set forth in article 7(6), according to which any shareholder wishing to vote by post must ensure that the Chairman of the General Meeting receives, on or before the second work day prior to the date set for the General Meeting, the explanation of vote on each item of the meeting's agenda (in conformity with recommendation I.3.2.).

Shareholders must use voting ballots that clearly and unambiguously express their voting intention. They can use the draft voting ballot available on the Company's website or request it in writing, addressed to the Chairman of the General Meeting (such request must be received on or before the eighth work day prior to the date set for the General Meeting). CIMPOR has made a draft ballot form available on the internet for voting purposes, though it will accept any ballot form that clearly and unmistakably expresses the shareholder's wishes.

Furthermore, article 7(6) of the articles of association establishes that postal votes are deemed negative votes in relation to resolution proposals submitted subsequent to the issue date of postal votes.

The notices convening General Meetings also set out the rules under law and the articles of association relative to participation and the exercise of voting rights, in order to motivate shareholder participation in such Meetings. Such rules include, in particular:

- Shareholders may be represented by third parties, and, to that end, they must ensure reception of the necessary instruments of representation by the Chairman of the General Meeting by 5:00 pm of the third work day prior to the date set for the respective General Meeting;

- In the fifteen days prior to the General Meeting, shareholders may consult the information indicated in Article 289 of the Companies Code at the Company's registered office during business hours. Shareholders are also informed of this fact in the notice convening the meeting;
- Postal voting must comply with the procedures established in article 7 of the articles of association, as described above.

Given the current concentration of CIMPOR's shareholder structure, the use of electronic means for voting at Shareholders' General Meetings, other than those mechanisms available over the Internet, has not been deemed necessary.

In summary: The establishment of the "one share, one vote" principle means that compliance with the deadlines for proving the right to participate and vote in the General Meeting is the only restriction established by the articles of association on the exercise of the right to vote.

I.3. The Company's Remuneration Policy and Assessment of the Board of Directors

The General Meeting has not, to date, intervened in any way in the Company's remuneration policy, essentially due to the fact that it has appointed a committee to set the remuneration of the governing bodies and this committee is implicitly tasked with carrying out the respective assessment.

Nonetheless, the shareholders have always undertaken a general appraisal of the Company-s Board of Directors in the General Meetings, pursuant to article 376 of the Companies-Code, and that assessment similarly presupposes the appraisal of the members of the Board of Directors.

I.4. Measures of Corporate Control

There are no measures whatsoever, in the Articles of Association or elsewhere, liable to interfere with the success of a takeover bid. There are no other defensive measures aimed at seriously eroding the Company's worth in the event of a shift in control or change in the composition of the Board of Directors, thus ensuring compliance with CMVM recommendation I.6.1. and I.6.3.

Specifically: no shareholder holds any special rights; and the articles of association do not envisage any restriction to the number of votes that can be held or exercised by a single shareholder, and therefore recommendation I.6.2 does not apply to CIMPOR.

There is neither any significant agreement to which the Company is a party and which, in the event of any change in control of the Company, would come into force, be amended or cease to be in effect.

There are also no agreements between the Company and the members of CIMPOR's Board of Directors or senior management (as interpreted under article 248-B(3) of the Securities' Code) that envisage the payment of compensation in the event of resignation, dismissal without just cause or severance of their employment contract with the Company, in the wake of a change in control of the Company.

II. MANAGEMENT AND SUPERVISORY BODIES

II.1. Governing Bodies

The governing bodies of CIMPOR are the General Meeting, the Board of Directors, the Audit Committee and the Statutory Auditor.

Pursuant to article 6(2) of the articles of association, the members of the governing bodies are appointed for a four-year term of office, and they may be re-elected.

II.1.1. Audit Committee and Statutory Auditor

An Audit Committee and by a Statutory Auditor or a Firm of Statutory Auditors, elected in the General Meeting are responsible for the supervision of the Company, in accordance with article 17 of the articles of association;

The Audit Committee is composed of three members in office and an alternate member. If the General Meeting does not indicate the Chairman of the Audit Committee then such will be appointed by the committee members from among their number. The Statutory Auditor or a Firm of Statutory Auditors is appointed following proposal by the Audit Committee.

The current composition of the Audit Committee is:

		Appointment date	Term of office in progress
Chairman	Ricardo José Minotti da Cruz Filipe	31/03/1992 (3)	2005-2008
Members	Luís Black Freire d’Andrade (1)	11/05/2007	2005-2008
	Jaime Macedo Santos Bastos (1) (2)	11/05/2007	2005-2008
Alternate	João José Lopes da Silva (1)	09/05/2008	2005-2008

(1) Independent member.
(2) Moved from Alternate Member to Sitting Member on 28/01/2008.
(3) The Chairman of the Audit Committee already held the office of Chairman of the Supervisory Committee of CIMPOR – Cimentos de Portugal E.P. from 12/02/1987.

CIMPOR’s Statutory Auditor is currently Deloitte & Associados, SROC, S.A., represented by João Luís Falua Costa da Silva.

There are no specific rules regarding the replacement of members of the Audit Committee. The Company’s Articles of Association only provides for the change to the number of members (within statutory limits) during a term of office. If an extra member is appointed, the term of office of the member(s) elected by such means shall coincide with that of the other members already in office.

The Audit Committee is governed by the regulations available for viewing on CIMPOR's website (at www.cimpor.pt), which establish *inter alia* the scheme applying to the incompatibility of its members, which solely refers the requirements set forth in article 414-A(1) of the Companies' Code (according to which the members of this governing body may not hold management of supervisory roles in five companies).

All the members of the Audit Committee comply with the incompatibility rules established in article 414-A(1) of the Companies' Code.

As above-stated, the majority of members of the Audit Committee are independent, with respect to the provision of article 414(5) of the Companies' Code. The member of the Committee, Jaime Macedo Santos Bastos, has auditing and accountancy specific qualifications.

The Audit Committee of CIMPOR, with regard to section 0.4. of CMVM Regulation no. 1/2007, established mechanisms in its internal regulations that allow it to evaluate the independence of its members and the compliance by the same with the rules on incompatibility in law, at the time of appointment and also at any other subsequent time. Owing to these mechanisms, the gauging by that body of the independence and incompatibility of its members, underpinning the information contained in this report, is based on the information provided by said members, having the range of situations envisaged in article 414(5) and 414-A of the Companies' Code as a reference.

The Chairman of the Audit Committee has powers that are adequate to the performance of that office, in accordance with CMVM recommendation II.1.3.1.. Notwithstanding, CIMPOR does not, as already stated above, agree with the provisions of that recommendation relative to the classification of the Chairman as "not independent", in the light of article 414(5)b) of the Companies' Code, due to the fact that said Chairman has held office for more than 3 terms.

The Audit Committee, according to article 6 of the Audit Committee Regulations and in conformity with applicable legislation and recommendations II.4.2., II.4.3., II.4.4. and II.4.5., performs *inter alia* the following duties relative to the statutory auditing of the accounts and auditing of the Company:

- The Audit Committee proposes the appointment of a Statutory Auditor or Firm of Statutory Auditors to the General Meeting, supervises and assesses its independence, the scope of the respective services and the audit of the Company's accounts and financial statements;
- The Audit Committee prepares and publishes on the Company's website the 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.
- The Audit Committee represents the Company before the external auditor, for all intents and purposes, and it is responsible for:
    - Proposing the external auditors hiring, renewal of the contract and remuneration;

- Ensuring that the external auditor is afforded adequate conditions for the provision of its services within the Company and the companies with which it has a group or control relationship;
- Assessing the content of the audit reports, annually evaluating the external auditor and proposing the removal from office to the General Meeting whenever just cause for such exists.

The Audit Committee held 13 meetings during 2008 and the minutes of the meetings were drawn up.

II.1.2. Board of Directors

The Board of Directors, pursuant to article 11 of the articles of the association, is composed of five to fifteen members, one of whom is chairman and the others are members. The Board of Directors is elected by the General Meeting, which also appoints the chairman (who is allocated the casting vote pursuant to article 11(3) of the articles of the association).

The Board of Directors is currently composed of eleven members:

		Appointment date	Term of office in progress
Chairman	Ricardo Manuel Simões Bayão Horta (1)	31/07/2001	2005-2008
Members	Luís Eduardo da Silva Barbosa (1)	31/07/2001	2005-2008
	Jacques Lefèvre	31/07/2001	2005-2008
	João Carlos Angulo (2)	31/07/2001	2005-2008
	Jorge Manuel Tavares Salavessa Moura (1) (2)	31/07/2001	2005-2008
	Luís Filipe Sequeira Martins (2)	12/02/1987 (4)	2005-2008
	Manuel Luís Barata de Faria Blanc (2)	31/07/2001	2005-2008
	Pedro Maria Calaínho Teixeira Duarte (3)	31/07/2001	2005-2008
	Vicente Árias Mosquera	31/07/2003	2005-2008
	José Manuel Baptista Fino	27/04/2005	2005-2008
	José Enrique Freire Arteta	27/04/2005	2005-2008

(1) Member of Internal Consultative Committee on Corporate Governance and Social Responsibility
(2) Member of the Executive Committee
(3) Chairman of the Executive Committee
(4) Date of appointment as member of the Management Board of CIMPOR – Cimentos de Portugal, E.P.

The Board of Directors is elected by list (the vote is solely for the lists) and one member may be elected from persons proposed on lists. The list must contain at least the name of the persons eligible for the post. Each list is endorsed and submitted by groups of shareholders representing at least 10% and no more than 20% of the share capital. A shareholder may only endorse one list. Should there be such a proposal, the director in question is elected separately and prior to the election of the others. If more than one group submits a list, they will be voted on jointly.

Pursuant to the Regulations of the Board of Directors of CIMPOR, which can be viewed on the website of CIMPOR (at www.cimpor.pt), only article 14 provides for, in the event of any incapacity or incompatibility of any member subsequent to appointment as a director, which would have impeded such appointment, and where the director does not cease to perform such role or remove the supervening incompatibility within thirty days, the Audit Committee to declare the term of that office.

The articles of association do not establish any specific rules regarding the replacement of members of the Board of Directors. The articles of association only provide for (ii) the change to 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 proper, will lead to the Board declaring the respective director to be in definitive absence.

Furthermore, pursuant to article 13 of the Board of Directors Regulations, a director deemed to be in definitive absence will be replaced, as follows:

- By co-option, unless the number of directors in office is not sufficient for the Board to operate;
- When co-option has not been implemented within sixty days of the absence, the Audit Committee can appoint a replacement, subject to ratification by the General Meeting;
- By election of a new director.

The same provision also provides for, in the event of permanent impediment to the Chairman, the Board of Directors to proceed, in harmony with its full powers to represent and manage the Company, with the appointment of a director from among its number that will temporarily take on the office of Chairman until a new Chairman of the Board of Directors is appointed at the subsequent meeting of shareholders.

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.

II.1.2.1. Overview of the Board of Directors

The Board of Directors, in harmony with CMVM recommendation II.1.2.1. 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 (six out of a total of eleven), including the Chairman, are non-executive directors.

The non-executive directors include three independent directors, pursuant to Article 414(5) of the Companies' Code:

- Ricardo Manuel Simões Bayão Horta
- Luís Eduardo da Silva Barbosa
- Vicente Árias Mosquera

The directors Jacques Lefèvre, José Manuel Baptista Fino and José Enrique Freire Arteta, despite being proposed and elected in the General Meeting on an individual basis and they do not exercise their respective offices in representation of any particular shareholder, are not considered to be "independent non-executive directors" since they hold or have recently held management positions in companies with shareholdings in CIMPOR exceeding 2% (Grupo Lafarge, Investifino - Investimentos e Participações, SGPS, S.A., and Bipadosa, S.A., respectively).

For the purpose of section 0.4. of the Annex to CMVM Regulation no. 1/2007, the assessment of the independence of the Company's directors, underpinning the information contained in this report, is based on the information they provide, with the range of situations envisaged in the abovementioned legislation as a reference.

Consequently, more than one-quarter of the members of the Board of Directors (three out of eleven) are independent non-executive directors, which is deemed to be an appropriate total – considering CIMPOR's size and its shareholder structure – and this number is in conformity with that established in CMVM recommendation II.1.2.2..

Additionally, none of the non-executive directors fall within any of the situations envisaged in article 414-A(1) of the Companies' Code, except those of sub-paragraphs (b) and (h), wherein they are directors of CIMPOR and members of the management or supervisory bodies of five companies (see Annex I hereunder).

The fact that the referred to recommendations on the qualitative composition of the Board of Directors are expressly provided for in article 7 of that body's regulations, well illustrates the importance CIMPOR places on adopting modern international guidelines on corporate governance and the Company's concern with the adjustment thereto.

II.1.2.2. Method of Functioning of the Management Body

The Board of Directors must meet at least once quarterly, without prejudice to other interim meetings which may be deemed necessary. No resolutions can be taken unless a majority of its members is present or represented, and each director may only represent one other member of the board of directors. The Board met 9 times during 2008 and the minutes of the meetings were drawn up.

The Board of Directors approved its operating regulations on 26 March 2008, which can be viewed on CIMPOR's website (at www.cimpor.pt). These regulations establish, *inter alia,* rules on the duties of directors, situations of conflicts of interest and relations with shareholders and the market.

The powers of the Board of Directors are those conferred by the Companies Code, plus the following powers, pursuant to Articles 4 and 5 of the articles of association: (i) increase the share capital with the entry of cash up to the limit of one billion euros; (ii) issue autonomous warrants on its own securities (which may grant the right to subscribe or acquire shares in the Company, up to the aforementioned limit of one billion euros); (iii) issue bonds or other debt securities of any kind or form permitted by law.

As mentioned above, following in the path of CMVM recommendation II.2.1, the Board of Directors has delegated all its powers for the day-to-day running of the Company to an Executive Committee composed of five of its members, which cannot decide on matters established by law as non-delegable. These are, pursuant to Article 407(4) of the Companies' Code:

- Selection of the chairman of the Board of Directors, when applicable;
- Co-option of directors;
- Request to convene General Meetings;
- Annual reports and accounts;
- The provision of bonds and personal or real guarantees by the Company;
- Change of head office and share capital increases;
- Company merger, split and transformation operations.

Moreover, and in line with recommendation II.2.2., the following are also impeded from being delegated to the Executive Committee, pursuant to article 16(3) of the Board of Directors Regulations:

- Definition of the Company's strategy and general practices;
- Definition of the Group's business structure;
- Decisions that must be considered strategic due to the sums or risk involved, or their special nature;
- Appointment of the Company Secretary and Alternate;
- Issue of preferred shares without voting rights, the issue of autonomous warrants on its own securities and the issue of bonds or other debt securities, pursuant to the articles of association.

The Executive Committee shall also, according to article 17(7) of those Regulations, submit matters to the Board of Directors for decision when such subjects concern any business, commitments, contracts, agreements and conventions to be concluded with shareholders possessing 2% or more of the share capital of CIMPOR, whenever the nature or monetary value of such matters means that they may not be considered day-to-day business.

The non-executive directors of the Company, in compliance with the duties attributed them by law and the regulations, have developed their role of supervising, monitoring and assessing the activity of the executive members in an effective manner and without having encountered constraints of any nature (see CMVM recommendation II.2.4.).

Pursuant to the provision of article 407(8) of the Companies' Code and article 16(4) of the Board of Directors Regulation, the non-executive directors of CIMPOR have performed the activities required to comply with their general duty to monitor the activities of the Executive Committee.

Accordingly, the delegation of the day-to-day management under such rules does not prevent the Board from taking resolutions on such matters, since the non-executive directors are responsible by law for the general monitoring of the performance of empowered director(s) or the executive committee, as well as being liable for any acts or omissions of such when, notified of such acts or omissions or the intention to practise such, they do not call on the Board to intervene and take suitable measures.

The performance of the role of non-executive director is further facilitated by the fact that the Chairman of the Board of Directors does not have an executive role and is an independent member, which drives the coordination of the work of the non-executive members (thus, the Company does not apply CMVM recommendation II.2.3.).

The activity of the non-executive directors in 2008 primarily focused on the following two areas:

- The specific activity of the Internal Consultative Committee on Corporate Governance and Social Responsibility (see section II.1.4.2. below);
- The supervision of the executive management, particularly through:
    - The assiduous attendance of meetings of the Board of Directors;
    - The timely appraisal of the matters submitted to the Board of Directors;
    - Analysis of the minutes of the resolutions of the Executive Committee;
    - Submitting request for clarification to the Executive Committee on issues requiring such.

The following procedures have been created to ensure that all members of the Board of Directors are aware of the decisions taken by the Executive Committee and, in particular, so that the non-executive directors take their decisions in an independent and informed manner (as envisaged in article 18 of the Board of Directors Regulations):

- The minutes of Executive Committee meetings shall be distributed to members of the Board of Directors;
- At meetings of the Board of Directors, the Executive Committee shall regularly summarize significant actions taken since its previous meeting and shall provide the directors with any additional clarification and information that is requested;

- The members of the Board of Directors can also request that the Executive Committee provide documents or information outside the Board's meetings.

II.1.3. Governance Model

Following the amendments made to the Portuguese Companies' Code by Decree Law no. 76/2006 of 29 March, the Annual General Meeting of 11 May 2007 decided to adopt the one-tier system provided for in article 278(1)a) of the Companies' Code.

Accordingly, the management of the Company is performed by the Board of Directors, and the Audit Committee and Statutory Auditor perform the supervision.

Close on two years after this decision, the Board of Directors considers the model adopted to adequately meet the specific features of the Company, and it has ensured that CIMPOR's governing bodies perform correctly, not only by fully complying with applicable legislation but also according to the best national and international practices on corporate governance, transparency and the accountability of management to the shareholders, the market and all other stakeholders in the Company. This has, as it happens, been a concern of the Board of Directors in its relations with the shareholders and the market, as has been established in article 25 of the Board of Directors Regulations.

Consequently, and in accordance with the assessment performed by the Board of Directors for the purpose of complying with CMVM recommendation II.1.1.1., it is this body's opinion that the implementation of the corporate governance model adopted at the General Meeting of 11 May 2007 has been able to prevent the occurrence of any constraints to its operation, therefore the proposal of any measures by the Board of Directors to alter the *modus operandi* of the model is not justified.

II.1.4. Committees with Management and Supervisory Powers

II.1.4.1. Executive Committee

At its meeting on 27 April 2005, the Board of Directors decided, as provided for in Article 13(1) of the articles of association, to set up an Executive Committee composed of five of its members. The powers of the Company's day-to-day management were delegated to this Committee, with the exception of those powers that cannot legally be delegated.

The Executive Committee has the same membership as in the previous term of office, as described in II.1.2 above.

The decisions of the Executive Committee, which is chaired by Pedro Teixeira Duarte who, when necessary, is replaced by Jorge Salavessa Moura, are taken by a majority of those present or represented. Decisions cannot be taken without a majority of members being present or represented. The Executive Committee met 45 times during 2008 and the minutes of the meetings were drawn up (see CMVM recommendation II.5.3).

Notwithstanding the collective exercise of duties delegated in the Executive Committee, each of its members has been specifically entrusted with the responsibility of supervising certain Functional Areas (see section II.2.1. below).

The following distribution for liaison with external entities was established:

- Technical Cement Industry Association (ATIC) and other Sectoral Associations – Jorge Salavessa Moura, replaced when necessary, by Luís Filipe Sequeira Martins;
- CEMBUREAU, "World Business Council for Sustainable Development" (WBCSD) and the Portuguese Association of Ready-mix Concrete Companies (APEB) – Luís Filipe Sequeira Martins, replaced when necessary by Jorge Salavessa Moura;
- Securities and Exchange Commission (CMVM), Euronext Lisbon and the Audit Committee – Manuel de Faria Blanc, replaced when necessary by Jorge Salavessa Moura.

The financial area has been attributed to Manuel de Faria Blanc, who has been performing this duty for two terms of office, thus complying with CMVM recommendation II.2.5..

The practice of the Executive Committee, according to recommendations II.3.1. and II.3.2., is to comply with the procedures necessary for guaranteeing the full transparency of its relations with the other governing bodies. In this context:

- The executive directors of CIMPOR provide the information requested from them by the members of the governing bodies, in good time and a manner appropriate to the request made;
- The Chairman of the Executive Committee provides the Chairman of the Board of Directors and the Chairman of the Audit Committee with the minutes of the Committee's meetings. It is certain that the respective meeting notice is known to all, since such meetings occur weekly on the same day.

II.1.4.2. Internal Consultative Committee on Corporate Governance and Social Responsibility

In response to international corporate governance best practices, an Internal Consultative Committee was formed by the Board of Directors at the start of 2002.

The Board of Directors decided in 2005 to extend the scope of those matters to include issues concerning the social responsibility of the Group, and the committee's name was changed to the "Board of Directors' Internal Consultative Committee on Corporate Governance and Social Responsibility".

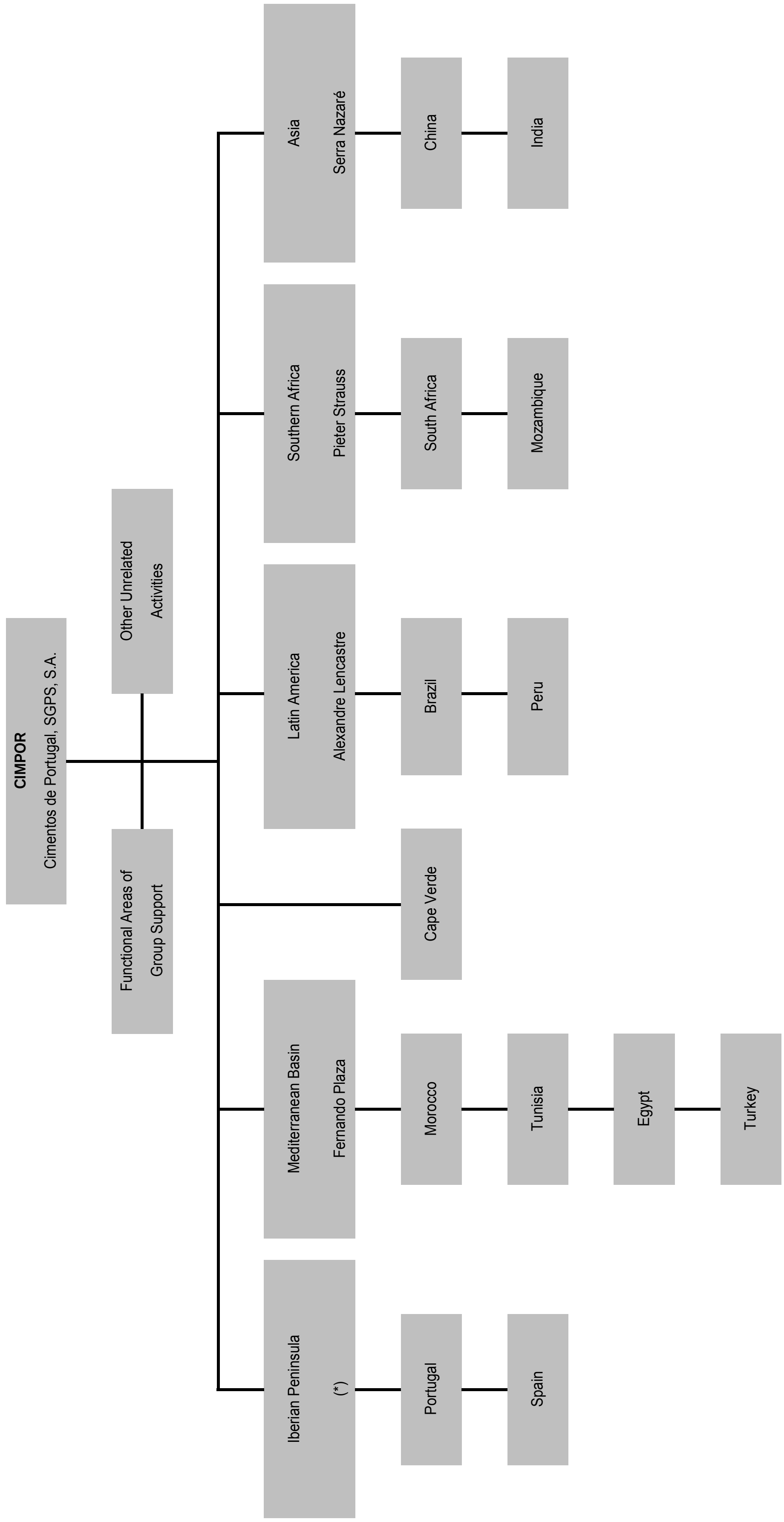
This Committee is currently responsible, as envisaged in article 20 of the Board of Directors Regulations, for studying, preparing and advising the Board on in-house standards and procedures to be adopted concerning the development and improvement of principles and practices of corporate conduct and governance, sustainable development and social responsibility, including aspects related to the internal functioning and relations of the Board itself, the prevention of conflicts of interest and information discipline. This special committee is thus equipped with all the powers necessary for performing the duties established in the second part of CMVM recommendation II.5.1.

The Committee is composed of at least three directors (the majority non-executive and independent) and its current members are:

- Ricardo Manuel Simões Bayão Horta
- Luís Eduardo da Silva Barbosa
- Jorge Manuel Tavares Salavessa Moura

The first two are independent non-executive directors.

The Committee meets whenever necessary and, in principle, at least once every half-year. It can call on external consultants in different areas of expertise, at the Company's expense, whenever it deems necessary. The Board met 4 times during 2008 and the minutes of the meetings were drawn up (see recommendation II.5.3)..



* No single officer is responsible for the Iberian Peninsula

II.2. Organizational Structure

II.2.1. CIMPOR Group

The CIMPOR Group is organized into business areas which correspond to the countries where the Group operates. These business areas are in turn grouped in major regions, viz.: (i) the Iberian Peninsula; (ii) the Mediterranean Basin; (iii) Latin America; (iv) Southern Africa; and *(v)* Asia. The various activities in each Business Area are grouped by product, and the core business is the production and sale of cement.

As the holding company for the Group, CIMPOR - Cimentos de Portugal, SGPS, S.A. is responsible for its strategic development – as regards the whole internationalization process – and for overall management of the different business areas, ensuring coordination of the financial, technical, human and other resources in harmony with the criteria and guidelines that, according to the Group's main goals, are set forth in the strategic plan, which is revised and approved annually by the Board of Directors.

More thorough monitoring of the management of the different business areas is ensured by CIMPOR Portugal, SGPS, S.A., for activities in Portugal, and by CIMPOR Inversiones, S.A., a sub-holding based in Spain, for all the others. This company was set up in 2002 to be the Group's launch-pad for expansion abroad.

Each of the abovementioned regions has a "zone manager", except for the Iberian Peninsula where, because of the size and diversity of its operations, such a role does not exist. This manager sits on the Board of Directors of the companies in the respective business areas and reports directly to the Board of Directors of CIMPOR Inversiones, S.A..

The Board of Directors of CIMPOR Inversiones, S.A is made up of three of the five members of the Executive Committee of the Board of Directors of the holding company - Jorge Manuel Tavares Salavessa Moura, Luís Filipe Sequeira Martins and Manuel Luís Barata de Faria Blanc - who are also on the management boards of the sub-holdings responsible for coordinating the Group's activities in Portugal and Spain - CIMPOR Portugal, SGPS, S.A., and Corporación Noroeste, S.A., respectively.

These three members of the board also have special responsibilities, without prejudice to the collective performance of the tasks delegated to said Executive Committee, concerning the monitoring of the Group's different Functional Areas:

- External Relations and Communication, Legal Matters, Human Resources and Internal Auditing - Jorge Salavessa Moura, replaced when necessary by Luís Filipe Sequeira Martins;
- Engineering and Technical Support Services to the Group - Luís Filipe Sequeira Martins, replaced when necessary by Jorge Salavessa Moura;

- Corporate Centre, Accounting, Consolidation and Tax, and Planning, Control and Information Systems - Manuel de Faria Blanc, replaced when necessary by Jorge Salavessa Moura.

The corporate organisation model for each business area is that considered to be best suited for each context, given the business' characteristics and conditions and the country's legal system. The aim is to take advantage of possible synergies and benefit from more favourable financial and tax frameworks.

Each business area 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 policy concerning the management composition for each business area is that both local nationals and other Group personnel are appointed, so as to provide multicultural management.

In companies that are directly or indirectly dependent on CIMPOR - Cimentos de Portugal, SGPS, S.A., the most important decisions - 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.

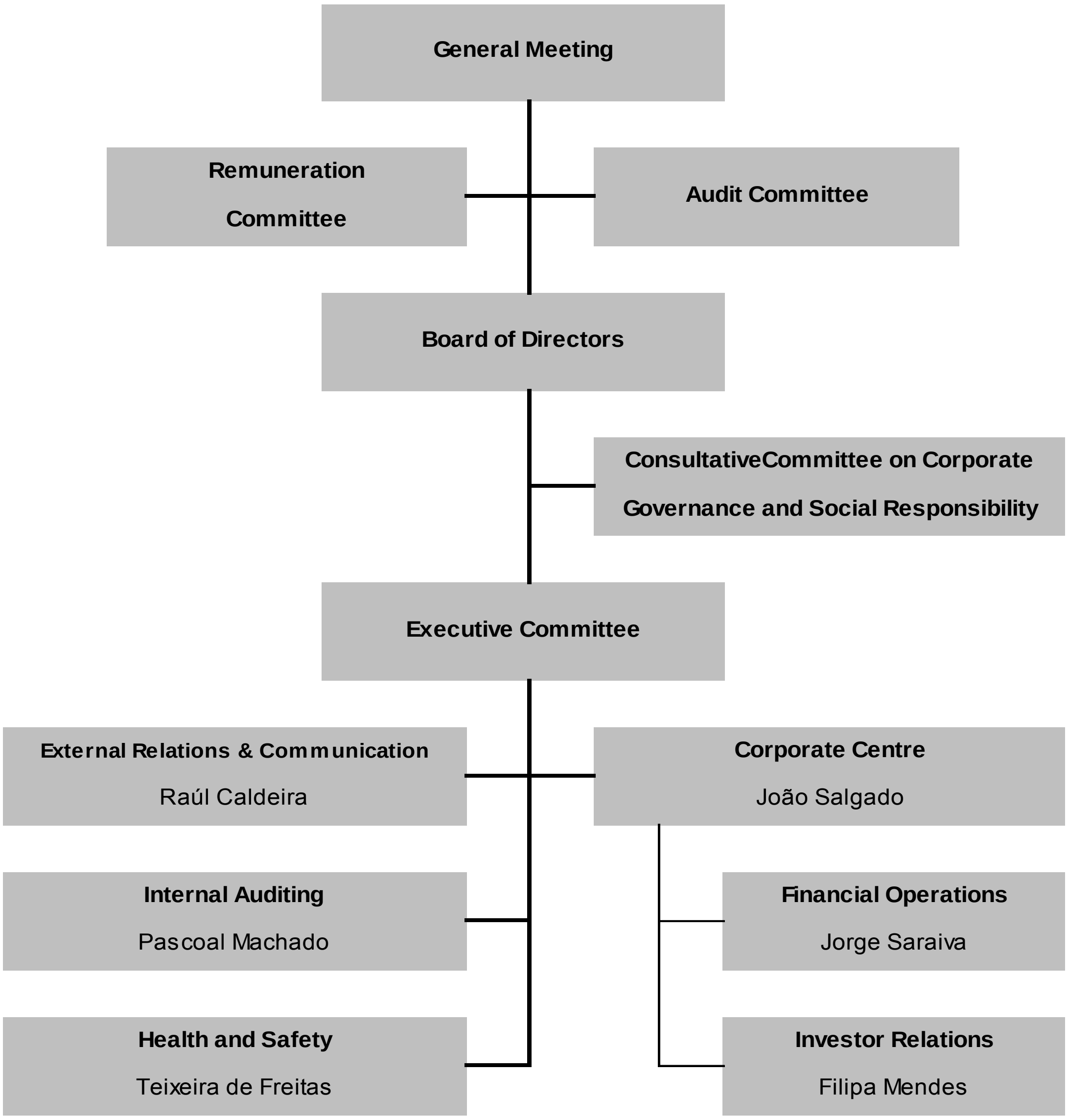
II.2.2. CIMPOR Holding

In order to perform its role properly, CIMPOR has functional structures supporting the Group's management and the management of each business area, as shown in the following diagram.

The main functions of the Corporate Centre are: (i) to contribute to the achievement of the Group's international development strategy, guaranteeing the procedures leading to the acquisition of companies in the different markets to which the group intends to expand its operations; (ii) to ensure, through the Investor Relations Office, regular communication with players in the capital market, namely shareholders, regulators and other public authorities, financial analysts and fund managers and other collective investment bodies; and (iii) in the Financial Operations area, to ensure access under the best conditions to the financial resources necessary for the Group's expansion and its day-to-day operation.

The External Relations and Communication Department ensures implementation of the Group's communication and image policies.

The Internal Audit Department is responsible for conducting and coordinating financial, asset and operational audits throughout the Group by examining and assessing the adequacy and effectiveness of the internal control systems and the quality of their performance.

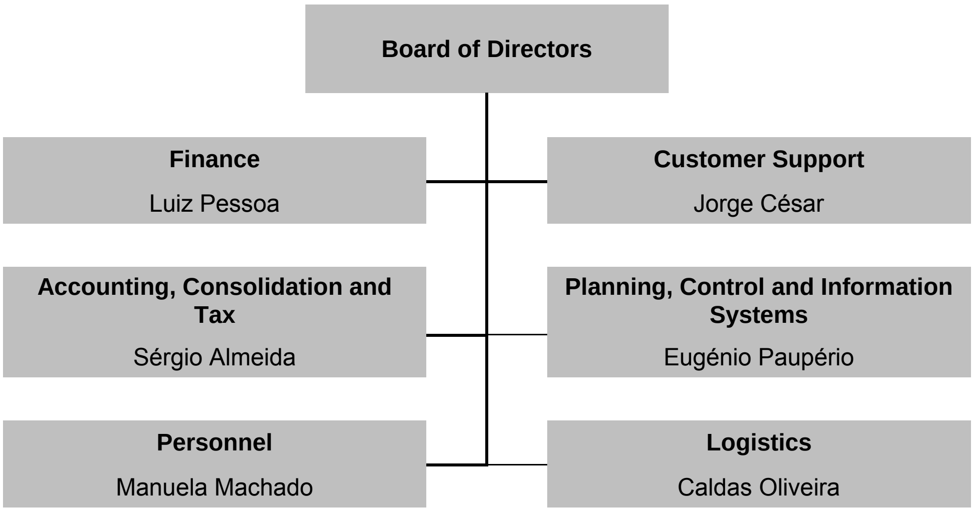


Set up following the inclusion of occupational health and safety among the CIMPOR Group's critical business values and as one of the priority targets of its operational strategy, the mission of the Health and Safety Advisory Office embraces: (*i*) proposing guidelines that the policy adopted should follow, the goals to be achieved and the management system to be used; (*ii*) galvanizing its implementation; (*iii*) coordinating the activities in question in functional terms, on a Group-wide basis; and (*iv*) supervising its implementation and assessing the results.

II.2.3. Shared Services

The harmonization and standardization of processes and practices which enable Group culture to be enhanced and the quality, flow and reliability of decision-making information to be improved have long been an important pillar in the CIMPOR Group's global policy.

At the start of 2004, after the "Shared Services" company - "CIMPOR - Serviços de Apoio à Gestão de Empresas, S.A. (CIMPOR Serviços) - was founded, a series of non-core business processes/functions that had been scattered throughout the Group holding company, the CIMPOR Portugal sub-holding and the operating companies themselves were transferred to CIMPOR Serviços.



CIMPOR Serviços provides management, consultancy and advisory services to all Group companies, particularly those with head offices in Portugal. Its current organizational structure is shown in the diagram below.

The Planning, Control and Information Systems Department coordinates and executes the entire process of preparing and controlling the plans and budgets of the different business areas and companies with head offices in Portugal, as well as the management and development of the Group's information systems and technology.

The Accounting, Consolidation and Tax Department is responsible for: (i) promoting and carrying out the entire financial consolidation process; (ii) defining the Group's accounting principles and policies, and coordinating and supporting their implementation; (iii) preparing and undertaking the accounting functions of the companies with head offices in Portugal; and (iv) carrying out the Group's tax planning and ensuring that these companies fully comply with their tax obligations.

The Personnel Department, besides providing human resource policy implementation support to the Group's different business areas, implements the human resources policy in Portugal, striving to ensure the best use for the available skills and development of these resources to a degree that maximizes employee performance and contributes to employees' personal and professional accomplishment. This department is also responsible for managing personnel matters in Group companies with head offices in Portugal, on the basis of service provision contracts entered into with such companies.

Group companies can also enter into such contracts with the Financial Department to provide services regarding their receivables, payables and treasury processes and the monitoring and control of their financial management.

The Logistics Department manages the physical spaces of companies belonging to the Group with head offices in Lisbon (Rua Alexandre Herculano and Prior Velho), and also provides them with administrative support services in the purchasing and stationery, travel and accommodation, communications and filing fields. It also offers advisory services on organizational development and administrative support to vehicle management and in contracting industrial accident insurance to the set of companies included in the Portugal business area. It further manages and controls the Group's asset risks, guaranteeing that such risks are duly covered by insurance contracts that are appropriate to the underlying risks of the Group's business.

The mission of the Customer Support Department is to ensure liaison between the various elements of the Shared Services Centre and the companies served - fostering continued improvement in the quality of the services rendered and raised company-customer satisfaction levels. It is also responsible for providing any support required by the respective governing bodies, particularly in legal matters.

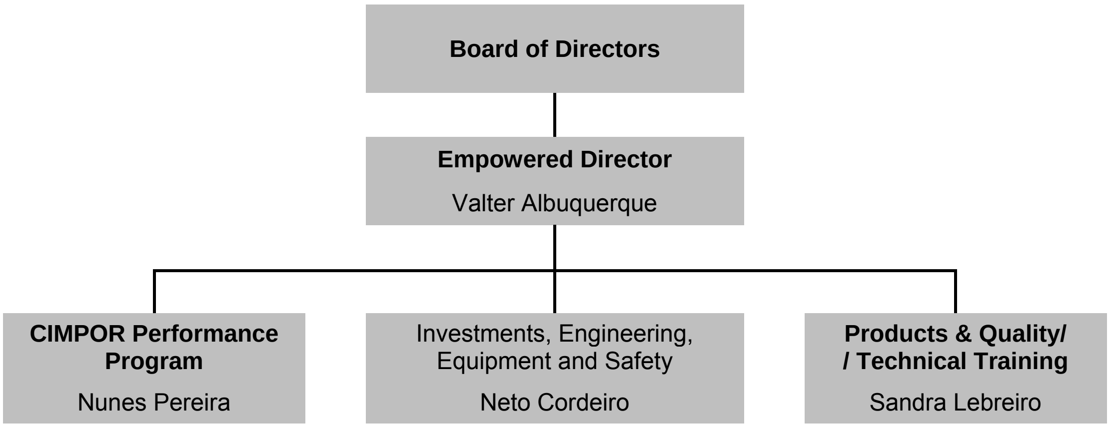
II.2.4. Cimpor Tec

The need to strengthen the Group's technical and technological culture led to the Board of Directors deciding, at the end of 2004, to transfer the Technical and Industrial Development Centre of the holding company and the Central Laboratory of CIMPOR - Indústria de Cimentos, S.A., to a new company then founded: CIMPOR TEC – Engenharia e Serviços Técnicos de Apoio ao Grupo, S.A. The business started-up on 1 January 2005, with the following main mission:

- Provide technical and technological assistance to the different Group companies, especially those in the cement sector, with a view to improving their operating performance, governed by principles of Sustainable Development;
- Ensure the technical and financial excellence of the Group's industrial investments in that sector;
- Promote new initiatives common to all Group companies, especially staff training initiatives, with the underlying aim of achieving technical progress in cement production and sales;
- Provide technical advice in assessing the financial aspects of any opportunities to acquire cement production assets and in defining the targets to be achieved;
- Ensure that all the Group's companies are aware of, and use, the know-how that is available in each company or which may be accessed externally.

The Company's organization is broken down into three major segments of activity, as shown in the diagram below:

- 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 investment and project management, automation and control, equipment and maintenance management and occupational health and safety;
- Products & Quality / Technical Training - which, in addition to acting in the areas mentioned in its designation, includes the Central Laboratory and R&D.



II.3. Internal Control and Risk Management

At holding company level, in addition to the Corporate Centre – with responsibilities that include financial risk management – the Group also possesses an Internal Audit Department which supervises the adequacy and effectiveness of the internal control systems in all the Group's areas, and ensures the good performance of those systems.

The functions of this Department are:

- To carry out financial, administrative and asset audits,
  - certifying the results in relation to the established strategy and goals;
  - examining and ensuring compliance with established policies and plans and the applicable procedures, laws and regulations;
  - verifying the powers and responsibilities established within the Group and their level of formalization;
  - monitoring the development of or changes in operations, programmes, systems and controls; and
  - verifying the custody, physical existence and valuation criteria of assets;

- To carry out operational audit tasks (particularly in the areas of marketing, production, investment, conservation and personnel),
    - evaluating the level of the respective management control;
    - recommending any corrective measures deemed necessary; and
    - ascertaining whether previously reported deficiencies have been duly corrected;
- To audit the computer system,
    - assessing the reliability and integrity of the information and the various means used to identify, process and disclose it; and
    - analyzing the existing information systems in terms of their security, basic programmed controls and how up-to-date user manuals are.

Risk management in the CIMPOR Group begins with the main operating companies, which identify, measure and analyse the different risks to which they are exposed. Particular emphasis is given to operating and market risk (business-volume risk), with estimates being made of the probability of occurrence of the various factors underlying the risks and their potential impact on the Company's business or the activity in question.

The operating managers are responsible for designing and implementing the most suitable risk control mechanisms. The efficiency of such mechanisms is periodically evaluated by the holding company, through the Internal Audit Office under an annual plan for auditing financial areas and information systems, and verifying processes and conformity with approved procedures.

The main goal of the holding company is to obtain an overall picture of the risks faced by the Group in each of its different activities and business areas and to ensure that the resulting risk profile is consistent with the Group's global strategy, particularly in relation to the level of risk deemed acceptable, given the Group's capital structure. In other words, in harmony with the policy defined by the Board of Directors: to combine the constant search for business opportunities that can make a positive contribution to the value creation process with a level of risk that, in terms of CIMPOR's long-term rating, does not jeopardize its current investment grade.

The Directors' Report includes a chapter describing the policies for financial and asset risk management, guaranteed for the holding by the Corporate Centre and for CIMPOR Serviços by the Logistics Department. The Group's policy in regard to financial risks of a more general nature and not subject to specific coverage is steered towards the geographical diversification of its expansion-generating investments, so as to balance CIMPOR's presence in mature and emerging markets and foster business operations at different levels of development. In this sense, potential acquisition targets are not only defined taking into account the need to maintain a balanced and geographically diverse business portfolio, but also the assets to be acquired are assessed on a case-by-case basis, incorporating risk premiums that are appropriate to the specific situation of each deal and each country.

CIMPOR deems its internal control system to be effective in detecting risks associated to its business activity, in safeguarding its assets and benefiting the transparency of its corporate governance, fully complying with CMVM recommendation II.1.1.2.

II.4. Remuneration

II.4.1. Remuneration Committee

The General Meeting held on 27 April 2005 unanimously appointed a Remuneration Committee for the four-year term from 2005 to 2008, pursuant to Article 16 of the articles of association, composed of the following members:

- Pedro Pereira Coutinho Teixeira Duarte
- Banco Comercial Português, represented by Filipe de Jesus Pinhal
- António Carlos Calaínho de Azevedo Teixeira Duarte

Only the first above-identified member is deemed to not be independent, in the light of the criteria established by section II.19. of the Annex to CMVM Regulation no. 1/2007, given that said member is a relation in the first degree to the director Pedro Maria Calaínho Teixeira Duarte. Notwithstanding, given that such non-independent member is in a minority on the Committee, any possible conflicts of interest are deemed to be sufficiently safeguarded.

This Committee met 3 times during 2008 and the minutes of the meetings were drawn up (see CMVM recommendation II.5.3).

II.4.2. Remuneration Policy and Disclosure of Remunerations

The remuneration of the members of the Company's board of directors, and its form and mode of payment as well as its respective supplementary retirement or disability pension scheme, are determined by the Remuneration Committee, which consists of shareholders elected by the General Meeting. Such remuneration may include a variable component based on the year's profit, but this may not in total exceed 5% of the profit, pursuant to Article 16(6) of the articles of association.

The fixed annual remuneration of the members of the Board of Directors is established by the Committee on the basis of the following principles:

a) Adequacy of the remuneration in relation to market standards;

b) The value of the services rendered, the level of responsibility undertaken and the degree of dedication expected;

c) Award of a supplementary pension scheme (PPR) to directors with executive duties, to which monthly contributions of 12.5% of their respective fixed remuneration are made.

In addition, all the directors benefit, by decision of the Remuneration Committee, from the "Employee Stock Purchase Plan", as described in section III.5.1 below, and pursuant to the terms established therein.

The variable remuneration (including the granting of share options) is limited to members of the Executive Committee, and is determined annually on an individual basis by the Remuneration Committee according to the Group's profit (complying with the statutory limits mentioned above), the extent to which the defined strategic goals were met and the appraisal of each director's performance in their specific area of operation.

Said Committee awarded the members of the Executive Committee in 2008, based on those criteria, a total of EUR 2,035,000 in bonuses, equivalent to around 0.67% of the Group's net income (after minority interests) and to 0.81% of the Company's net profit, on an individual basis.

Share options are granted in accordance with the rules of the overall programme, as set forth in paragraph III.5.2 below. The fact of spreading the possibility of exercising the options over a time period (four years), not only defers a large part of the corresponding benefit but also make such options depend on the Group's medium to long term performance and the continuation of the respective profits.

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, pursuant to CMVM recommendation II.1.5.1.

In relation to the executive directors, the number of options granted, exercised and extinguished in 2008 was:

	Series				Total
	2005	**2006**	**2007**	**2008**	
Exercise Price (euros)	3.,30	4.05	4.90	4.25	-
Options Granted					
Initial Options	-	-	-	137,500	137,500
Derived Options	-	-	-	412,500	412,500
Exercisable Options	146,000	125,000	135,000	137,500	543,500
Exercised Options	146,000	125,000	135,000	137,500	543,500
Extinguished Options *	-	-	-	-	-

* In addition to this options extinguished as a result of termination of the respective financial year

A total of 807,500 options were still to be exercised at the year's end, broken down as follows:

Series	Options Exercisable in: 2009	2010	2011	Total
2006	125,000	---	---	125,000
2007	135,000	135,000	---	270,000
2008	137,500	137,500	137,500	412,500
Total	397,500	272,500	137,500	807,500

In accordance with Article 16(3) of the articles of association a lifetime pension may also be granted to retiring directors, provided the following prerequisites 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 and the relevance of the services rendered and the beneficiary's circumstances and may be reviewed annually. 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.

The referred to provision of the articles of association has not yet been applied. Furthermore, no compensation was paid nor is any such payment envisaged, irrespective of its nature, in the event of removal from office of any director or the early termination of office.

As at 31 December 2008 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 Option Plan" and their price on the date of purchase) was as follows:

(Amounts in euros)	Fixed remuneration	Variable remuneration	Total remuneration
Executive Directors	1,291,615.57	2,696,675.00	3,988,290.57
Non-Executive Directors	536,841.80	-	536,841.80
Total	1,828,457.37	2,696,675.00	4,525,132.37

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., nor any significant non-monetary benefits that may be considered remuneration.

The same stands true for the members of the Audit Committee. The remuneration of this Committee is also determined by the Remuneration Committee. The remuneration of the Audit Committee, which solely has a fixed component, amounted to EUR 98,805.00 in 2008.

II.5. Policy on the Reporting of Irregularities

In 2006 the board of directors approved and published a set of in-house rules and procedures on how communications of alleged irregularities occurring within CIMPOR Group companies are to be received, recorded and dealt with. These rules and procedures respect the legal and regulatory provisions, the recommendations that apply at any given time (namely CMVM recommendation II.1.4.1) and the principles and rules in the Code of Ethics adopted by the Group.

The new Regulations have established a system for such reporting which is designed to be effective, quick and capable of detecting, investigating and resolving situations, while respecting the highest ethical principles – in particular the principles of integrity and responsibility – as well as the rules of confidentiality and non-retaliation, thereby safeguarding relations with the persons involved.

It is important to clarify, for the purposes of CMVM recommendation II.1.4.2 that, pursuant to and for the purposes of these Regulations, in accordance with Article 2(2) therein, "irregularity" is taken to be "any fraudulent or negligent act or omission, contrary to legal or regulatory provisions, the Articles of Association or the rules or ethical principles of the Group", which can be imputed to any member of the governing body or any other employee of the CIMPOR Group.

The means by which reports are made, the persons to whom they should be addressed and way in which they are handled are duly set forth in the Regulations, and the Internal Audit Department of the holding company shall, without prejudice to the powers of the Board of Directors' Internal Consultative Committee on Corporate Governance and Social Responsibility, oversee and monitor the entire system, with special reference to levels of adequacy and effectiveness.

Attention is drawn to the explicit guarantee in the Regulations that each and every communication made by an employee under the terms and conditions set forth therein shall be treated in confidence and anonymously, in particular in relation to the identity of the person reporting the irregularity (unless the latter expressly and unequivocally requests otherwise). Provided that he/she is acting in good faith, this person is also assured that he/she will not be subject to any kind of prejudicial treatment, retaliation, discrimination, threat or sanction by CIMPOR. But if the conduct of the person reporting fails to respect these principles, he/she may be held to have committed an offence which may be subject to disciplinary action appropriate and proportional to the offence, without prejudice to any civil and/or criminal liability which may arise from his/her conduct.

II.6. Codes of Conduct of the Governing Bodies

In addition to the legal provisions applicable to companies, to corporations open to investment by the public and to the stock markets, the Company's culture and practice stresses the rules of good conduct in the event of a conflict of interest arising between members of the governing bodies and the Company, and the principal obligations resulting from the duties of diligence, loyalty and confidentiality of the members of the governing body, with special reference to the improper use of Company property and business opportunities.

This culture is ingrained in article 4 of the Board of Directors Regulation (available on CIMPOR's website, www.cimpor.pt, according to CMVM recommendation II.1.1.3), according to which the maximisation of the value of the Company and the CIMPOR Group is a criteria that is horizontal to the action of the Board's members, adopting the basic concept of sustainable development and the best-known economic, social and environmental practices, ensuring strict compliance with law, the principles of good faith and raised ethical standards of integrity, loyalty, honesty and responsibility.

These Regulations particularly enshrine the following fundamental duties of the members of the Board of Directors:

- The duty of concern, technical competence, and knowledge of the Company's and Group's business;
- The duties of assiduousness, loyalty and confidentiality.

The Regulations of the Company's Audit Committee (available on CIMPOR's website www.cimpor.pt, according to CMVM recommendation II.1.1.3) also enshrine a set of duties in terms of conduct to be complied with by this body in the performance of its supervisory duties.

Even though the Board of Directors has always taken care to apply these principles in all of the Group's companies, it was deemed useful to codify a set of rules on these and other matters that are especially relevant to the Group's business. A Code of Ethics was therefore approved and published internally (available from the website www.cimpor.pt) so as to specifically regulate these matters and formalize the observance by all the Group's employees of high standards of conduct in their respective functions.

The Company's Code of Ethics fully complies with the Portuguese standard (NP 4460-1/2007) on ethics in organisations.

III. INFORMATION

III.1. Share Capital and Shareholder Structure

The share capital of CIMPOR currently stands at 672 million euros, and it is fully paid up. (Registered and ordinary) shares number 672 million, (each with a par value of one euro), and are traded on Lisbon Euronext.

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: CIMP PL

Number of shares (with a par value of 1 euro):

Total – 672,000,000
Listed for trading – 672,000,000

According to the Information on Qualifying Holdings received by the Company by 31 December 2008, and in compliance with the rules of imputing voting rights established in the Securities' Code, the holders of shareholdings were, on that date, the following:

Shareholder	Number of Shares	% of Share Capital
Teixeira Duarte, SGPS, S.A.	153,884,443	22.90%
Manuel Fino, SGPS, S.A.	136,141,960	20.26%
Grupo Lafarge	116,089,705	17.28%
Banco Comercial Português, S.A. (1)	67,474,186	10.04%
Bipadosa, S.A.	44,912,524	6.68%
Ten. Coronel Luís Augusto da Silva	14,049,090	2.09%

(1) Including Pensions Fund

No shareholder of CIMPOR holds any special rights and all the shares representing the Company's share capital can be freely traded on a regulated market. No shareholder agreements are known of and no system of employee participation in the share capital is envisaged.

As at 31 December 2007, CIMPOR held 4,002,209 own shares in portfolio. During the first six months of 2008 it disposed of 1,168,620 shares to its employees at an average price of around 4.154 euros, under the stock purchase and stock option plans referred to in section III.5. below.

Date	No Shares	Price (EUR)	Note
17 March	276,700	3.300	(1)
17 March	240,440	4.050	(1)
17 March	229,360	4.900	(1)
28 March	250	4.900	(1)
13 May	157,380	4.565	(2)
27 May	264,490	4.250	(3)

(1) Options Award Plans (2005, 2006 and 2007)
(2) Share Acquisition Plan (2008)
(3) Options Award Plan (2008)

A total of 5,643,243 shares were acquired during 2008 at an average unit price of 4.503 euros, with the intention of securing the ongoing nature of the Group's incentive policy and to meet commitments under the referred to stock purchase and option plans (see Annex II).

As a result, the number of own shares held in portfolio at the end of 2008 was 8,476,832, which is equivalent to 1.26% of the Company's share capital.

III.2. Amendments to the Articles of Association

The articles of association can be amended pursuant to the provisions established in law and according to the rules defined in the articles of association proper (Article 8).

- So that the General Meeting may take a decision to amend the articles of association on its first notice to convene, the shareholders attending or represented at the Meeting must hold at least one-third of the share capital; and
- Decisions to amend the articles of association have to be approved by a minimum of two-thirds of the votes cast, irrespective of whether the General Meeting is convened at the first call or the second call, unless, in the latter case, the shareholders attending or represented at the Meeting must hold at least half of the share capital, in which event such decisions may be approved by simple majority of the votes cast.

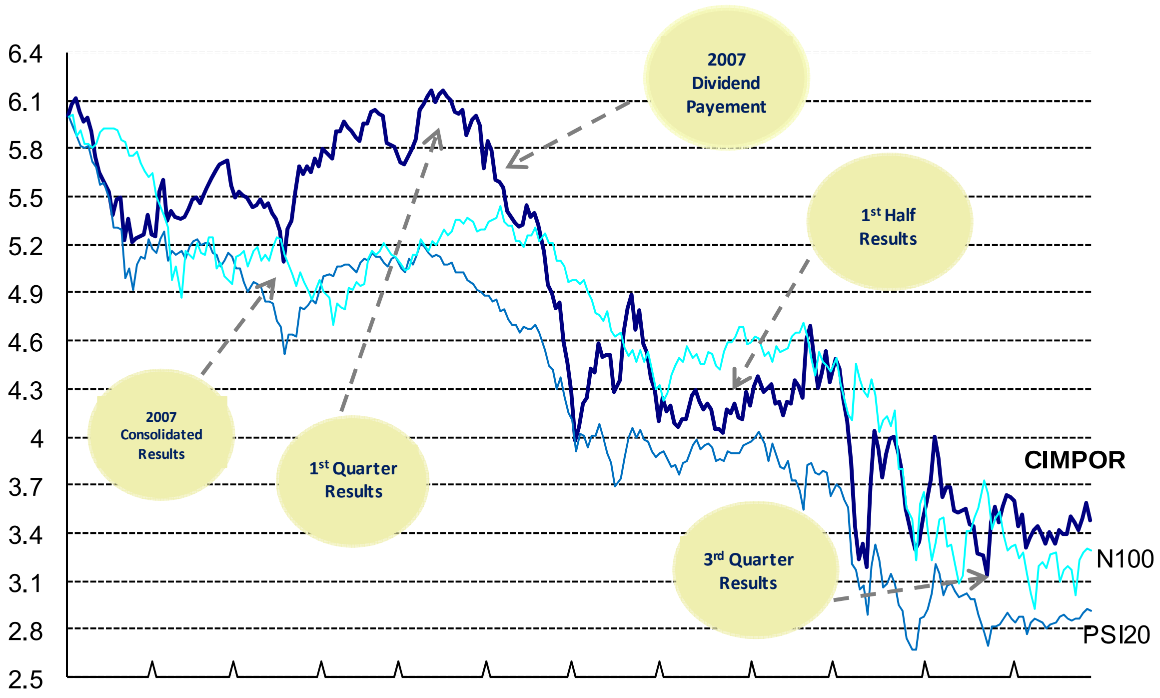
III.3. Performance of CIMPOR shares on the Stock Exchange

Share markets throughout the world underwent one of their largest ever declines in 2008, as a result of the crash of the high-risk US sub-prime credit market and its devastating impact on the banking sector and on the real economy, particularly from the third quarter on.

The Lisbon Stock Exchange did not escape this decline and its main index (PSI20) fell 51.3%, recording a turnover of only EUR 52 billion (45% down on the 2007 figure) and a level of volatility recording a maximum of 32.6%.

CIMPOR's shares followed this trend. Around 283 million CIMPOR shares were traded (a year-on-year fall of 34%) for a total value close on 1.4 billion euros (half the amount traded in 2007).

Evolution of the CIMPOR share price



The maximum price of the year (6.16 euros) was attained on 15 May, and the minimum price was recorded on 10 October - 3.20 euros. The share price then benefited from a slight recovery in the market, closing the year at 3.48 euros, 42% below the closing price at the end of 2007 (this being, even so, a fall that was not as steep as that recorded by the PSI20 index and the Euronext 100 index).

The dividends for 2007 were paid on 6 June. The gross dividend amounted to 0.23 euros/share (0.184 euros in net terms) representing an increase of 7% on the dividend paid in the previous year, with gross earnings per share of around 4.3% on the dividend payment date.

	2008	2007
Share Capital (10^3 euros)	672,000	672,000
Number of shares (1)		
Total	672,000,000	672,000,000
Treasury Shares	8,476,832	4,002,209
Share price (euros)		
Maximum	6.16	7.72
Minimum	3.20	5.58
Year end	3.48	6.00
Market capitalization (10^3 euros) (1)	2,338,560	4,032,000
Gross dividend / share (euros) (2)	0.185	0.230
Dividend yield (2) (3)	5.32%	3.83%
Net income after M.I. (10^3 euros)	219,441	304,073
Payout ratio (2)	56.7%	50.8%
Transactions		
By volume (1,000 shares)	283,461	429,264
By value (10^6 euros)	1.404	2.802
Market share	2.7%	2.8%
Annual Evolution		
Euronext 100	- 45.2%	+ 3.4%
PSI 20	- 51.3%	+ 16.3%
CIMPOR share	- 42.7%	- 4.6%

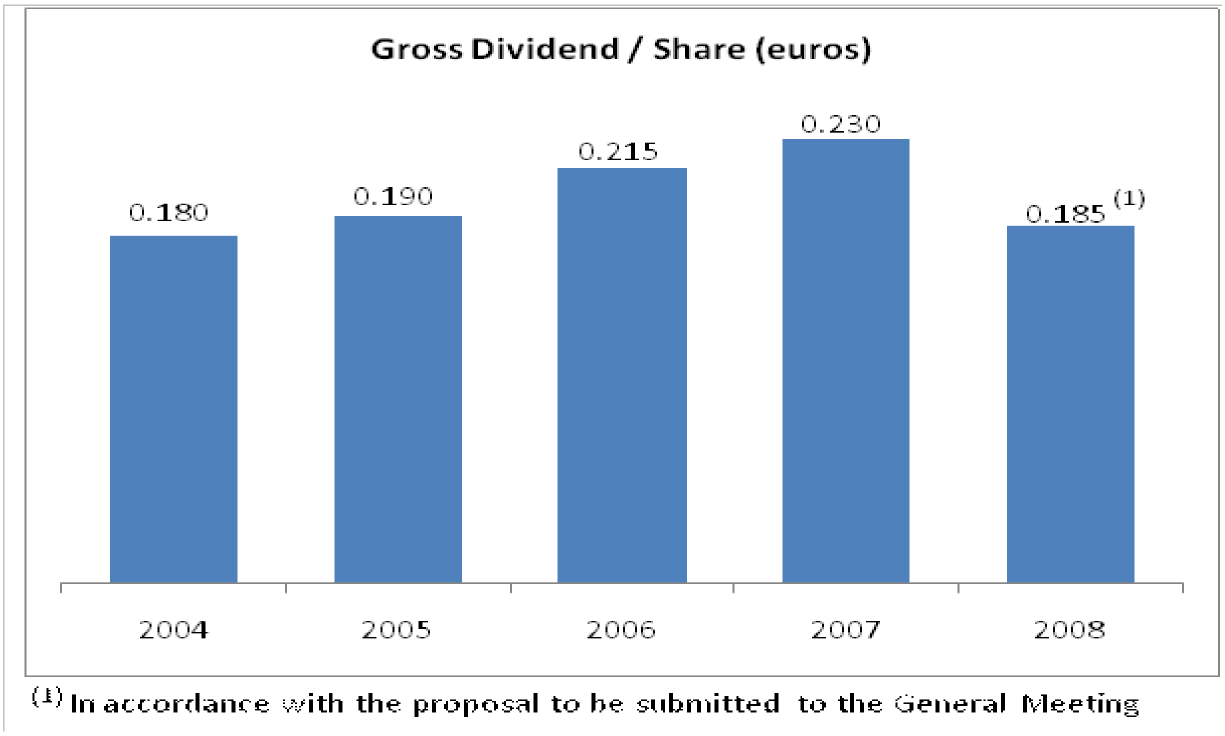
(1) At 31 December
(2) In 2008: according to the proposal to be submitted to the General Meeting
(3) Relative to share price at year end.

III.4. Dividend Distribution Policy

The Board of Directors of CIMPOR intends to maintain a divided distribution policy that takes into account:

- the desirable stability of the payout ratio;
- the competitiveness of the dividend yield in the context of the Portuguese market and the international cement market;
- the Group's future investment prospects, analyzed from the perspective of financing needs through equity and the capacity of the varied business operations to generate cash flow.

The proposed allocation of the profits declared in the management report and relating to the individual activity of CIMPOR follows the policy guidelines set forth above, and the proposed dividend of 0.185 euros amounts to around 56.7% of the Group's net profit.



III.5. Stock Purchase and Stock Option Plans

The Annual General meeting of CIMPOR held on 9 May 2008 decided, in the ambit of the Group's employee remuneration and incentive policy, and with a view to better alignment of employees' interests with the underlying goal of creating shareholder value, as in previous years and as proposed by the Board of Directors, to give employees the opportunity to invest in the company under advantageous terms. Such investment is likely to assist employees to better integrate the long-term goals of the Company and its shareholders.

Therefore, the sale of own shares to employees and board members of the Company and subsidiaries was approved, under a new Employee Stock Purchase Plan and under the “2008 Series” of the Stock Option Plan for the Group's directors and personnel, the regulations for which were established in 2002 (with minor changes introduced in March 2004) by the Remuneration Committee.

As in previous years, and in accordance with CMVM recommendation II.1.5.4, this approval by the General Meeting made explicit reference to the grounds for adopting the plans, contained a summary of the essential characteristics of the approved plans, including the prerequisites for attributing the options, the criteria for setting the price of the shares or for exercising the options (determined in relation to the listed share price at specific times) the periods in which the options may be exercised, and the granting of powers to the Board to execute or modify the plans. The proposals of the Board of Directors thus include all the elements needed for the correct evaluation of the plans, in line with the respective regulations.

III.5.1. Employee Stock Purchase Plan for 2008

This Plan is aimed at the directors and personnel with a stable labour relationship with CIMPOR or with companies with head offices in the Iberian Peninsula directly or indirectly controlled by CIMPOR - Cimentos de Portugal, SGPS, S.A., the directors and managers of the other Group companies (proposed by managers of the respective areas for that purpose) and other personnel (indicated for that purpose by the Executive Committee), contracted by companies in which the holding company or any company controlled by it has a shareholding. The Employee Stock Purchase Plan (for 2008) consisted of awarding each beneficiary - as decided by the Remuneration Committee with regard to the Directors of the holding company, and as decided by the Executive Committee in all other cases - the right to acquire a specific number of CIMPOR shares at 75% of the closing stock market price (rounded up) on the transaction date, and defined as follows:

$$\text{Maximum number of shares to purchase} = \frac{\text{Gross base monthly salary / 2}}{\text{75\% of closing market share price on transaction date}}$$

rounded down to the nearest multiple of five or ten shares, depending on whether the above formula results in fewer or more than 100 shares, respectively.

Of the 2,408 employees eligible to purchase CIMPOR shares according to this rule, 491 employees responded affirmatively (432 in Portugal and 59 in Spain) within the given timeframe (17 to 24 April). A total of 157,380 shares at a price of 4.565 euros per share were acquired.

III.5.2. CIMPOR Stock Option Plan for the Group's Directors and Management – 2008 Series

The Stock Option Plan - 2008 Series applied to the Directors of the holding company who the Remuneration Committee decided to name as beneficiaries and the members of the Boards of Directors of subsidiaries and other Group personnel designated to that end by the Executive Committee.

As mentioned in the decision of the Annual General Meeting of 9 May 2008, 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 corresponding derivative options comprise 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 the other cases;
- The number of derivative options each beneficiary can exercise each year cannot exceed in total the number of shares held by the beneficiary on 28 February of that year, regardless of whether or not they were acquired 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 thus acquired are not subject to any clause restricting their sale, contrary to the options, which cannot be transferred through a transaction between living persons (should the beneficiary die, only the right to pay the respective options in full is transferred to the heirs, which effectively means entitlement to receive the difference in value between the price of exercising the option 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 decision of the Remuneration Committee, without loss of the options already acquired.

278,100 initial options were granted to 206 Group Directors and managers in 2008 under this plan, during an exercise period running from 15 to 20 May. 185 of these exercised part or all of their options, at the price of 4.25 euros per share, acquiring a total of 264,490 shares.

Thus, in 209 to 2011 inclusive, a maximum of 792,270 derivative options of this series may be exercised at the same price per share (following the deduction of 1,200 options held by an employee who has voluntarily terminated employment with the Group in the meantime).

III.5.3. Options Granted, Exercised and Extinguished

Under the 2005, 2006 and 2007 Series, of the 767,100 derivative options that could be exercised in 2008, a total of 746,750 options were exercised, and the remaining 20,350 were extinguished. Furthermore, 1,000 derivative options of the above-stated employee of the 2006 and 2007 series (falling due in 2009 and 2010) were also extinguished.

To summarize the situation for 2008:

	Series				Total
	2005	2006	2007	2008	
Exercise price (euros)	3.30	4.05	4.90	4.25	-
Options Granted					
Initial Options				278,100	278,100
Derived Options				834,300	834,300
Total				1,112,400	1,112,400
Exercisable Options	281,700	246,650	238,750	278,100	1,045,200
Exercised Options	276,700	240,440	229,610	264,490	1,011,240
Extinguished Options					
Exercisable in 2008					
For non-exercise of Init. Op.				13,610	13,610
For non-exercise of Deriv. Op.	5,000	6,210	9,140		20,350
Exercisable from 2009 to 2011					
For non-exercise of Init. Op.				40,830	40,830
For other reasons	---	400	600	1,200	2,200
Total	5,000	6,610	9,740	55,640	76,990

Therefore, while the number of shares needed at the beginning of the year to meet the exercise of options granted up to 2007, inclusive, rose to 1,491,250, the number of shares needed at the end of the year to meet the exercise of all the options granted in the meantime was 1,515,420, broken down as follows:

Series	Options Exercisable in:			Total
	2009	2010	2011	
2006	246,250	---	---	246,250
2007	238,450	238,450	---	476,900
2008	264,090	264,090	264,090	792,270
Total	748,790	502,540	264,090	1,515,420

III.6. Business and Operations between the Company and Members of its Management and Supervisory Bodies, Shareholders of Qualifying Holdings or Companies in a Control or Group Relationship

Apart from the sale of own shares under the stock purchase and stock option plans referred to in sections II.4.3 and III.5 above, neither the Company nor any of the companies it controls has undertaken any business or operation with any members of its management and auditing bodies, holders of qualified shareholdings or companies that are in a group or control relationship with these, with the exception of some transactions of no financial significance to any of the parties involved, and which were conducted under normal market conditions for similar operations and executed as part of the CIMPOR Group's regular activity.

III.7. Investor Relations Office

In order to maintain a close relationship with the stock market, CIMPOR has had an Investor Relations Office since it was first listed in 1994. This office is responsible for informing the financial community about the evolution of the Group's business and for supporting current and potential shareholders in CIMPOR in their relations with the Company, in full compliance with the principle of equal treatment of shareholders and with CMVM recommendation III.1.2.

In addition to information which might influence the price of shares, available on the CMVM site (www.cmvm.pt), the contact this office maintains with private and institutional investors, fund managers and other collective investment bodies, analysts and other stock market operators occur through presentations, meetings and replies to requests for information by telephone, e-mail or regular post.

Investor Relations Office contacts:

Address:
Investor Relations Office
CIMPOR – Cimentos de Portugal, SGPS, S.A.
Rua Alexandre Herculano, 35
1250-009 Lisboa
PORTUGAL

Personal Contacts:
Filipa S. Mendes

Telephones	Fax	E-Mail	Internet
21 311 81 00 21 311 88 89	21 311 88 67	gri@cimpor.pt	www.cimpor.pt

In addition, press releases with significant facts and other information of interest related to the Group's activity, notices convening General Meetings and on how to take part in them, annual reports and accounts, a brief description of the shareholder structure and the evolution of CIMPOR's share price are also posted on the www.cimpor.pt site.

In addition to the above items and compulsory information, as required under Article 4 of CMVM Regulation 1/2007, disclosed in Portuguese and English (which is also in accordance with CMVM recommendation III.1.3.) the site also includes the following:

- A detailed report on the structure and corporate governance practices;
- The Group's Code of Ethics;
- The Board of Directors Regulations;
- The Audit Committees Regulations;
- CIMPOR's Sustainability Report; and
- Information on the Group's environmental and R&D policies.

The site also enables any interested party to immediately receive information published by CIMPOR via a mailing list created for the purpose.

Filipa Saraiva Mendes has served as the representative for relations with the stock market and the CMVM, pursuant to and for the purposes of the Securities Market Code, since 1 October 2004.

III.8. External Auditor

In 2008, the total cost of services rendered to the CIMPOR Group by its external auditors (Deloitte & Touche), including all the natural or legal persons belonging to its network (as set forth in European Commission Recommendation no. C (2002) 1873 of 16 May), amounted to 1,442,326 euros, broken down as follows:

a) legal certification of accounts	91.70 %
b) other assurance services	2.95 %
c) tax consultancy services	3.36 %
e) services other than legal certification of accounts	1.99 %

To safeguard the independence of these entities, the acquisition from them 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 and liabilities that may be included in the Group's financial statements;
- Internal auditing services;
- Legal consultancy services requiring the entities in question to represent any of the Group's companies to resolve 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 the Group operates, is subject to a number of rules set forth by the holding company and transmitted to all the Group's companies. And so, besides prohibiting the contracting of the aforementioned services:

- The entities in question must, without fail, 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 compared (whenever possible) to the market, by the person in charge of the

area (or company) requiring the service, and subsequently, depending on the amount of the proposal, by the director of the respective department or the Executive Committee responsible for deciding whether or not to award the contract.

ANNEX I
Members of the Management and Supervisory Bodies
(Term of office: 2008)

Board of Directors

Ricardo Manuel Simões Bayão Horta
Chairman of the Board of Directors (since August 2001)

Born in Lisbon, Portugal, on 19 November 1936. Graduated in Industrial Chemical Engineering from the Instituto Superior Técnico - IST (1959), Master of Science (1966) and Doctor of Philosophy (1968), from Birmingham University, Ph.D. in Engineering (1973) from IST and Professor (1979) at IST (retired).

Professional activities in last 5 years:

- Member of the Senior Board of Banco Comercial Português, S.A.
- Vice-Chairman of the General and Supervisory Board of Banco Comercial Português, S.A.
- Chairman of the Audit Committee of Banco Comercial Português, S.A.
- Chairman of the Audit Committee of Banco Millennium BCP Investimento, S.A.
- Those listed below

Positions in other companies, as at 31 December 2008:

- Chairman of the Board of Directors
  - Companhia Industrial de Resinas Sintéticas (CIRES), S.A.
  - Atlansider, SGPS, S.A.

Number of shares held in CIMPOR – Cimentos de Portugal, SGPS, S.A., as at 31 December 2008: 106.550.

Luís Eduardo da Silva Barbosa
Member of the Board of Directors (since August 2001)

Born in Lisbon, Portugal, on 7 July 1933. Graduated in Finance from the Instituto Superior de Ciências Económicas e Financeiras.

Professional activities in last 5 years:

- Director of APA – Associação Parque Atlântico
- General Agent for the Portuguese branch of Aviva Vie – Société Anonyme d'Assurances Vie et Capitalisation
- Those listed below

Positions in other companies, as at 31 December 2008:

- Chairman of the General Meeting
  - Bayer Portugal, S.A.
  - APA – Associação Parque Atlântico
- Chairman of the Board of Directors
  - Eurovida – Companhia de Seguros de Vida, S.A.
  - ADI – Administração de Investimentos, S.A.
  - Popular-Seguros, Companhia de Seguros, S.A.
- President of Instituto Humanismo e Desenvolvimento

- National President of the Portuguese Red Cross
- Director
  - Oliveira Martins Foundation
  - Portugal-África Foundation
- Manager of Silva & Barbosa – Consultores Internacionais de Gestão, Lda.
- Director of the Amélia da Silva de Mello Foundation
- Consultant to the Somelos – Indústrias Têxteis Group
- Member of the Advisory Committee of the Portuguese Insurance Authority
- Shareholders' representative in Banco Português de Investimentos
- Chairman of the Remuneration Committee of Montepio Geral

Number of shares held in CIMPOR – Cimentos de Portugal, SGPS, S.A., as at 31 December 2008: 3.820.

Jacques Lefèvre
Member of the Board of Directors (since August 2001)

Born in Paris, France, on 15 April 1938. Diploma from Paris Institute of Political Studies (1958) and Degree in Law (1959). Higher Education Diploma in Public Law (1961). National School of Administration (1962-64).

Professional activities in last 5 years:

- Chairman of Lafarge Ciments
- Chairman of the Supervisory Board of Consolis (France)
- Non-executive Vice-Chairman of Lafarge Group
- Director
  - Grupo Lafarge
  - Lafarge North América (USA)
  - Cementia Holding, A.G. (Switzerland)
  - Lafarge Asland, S.A. (Spain)
  - Cementos Molins, S.A. (Spain)
  - Petrokazakhstan Inc. (Canada) Petrokazakhstan Inc. (Canada)
- Those listed below

Positions in other companies, as at 31 December 2008:

- Chairman of the Supervisory Board of Compagnie de Fives (France)
- Co-Chairman
  - France – Philippines Business Council
  - France – Morocco Business Council
  - Director of Société Nationale d'Investissements (Maroc)

Number of shares held in CIMPOR – Cimentos de Portugal, SGPS, S.A., as at 31 December 2008: 3.320

Jean Carlos Angulo
Member of the Board of Directors and of the Executive Committee (since August 2001)

Born in Bayonne, France, on 13 April 1949. Graduated from the School of Civil Engineering - Mining (Nancy). INSEAD International Executive Program (Fontainebleau).

Professional activities in last 5 years:

- Various management and board positions of the Lafarge group, in companies with head offices in France, England, Spain, Morocco and USA
- Director of CEMBUREAU – European Cement Association

Positions in other companies, as at 31 December 2008:

- Assistant General Manager of the Lafarge Group
- Director of Lafarge North America (USA)

Number of shares held in CIMPOR – Cimentos de Portugal, SGPS, S.A., as at 31 December 2008: 7.080

Jorge Manuel Tavares Salavessa Moura
Member of the Board of Directors and of the Executive Committee (since August 2001)

Born in Lisbon, Portugal, on 4 December 1950. Graduated in Civil Engineering from the Instituto Superior Técnico of the Universidade Técnica de Lisboa.

Professional activities in last 5 years:

- Executive Director of CIMPOR and member of the Board of Directors of several Group Companies, in Portugal and abroad
- Chairman of the Executive Committee of ATIC – Associação Técnica da Indústria do Cimento

Positions in other companies of the CIMPOR Group, as at 31 December 2008:

- Chairman of the Board of Directors
    - Cimpor Portugal, SGPS, S.A. (Portugal)
    - Cimpor Internacional, SGPS, S.A. (Portugal)
    - Cimpor Indústria de Cimentos, S.A. (Portugal)
    - Cimpor Imobiliária, S.A. (Portugal)
    - Cimpor – Serviços de Apoio à Gestão de Empresas, S.A. (Portugal)
    - Cimpship – Transportes Marítimos, S.A. (Portugal)
    - CTA – Cement Trading Activities – Comércio Internacional, S.A. (Portugal)
    - Sacopor – Sociedade de Embalagens de Sacos de Papel, S.A. (Portugal)
    - Geofer – Produção e Comercialização de Bens e Equipamentos, S.A. (Portugal)
    - Prediana – Sociedade de Pré-Esforçados, S.A. (Portugal)
    - Estabelecimentos Scial do Norte, S.A. (Portugal)
    - Cimpor Inversiones, S.L. (Spain)
    - Scanang Trading Activities – España, S.A. (Spain)
    - Asment de Témara, S.A. (Morocco)
    - Asment du Centre, S.A. (Morocco)
    - Cimpor Yibitas Çimento Sanayi ve Ticaret A.S. (Turkey)
    - Yibitas Yozgat Isçi Birliği Insaat Malzemeleri Ticaret ve Sanayi A.S. (Turkey)
    - Sociedade de Investimento Cimpor Macau, S.A. (China)
    - Cimpor Chengtong Cement Corporation Limited (China)
- Director
    - Corporación Noroeste, S.A. (Spain)
    - CJO – Société les Ciments de Jbel Oust, S.A. (Tunisia)
    - Cimpor Egypt for Cement Company, S.A.E (Egypt)
    - Amreyah Cement Company, S.A.E. (Egypt)
    - Amreyah Cimpor Cement Company, S.A.E. (Egypt)
    - Cement Services Company, S.A.E. (Egypt)
    - Cimpor Sacs Manufacture Company, S.A.E. (Egypt)
    - Amreyah Dekheila Terminal Company S.A.E. (Egypt)
    - Amreyah Cimpor Ready Mix Company, S.A.E. (Egipto)
    - NPC – Cimpor (Pty) Limited (South Africa)
    - Natal Portland Cement Company (Proprietary), Limited (South Africa)
    - Shree Digvijay Cement Company Limited (India)
- Manager

- Mecan – Manufactura de Elementos de Casas de Construção Normalizada, Lda. (Portugal)
- Kandmad, SGPS, S.A. (Portugal)
- Scanang, SGPS, Unipessoal, Lda. (Portugal)
- Nordicave – Trading Industrial, Sociedade Unipessoal, Lda. (Cape Verde)

Other positions in companies outside the CIMPOR Group, as at 31 December 2008:

- Gerente da Caxalp, SGPS, Lda.
- Chairman of the Executive Committee of ATIC – Associação Técnica da Indústria do Cimento

Number of shares held in CIMPOR – Cimentos de Portugal, SGPS, S.A., as at 31 December 2008: 250

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 1987 he was also director of the companies which, after a series of transformations, resulted in the present CIMPOR – Cimentos de Portugal, SGPS, S.A.

Born in Lisbon, Portugal, on 4 June 1947. Graduated in Chemical Engineering from the Instituto Superior Técnico of the Universidade Técnica de Lisboa.

Professional activities in last 5 years:

- Executive Director of CIMPOR and member of the Board of Directors of several Group Companies, in Portugal and abroad
- Vice-Chairman of the Liaison Committee of CEMBUREAU – European Cement Association Comité de Liaison

Positions in other companies of the CIMPOR Group, as at 31 December 2008:

- Chairman of the Board of Directors
  - Cimpor Tec – Engenharia e Serviços Técnicos de Apoio ao Grupo, S.A. (Portugal)
  - Cimpor Egypt for Cement Company, S.A.E. (Egypt)
  - 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)
- Vice-Chairman of the Board of Directors of Cimpor Inversiones, S.A. (Spain)
- Director and Chairman of the Executive Committee of Corporación Noroeste, S.A. (Spain)
- Director
  - Cimpor Portugal, SGPS, S.A. (Portugal)
  - Cimpor Internacional, SGPS, S.A. (Portugal)
  - Cimpor – Indústria de Cimentos, S.A. (Portugal)
  - 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)
  - Shree Digvijay Cement Company Limited (India)
- Manager
  - Kandmad, SGPS, Lda. (Portugal)
  - Scanang, SGPS, Unipessoal, Lda. (Portugal)

- Nordicave Trading Industrial, Sociedade Unipessoal, Lda. (Cape Verde)

Other positions in companies outside the CIMPOR Group, as at 31 December 2008:

- Chairman of the Liaison Committee of CEMBUREAU – European Cement Assocation Comité de Liaison
- Member of the Advisory Committee of the Luso Carbon Fund
- Member of the Management Board of BSCD Portugal
- Member of the Executive Committee of ATIC – Associação Técnica da Indústria do Cimento

Number of shares held in CIMPOR – Cimentos de Portugal, SGPS, S.A., as at 31 December 2008: 172.860

Manuel Luís Barata de Faria Blanc
Member of the Board of Directors and of the Executive Committee (since August 2001)

Born in Lisbon, Portugal, on 24 February 1955. Graduated in Business Administration from the Universidade Católica Portuguesa (1977).

Professional activities in last 5 years:

- Executive Director of CIMPOR and member of the Board of Directors of various companies in the Group, in Portugal and abroad.

Positions in other companies of the CIMPOR Group, as at 31 December 2008:

- Chairman of the Board of Directors
  - CJO – Société Les Ciments de Jbel Oust, S.A. (Tunisia)
  - Imopar – Imobiliária de Moçambique, S.A.R.L. (Mozambique)
  - Natal Portland Cement Company (Pty) Limited (South Africa)
  - NPC – Cimpor (Pty) Limited (South Africa)
  - Cimpor Reinsurance, S.A. (Luxembourg)
- Vice-Chairman of the Board of Directors of Cimpor Inversiones, S.A. (Spain)
- Director
  - Cimpor Portugal, SGPS, S.A. (Portugal)
  - Cimpor Internacional, SGPS, S.A. (Portugal)
  - Cimpor – Serviços de Apoio à Gestão de Empresas, S.A. (Portugal)
  - Corporación Noroeste, S.A. (Spain)
  - Asment de Témara, S.A. (Morocco)
  - Asment du Centre, S.A. (Morocco)
  - Cimpor Egypt for Cement Company, S.A.E. (Egypt)
  - 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)
  - Cimpor Yibitas Çimento Sanayi ve Ticaret, A.S. (Turkey)
  - Cimpor Finance, Ltd. (Ireland)
- Manager
  - Kandmad, SGPS, Lda. (Portugal)
  - Scanang, SGPS, Unipessoal, Lda. (Portugal)
  - Nordicave Trading Industrial, Sociedade Unipessoal, Lda. (Cape Verde)

Other positions in companies outside the CIMPOR Group, as at 31 December 2008:

- Chairman of the General Meeting of the Cristo-Rei Patrons Board
- Chairman of the Board of Ponto de Apoio à Vida – Social Solidarity Association

Number of shares held in CIMPOR – Cimentos de Portugal, SGPS, S.A., as at 31 December 2008: 396.860

Pedro Maria Calaínho Teixeira Duarte
Member of the Board of Directors and Chairman of the Executive Committee (since August 2001)

Born in Lisbon, Portugal, on 6 May 1954. Graduated in Business Administration from the Universidade Católica Portuguesa (1977).

Professional activities in last 5 years:

- Director
  - Teixeira Duarte – Gestão de Participações e Investimentos Imobiliários, S.A
  - Teixeira Duarte – Engenharia e Construções (Macau), Lda..
- Vice-Chairman of the Senior Board of Banco Comercial Português, S.A.
- Member of the Remuneration and Pension Board of Banco Comercial Português, S.A.
- Member of the Supervisory Board of Miilennium Bank, S.A. (Poland)
- Member of the General Board of EIA – Ensino, Investigação e Administração, S.A.
- Manager of F+P – Imobiliária, Lda.
- Those listed below

Positions in other companies, as at 31 December 2008:

- Managing Director of Teixeira Duarte – Engenharia e Construções, S.A.
- Chairman of the Board of Directors of PASIM – Sociedade Imobiliária, S.A.
- Chairman of the Board of Directors of PACIM, SGPS, S.A.

Number of shares directly and indirectly held in CIMPOR – Cimentos de Portugal, SGPS, S.A., as at 31 December 2008:

Vicente Árias Mosquera
Member of the Board of Directors (since August 2003)

Born in Santiago de Compostela, Spain, on 11 February 1947. Graduated in Law from the University of Santiago de Compostela.

Professional activities in last 5 years:

- Chairman of La Toja, S.A.
- Director
  - Hullas del Coto Cortés, S.A.
  - Unión Fenosa, S.A.
  - Soluziona, S.A.
  - Inveralia, S.L.
- Those listed below

Positions in other companies, as at 31 December 2008:

- Chairman of the Board of Directors of Inversiones Ibersuizas, S.A.
- Chairman
  - Galicia Contemporary Art Centre
  - Board of Patrons of Escuela de Enseñanza Social de Galicia
- Vice-Chairman of the Board of Directors of Banco Pastor, S.A.
- Vice-Chairman
  - Board of Patrons of Fundación Juana de Veja
  - Fundación Galicia-Europa
  - Junta Territorial del Instituto de Estudios Superiores de Empresa (IESE) en Galicia

- Director of Patronato de la Fundación Unión Española de Explosivos
- General Secretary of the Fundación Pedro Barrie de la Maza, Conde de Fenosa

Number of shares held in CIMPOR – Cimentos de Portugal, SGPS, S.A., as at 31 December 2008: 2.200.

José Manuel Baptista Fino
Member of the Board of Directors (since April 2005)

Born in Portalegre, on 10 January 1954. Supplementary High School Course (1971) and attended North East London Polytechnic (Business Studies), in London (1972-1974).

Professional activities in last 5 years / Posts held in other companies as at 31 December 2008:

- Chairman of the Board of Directors
  - SGFI – Sociedade Gestora de Fundos de Investimento Imobiliário, S.A.
  - Ramada Holdings SGPS, S.A.
  - Área Infinitas – Design de Interiores, S.A.
  - J.M. Fino, S.A.
- Director
  - Grupo Soares da Costa, SGPS, S.A.
  - Investifino – Investimento e Participações, SGPS, S.A.
  - Manuel Fino, SGPS, S.A.
  - Carfino, SGPS, S.A.
  - Block – Imobiliária, S.A.
  - Ethnica, SGPS, S.A.
  - Specialty Minerals Portugal – Especialidades Minerais, S.A.
- Manager of Dorfino – Imobiliário, Lda.

Number of shares held in CIMPOR – Cimentos de Portugal, SGPS, S.A., as at 31 December 2008: 1.050.

José Enrique Freire Arteta
Member of the Board of Directors (since April 2005)

Born in La Coruña, Spain, on 15 July 1948. Graduated in Economic Sciences from the Faculty of Barcelona.

Professional activities in last 5 years:

- Executive Chairman of the Megasa Group (Bipadosa), with operations in the metallurgy (Portugal and Spain), real estate, transport and electricity sectors.
- Member of the Board of Directors and Management Board of various companies of the Megasa Group

Positions in other companies, as at 31 December 2008:

- Chairman of the Board of Directors
  - Bipadosa, S.A. (Spain)
  - Metalúrgica Galaica, S.A. (Spain)
  - Gestión Proinmega, S.L. (Spain)
  - LAF 98, S.L. (Spain)
  - Siderurgia Nacional, Empresa de Produtos Longos, S.A. (Portugal)
  - Inver Seixal Industrial, S.A. (Portugal)
- Managing Director
  - Atlansider, SGPS, S.A.
  - Transportes Almacenes Transitários, S.A. (Spain)

- Multimodal de Transportes Agrupados, S.L. (Spain)
- Director
  - Freire Hermanos, S.A. (Spain)
  - Freire, Productos Siderúrgicos, S.A. (Spain)
  - Bipadosa Distribución y Transformación, S.L. (Spain)
  - Megaço, Productos Siderúrgicos, S.A. (Spain)
  - Feragueda, Productos Siderúrgicos, S.A. (Spain)
  - Comercial Galaica de Metales, S.L. (Spain)
  - LAF 2000, S.L. (Spain)
- Manager of Megasa, Comércio de Produtos Siderúrgicos, Lda. (Portugal)
- Secretary of Lesir, S.A. (Spain)

Number of shares held in CIMPOR – Cimentos de Portugal, SGPS, S.A., as at 31 December 2008: 1.130

Audit Committee

Ricardo José Minotti da Cruz-Filipe
Chairman of the Audit Committee (since March 1992, already holding the post of Chairman of the Supervisory Committee of CIMPOR – Cimentos de Portugal E.P., since February 1987)

Born in Lisbon, Portugal, on 19 February 1934. Graduated in Civil Engineering from Instituto Superior Técnico.

Professional activities in last 5 years:

- Chairman of the Audit Committee of CIMPOR – Cimentos de Portugal, SGPS, S.A.
- Chairman of the Special Section of Reprivatisation, of the Ministry of Finance

No shares in CIMPOR – Cimentos de Portugal, SGPS, S.A. were held as at 31 December 2008

Luis Black Freire d'Andrade
Member of Audit Committee (since May 2007)

Born in Beja, Portugal, on 4 October 1954. Graduated in Business Administration from the Faculty of Human Sciences of Universidade Católica Portuguesa (1977).

Professional activities in last 5 years:

- Director of A. Black – Comércio e Indústria, S.A.
- Those listed below

Positions in other companies, as at 31 December 2008:

- Chairman of the Board of Directors of A. Black – Comércio e Indústria, S.A.
- Member of the Audit Committee of Efacec Capital, SGPS, S.A.

No shares in CIMPOR – Cimentos de Portugal, SGPS, S.A. were held as at 31 December 2008

Jaime de Macedo Santos Bastos
Member of Audit Committee (since May 2007 as alternate member, becoming sitting member in January 2008)

Born in Lisbon, Portugal, on 26 November 1956. Graduated in Business Administration from the

Faculty of Human Sciences of Universidade Católica Portuguesa (1980) and Statutory Auditor (1987).

Professional activities in last 5 years / Posts held in other companies as at 31 December 2008:

- Statutory Auditor of various companies, representing the J. Bastos, C. Sousa Góis & Associados, SROC, Lda firm.

Number of shares held in CIMPOR – Cimentos de Portugal, SGPS, S.A., as at 31 December 2008: 26.650

ANNEX II
Own Shares Acquired

Date	Number Acções	Price (EUR)	Data	Number Shares	Price (EUR)	Date	Number Shares	Price (EUR)
16 January	20,000	5.350	22 January	5,000	5.260	24 January	10,000	5.320
	30,000	5.360		6,300	5.270		10,000	5.340
	59,821	5.370		3,121	5.280		15,000	5.350
	39,000	5.380		55,916	5.290		10,000	5.360
	50,000	5.390		25,000	5.300		10,000	5.370
	80,722	4.400		2,500	5.330		5,000	5.390
21 January	2,000	5.230		20,000	5.340	25 January	20,000	5.250
	10,000	5.270		58,000	5.350		45,000	5.260
	15,000	5.280		10,000	5.360		30,000	5.270
	20,000	5.290		12,000	5.370		70,000	5.280
	20,000	5.300		18,735	5.380		150,000	5.290
	49,868	5.320		7,656	5.400		171,000	5.300
	20,000	5.330	23 January	13,778	5.160		60,000	5.310
	10,000	5.340		8,433	5.170		5,000	5.320
22 January	1,000	4.800		28,000	5.180		10,000	5.350
	5,000	4.810		10,000	5.190	28 January	2,000	5.160
	5,000	4.820		55,295	5.200		4,134	5.190
	15,000	4.830		50,000	5.210		300	5.210
	5,000	4.840		10,000	5.240		18,000	5.220
	4,000	4.890		22,000	5.250		25,000	5.230
	9,000	4.900		10,000	5.270		27,748	5.260
	12,775	4.980		15,000	5.280		60,000	5.270
	10,000	4.990		47,000	5.290		15,000	5.280
	10,000	5.000		14,000	5.300	29 January	9,053	5.280
	20,000	5.010		20,000	5.310		70,000	5.290
	5,000	5.030		5,000	5.320		20,000	5.300
	10,000	5.040		10,580	5.330		8,432	5.300
	18,000	5.050		30,000	5.340		35,000	5.310
	5,000	5.140		40,920	5.350		25,568	5.320
	15,000	5.150	24 January	15,000	5.220		5,000	5.330
	15,000	5.160		3,000	5.230		2,820	5.340
	5,000	5.170		15,000	5.240		10,000	5.350
	5,000	5.180		44,668	5.250		30,000	5.360
	5,000	5.190		20,000	5.260		20,000	5.400
	10,000	5.200		51,973	5.270	31 January	32,000	5.240
	12,230	5.220		20,000	5.280		24,895	5.250
	994	5.230		25,000	5.290		7,136	5.260
	10,000	5.240		71,300	5.300		53,000	5.280
	38,126	5.250		15,000	5.310		50,567	5.290

Date	Number Shares	Price (EUR)	Date	Number Shares	Price (EUR)	Date	Number Shares	Price (EUR)
31 January	36,000	5.300	13 October	200	3.560	15 October	13,132	4.040
	15,000	5.310		20,000	3.580		19,721	4.050
	9,697	5.320		70	3.640		5,778	4.080
1 February	1,014	5.330		388	3.660		12,688	4.090
	10,000	5.340		50,000	3.700	16 October	6,911	3.600
	20,000	5.350		9,206	3.710		13,089	3.610
5 February	5,242	5.340		6,000	3.740		4,269	3.620
	20,000	5.390		25,000	3.760		1,348	3.630
	20,000	5.400	14 October	9,800	4.000		3,446	3.640
6 February	9,000	5.300		3,008	4.010		2,500	3.650
	20,000	5.350		9,976	4.040		2,500	3.660
	11,000	5.380		33,490	4.050		5,875	3.670
1 July	2,600	3.980		3,375	4.060		6,200	3.680
	27,369	3.990		30,000	4.070		5,000	3.690
	23,428	3.990		15,587	4.080		13,832	3.700
	155,454	4.000		1,529	4.090		14,834	3.710
2 July	15,000	3.940		12,476	4.100		9,855	3.720
	10,000	3.950		23,338	4.110		21,327	3.740
	4,129	3.970		5,891	4.120		22,486	3.750
	8,071	3.980		31,625	4.130		11,000	3.760
	145	3.990		16,463	4.140		5,340	3.770
	2,000	4.010		21,790	4.150		5,000	3.780
	10,000	4.030		22,794	4.160		11,625	3.790
	28,838	4.040		12,167	4.170		23,154	3.800
	78,374	4.050		1,000	4.180		10,500	3.810
3 July	16,000	4.040		19,318	4.190		19,608	3.820
10 October	7,652	3.180	15 October	1,736	3.820		1,500	3.830
	2,348	3.200		776	3.830		1,500	3.840
	5,000	3.220		1,704	3.840		6,697	3.850
	4,119	3.230		40,512	3.850		4,257	3.860
	18,112	3.240		1,000	3.860		18,325	3.870
	18,574	3.250		5,644	3.870		3,150	3.880
	7,369	3.260		500	3.880		4,305	3.890
	81,149	3.270		2,773	3.890		22,712	3.900
	2,000	3.290		8,902	3.900		15,500	3.920
	4,481	3.310		10,652	3.910		1,355	3.930
	9,418	3.320		500	3.920	17 October	2,500	3.880
	500	3.330		11,622	3.940		22,743	3.900
	1,716	3.340		53,531	3.950		23,004	3.910
	25,000	3.380		5,796	3.980		6,382	3.920
13 October	1,605	3.510		27,995	3.990		13,356	3.930
	3,029	3.530		8,516	4.000		9,187	3.950
	6,708	3.540		3,565	4.020		3,249	3.960
	25,000	3.550		7,492	4.030		18,381	3.970

Date	Number Shares	Price (EUR)	Date	Number Shares	Price (EUR)	Date	Number Shares	Price (EUR)
17 October	498	3.980	27 October	5,241	3.310	18 November	1,000	3.480
	80	3.990		20,868	3.320	19 November	2,000	3.290
	620	4.000		5,000	3.350		2,400	3.300
21 October	18,800	3.960		9,712	3.410		500	3.330
	5,189	3.970		49,383	3.420		1,935	3.360
	5,511	3.980	28 October	1,064	3.300		7,226	3.370
	450	3.990		20,000	3.320		939	3.380
22 October	449	3.810	29 October	1,000	3.350	20 November	101	3.130
	500	3.820		500	3.360		8,392	3.140
	17,052	3.830		3,406	3.370		10,507	3.150
	15,002	3.840		8,594	3.380		2,609	3.160
	3,760	3.850		3,000	3.410		5,000	3.170
	500	3.860		8,000	3.420		5,700	3.190
	1,705	3.870	30 October	10,000	3.440		12,491	3.200
	2,115	3.880		10,000	3.450		200	3.210
	3,917	3.890		2,652	3.470		5,000	3.230
	11,066	3.940		920	3.490		5,000	3.290
	934	3.950	31 October	2,059	3.430	21 November	7,500	3.130
23 October	1,100	3.750		986	3.460		4,176	3.140
	1,000	3.760		8,000	3.490		18,324	3.150
	17,274	3.780		5,766	3.500		2,500	3.160
	2,542	3.790	6 November	6,594	3.630		2,500	3.180
	84	3.800		7,000	3.640		5,000	3.190
	5,121	3.810		1,038	3.650		2,500	3.200
	1,311	3.820		36,874	3.660		2,500	3.220
	2,500	3.840		99,025	3.670		5,000	3.250
	3,000	3.850		28,990	3.680	25 November	1,778	3.450
	1,568	3.860		6,386	3.690		4,500	3.460
	500	3.870		9,207	3.720		2,500	3.470
24 October	2,195	3.550		700	3.730		2,500	3.500
	5,000	3.560		19,186	3.740	26 November	10,000	3.470
	12,417	3.570	13 November	2,000	3.460		1,000	3.480
	90,175	3.580		1,000	3.480		2,000	3.485
	8,423	3.590		2,000	3.500	28 November	1,500	3.480
	64,867	3.600	14 November	12,000	3.490		1,000	3.485
	19,102	3.610		100	3.500	4 December	1,000	3.010
	11,851	3.620	17 November	4,504	3.450		2,000	3.310
	8,050	3.630		926	3.460		2,000	3.316
	19	3.650		7,074	3.470		1,500	3.319
	17,901	3.660		5,597	3.480		1,500	3.320
27 October	5,000	3.250		5,348	3.490		2,000	3.325
	3,579	3.260		15,551	3.500		1,500	3.328
	3,940	3.280	18 November	3,821	3.450		2,000	3.331
	10,000	3.290		8,479	3.460		1,000	3.332
	20,312	3.300		2,000	3.470		237	3.335

Date	Number Shares	Price (EUR)	Date	Number Shares	Price (EUR)	Date	Number Shares	Price (EUR)
4 December	1,000	3.339	4 December	751	3.369	5 December	4,500	3.350
	1,042	3.342		3,500	3.370		3,000	3.360
	2,954	3.345		2,500	3.516		4,519	3.370
	1,000	3.350	5 December	6,670	3.310		481	3.371
	3,618	3.354		1,500	3.340		1,000	3.375
	1,500	3.355		60	3.341		2,000	3.770
	2,000	3.360		6,270	3.345		1,000	3.380
	1,000	3.366		1,000	3.348		1,000	3.390

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GROUP ACTIVITY

1. Macroeconomic and Sectoral Background

1.1. Evolution of the World Economy

2008 was basically marked by the impact on the entire financial system and economic activity in general of the problems associated to the sub-prime mortgage market in the USA. The successive losses registered by the major financial institutions throughout the year, stemming from the sudden loss in value of their assets, led to a serious confidence crisis in the money and credit markets, which generated a significant impact on liquidity levels.

The growing climate of risk aversion generated, close to the end of 2008, and despite the intervention of the authorities in an attempt to foster the normal functioning of the markets, a sharp rise in credit spreads. This increase fuelled the worsening of the climate for companies of the manufacturing sector, which was already heavily affected by shrinking demand in domestic markets (given the lack of dynamism in investment and private consumption) and foreign markets (driven by the slowdown in international trade).

The extreme volatility of all markets was of particularly note in relation to commodities: the price of a barrel of oil rose to almost USD 150/barrel in the first half of 2008 – driven by the strong demand from emerging markets and a climate of increased speculation – only for it to fall to close to USD 40/barrel in the second half of the year, as fears of a global and protracted recession grew.

The progressive decline in the confidence indicators of economic agents, mirroring this climate of uncertainty, would end up fuelling the process of rapid deceleration that assailed the main developed economies, spreading that effect to the emerging markets most dependent on exporting.

In spite of the fact that the USA recorded positive growth (1.4%) in 2008, a significant contraction of economic activity in the final two quarters of the year was observed. This contraction had particular impact on the labour markets – the unemployment rate rose from 4.9% to above 7% – and housing markets (where prices fell by close to 25%).

The GDP growth rate (1.0%) in the Euro Zone was even lower due to the heavy slowdown in domestic demand, which resulted in only the first quarter of 2008 recording positive growth in economic activity. Though the inflation rate rose on average from 2.1% to 3.4%, the year-on-year change in December 2008 was only 1.6%.

Emerging or developing economies continued to record significant growth rates, despite their cooling off in the latter part of 2008. The Asian economies were of particular note in this regard, as overall GDP (excluding Japan) will have grown by close to 7%. Africa and Latin America also reported important GDP growth of 5.7% and 4.3%, respectively, less emphatic than the previous year's growth.

1.2. Evolution of the Cement Sector

World cement consumption in 2008 according to the most recent estimates, which do not totally take account of the impact of the decline in economic output in the last quarter of 2008, will have been approximately 2.9 billion tons (5% up on the previous year).

The main emerging markets, in contrast to the majority of developed countries - where the cement sector was heavily affected by the impact of the international financial crisis, continued to record significant growth rates. Consumption in China and India, in particular, grew by close to 8%. This growth, though slightly slower than in previous years, strengthened their position as the world's two largest markets.

The worsening of the crisis in the real estate sector in the USA, which commenced with the problems created by the sub-prime mortgage market, led to a 12% fall in cement consumption, down to around 100 million tons (the lowest value of the last six years). The slump in the market in Western Europe, mainly affecting Spain, Ireland and the UK, will have been approximately 6%.

In Eastern Europe, Africa and Latin America, growth rates in the region of 7-8% were recorded in each one of the regions as a whole, despite some cases of significant slowdown in the closing months of 2008.

Cement prices generally indicated a trend for stabilisation, except in those countries most affected by the recession, e.g. Spain, USA and UK, where significant price decreases were recorded, primarily in the second half of 2008.

Trading activities were seriously hindered during the first few months of 2008 (due to the rise in oil prices, and the consequent price rise in maritime freighting), and also at the close of the year (as a result of the fall in demand from the main import markets).

The mergers and acquisitions in 2008 were not very significant in this climate. The only changes of note were the finalisation of the takeover of the cement manufacturing assets of Orascom by Lafarge, the sale by Lafarge of a 50% stake it held in a joint venture in Egypt with Titan (sold to Titan) and a number of other sporadic acquisitions: Lafarge acquired a stake in the capital of the Algerian company Meftah; CRH acquired 50% of the Indian company Myhome; Holcim acquired a stake in the Chinese company Huaxin; CIMPOR acquired a majority position in the capital of the Indian company Shree Digvijay; and CIMPOR acquired the cement manufacturing assets of Cemex in the Canary Islands.

On the other hand, most of the investments earmarked for organisational growth in a number of emerging markets, which were scheduled to be made in 2008, were either shelved or postponed for significant periods.

2. Internationalization and Corporate Growth

CIMPOR made important headway in the development of its growth and internationalization strategy in 2008.

2.1. India

Following the launch of a takeover bid for 20% of the share capital of the Indian company Shree Digvijay Cement Company Limited, listed on the Mumbai Stock Exchange, and the subsequent acquisition of the stake held in that company from Grupo Grasim, CIMPOR gained control of around 73.6% of the capital, for a total price of approximately EUR 73.5 million.

This company has its headquarters in Jamnagar, Gujarat state, and it owns a combined clinker and cement plant located in Sikka, on the Kutch Gulf, where it benefits from an important set of port complexes. The plant has a production capacity close to 1.1 million tons/year.

2.2. China

The CIMPOR Group continued to pursue its expansion strategy in China, through its subsidiary Cimpor Chengtong Cement Corporation, Limited (CCCC). It acquired, at the end of 2008, the entire share capital of the company Liyang Oriental Cement Co. for EUR 22 million.

This company, established at the end of 2003, has a clinker production line with a capacity of 900,000 tons/year, located close to the city of Changzhou, in Jiangsu province. Its natural market encompasses the cities of Wuxi and Suzhou, in one of the Yangtze Delta's major development areas.

The construction of a new combined clinker (5,000 tons/day) and cement (2.4 million tons/year) plant at Shanting, Shandong province, as well as new grinding equipment (1.2 million tons/year) at Huaian, Jiangsu province, began in 2008. The CIMPOR Group's total cement production capacity, using own clinker, in this business area, on completion of the construction work underway (expected to occur before the end of 2009), will be 6 million tons/year.

2.3. Spain

The CIMPOR Group, under its policy of vertical integration, acquired in March 2008 three concrete plants and 100% of the share capital of four concrete and aggregate companies, operating in the Seville, Córdoba and Huelva regions. These acquisitions, which totalled close to EUR 46 million, considerably strengthened CIMPOR's presence in the Spanish province of Andalusia.

At the end of 2008 CIMPOR also acquired an important set of the assets in the Canary Islands from the company Cemex España, S.A., for around EUR 154 million:

- A cement grinding facility on the island of Tenerife, with a production capacity of 800,000 tons/year.
- Seven ready-mix concrete plants in Tenerife, with a production output of around 550,000 cubic metres in 2007;
- A pozzolana quarry, maritime terminal and three distribution centres, all on Tenerife;
- A 50% stake in the capital of the company Insular de Productos para la Construcción y la Industria, S.L. (INPROCOI), which owns a mortar manufacturing plant in Tenerife, with a production capacity of 80,000 tons/year;
- A 50% stake in the capital of the company Cementos Especiales de las Islas, S.A. (CEISA).

CEISA and its subsidiaries own a number of assets, including:

- A cement grinding facility on the island of Gran Canaria, with a production capacity of 1.5 million tons/year;
- Five ready-mix concrete plants – two in La Palma and three in Gran Canaria – with a production output of around 220,000 cubic metres in 2007;
- Three mortar plants, at Fuerteventura, Lanzarote and Gran Canaria, with a total production capacity of 400,000 tons/year;
- Seven port terminals on the islands of La Palma, Tenerife, Lanzarote, Fuerteventura (two) and Gran Canaria (two);
- A pozzolana quarry in Gran Canaria;
- Four prefabricated parts plants, one in Gran Canaria and three in La Palma;
- Two 5,200 ton boats.

In the perspective of the deep crisis currently affecting the Iberian market, these new assets represent, besides their own profitability, an important source of synergies, since they guarantee the placing of a significant quantity of clinker with the Group's plants located on the Iberian Peninsula, thus making a decisive contribution to an increased use of the installed capacity.

2.4. Other Business Areas

In addition to the abovementioned acquisitions and investment, other important corporate growth projects started, proceeded or were concluded in 2008:

- The construction of a new clinker production line (1,500 tons/day) in Simuma, South Africa, terminated at the end of the first half of the year.
- The construction of the new plant at Hasanoğlan continued in Turkey, which should become operational in the final quarter of 2009. This will raise the Business Area's cement production capacity with own clinker by close to 1 million tons/year.
- In Brazil, the work to extend the Cezarina plant (raising clinker production capacity by around 450 tons/day) terminated and the projects to also increase capacity at the Cajati, João Pessoa and Campo Formoso plants started in 2008 and they are scheduled to terminate in 2009.

The CIMPOR Group's cement production capacity, using own clinker, at the end of 2009 should grow in the region of 16%, without any further acquisitions, to exceed 36 million tons/year.

3. Review of the Group's Results

3.1. Summary of the Overall Business

In 2008, CIMPOR Group's consolidated net profit after minority interests was EUR 219.4 million, equivalent to a decrease of around 28% on the previous year.

Three core factors underlay this decrease: the sharp fall in cement consumption in the Spanish market (close to 24%); the decline in cement prices in the Turkey Business Area; and the carrying in the accounts of an impairment loss (in the net amount of EUR 77 million) on the value of the securities portfolio of a Group associate.

Group Consolidated Income

(EUR million)	2008	2007	Change	2006
Turnover	2,088.9	1,966.1	6.2 %	1,638.9
Operating Cash Costs	1,502.5	1,359.1	10.6 %	1,075.8
Operating Cash Flow (EBITDA)	586.3	607.0	- 3.4 %	563.0
Depreciation & Provisions	193.7	168.9	14.7 %	155.0
Operating Income (EBIT)	392.6	438.1	- 10.4 %	408.1
Financial Income	- 134.4	- 48.0	n.s.	- 42.3
Pre-tax Income	258.3	390.1	- 33.8 %	365.8
Income Tax	24.9	69.3	- 64.0 %	60.1
Net Income	233.3	320.8	- 27.3 %	305.6
Attributable to:				
Shareholders	219.4	304.1	- 27.8 %	291.9
Minority Interests	13.9	16.7	- 17.1 %	13.7
Earnings per share (euros)	0.330	0.454	- 27.4 %	0.436

In operational terms, and despite the very negative climate that existed in particular in those two markets, the Group's EBITDA, aided by the recovery observed in the final quarter, was almost EUR 586 million, equivalent to a fall of only 3.4%. The quality and high degree of geographical distribution of CIMPOR's portfolio combined with the excellent performance recorded in some Business Areas, permitted that a large part of the decline in these two markets (close on EUR 78 million) was offset.

Brazil and Egypt recorded particularly favourable growth among the referred to Business Areas, with EBITDA growth of 38.5% and 24.9% respectively, equivalent to a combined total of around EUR 43 million. The recent performance of the South Africa Business Area is also to be highlighted, where the Operating Cash Flow almost doubled in the final six months of the year from the first-half of 2008, as the result of the start up of a new clinker production line. However, the strong depreciation of the rand meant that the EBITDA of this Business Area for the year as a whole did not increase by more than 7.3% (whereas it recorded growth of around 34% when reported in the local currency).

Operating Cash Flow (EBITDA)

(EUR million)

Business Area	2008 Value	2008 Margin	2007 Value	2007 Margin	Change Value	Change %
Portugal	171.9	31.4 %	172.7	30.7 %	- 0.8	- 0.5
Spain	82.9	23.1 %	137.8	29.3 %	- 54.8	- 39.8
Morocco	41.0	46.1 %	35.2	43.8 %	5.7	16.3
Tunisia	17.0	26.6 %	18.9	31.7 %	- 1.9	- 10.1
Egypt	73.2	45.4 %	58.6	48.6 %	14.6	24.9
Turkey (1)	15.6	10.0 %	38.6	23.6 %	- 22.9	- 59.5
Brazil	102.3	25.5 %	73.9	22.9 %	28.4	38.5
Mozambique	13.6	17.6 %	12.3	20.6 %	1.3	10.4
South Africa	46.2	33.4 %	43.0	33.1 %	3.2	7.3
China (2)	6.3	9.5 %	1.8	7.7 %	4.4	238.7
India (3)	3.1	9.7 %	-	-	3.1	-
Cape Verde	4.2	10.0 %	3.0	9.7 %	1.3	42.2
Trading / Shipping	7.5	6.6 %	6.3	6.0 %	1.2	18.2
Other Activities	1.5	-	4.8	-	- 3.3	- 68.3
Total	586.3	28.1 %	607.0	30.9 %	- 20.6	- 3.4

(1) 2007: March – December (2) 2007: July – December (3) April – December

The significant and generalised rise in energy costs, the fall in turnover in the Spain Business Area and the decline in cement prices in the Turkish market all drove the EBITDA margin downwards 2.8 p.p. to 28.1%.

The improvements recorded for EBITDA margin in Morocco (2.3 p.p.), Brazil (2.6 p.p.) and China (1.8 p.p.) are to be highlighted, while the significant increase to the margin from the first half of the year to the second half in the South Africa Business Area, as a result of the start up of the new clinker production line, deserves special attention: rising from 24.7% for the first six months of 2008 to 41.3% in the second half of the year.

In spite of the decline in consumption in the markets of Portugal (-8.9%) and, in particular, Spain (-23.6%) cement and clinker sales of the CIMPOR Group, benefiting from the extension of the Group's consolidation perimeter, amounted to around 26.8 million tons in 2008, 9.2% up on 2007.

The significant increases in sales in Brazil (+7.8%), Mozambique (+11.8%), South Africa (+13.2%), Egypt (+13.4%) and Cape Verde (+18.7%), totalling more than one million tons, also deserve highlight, in addition to the contribution from the new Business Areas - China (integrated in July 2007) and India (consolidated from April 2008).

Cement and Clinker Sales

(thousand tons)

Business Area	2008	2007	Change	2006
Portugal	5,636	6,133	- 8.1 %	5,849
Spain	3,190	4,055	- 21.3 %	4,235
Morocco	1,154	1,130	2.1 %	1,152
Tunisia	1,521	1,461	4.1 %	1,485
Egypt	3,200	2,822	13.4 %	3,090
Turkey	2,250	2,308 (1)	- 2.5 %	-
Brazil	4,652	4,316	7.8 %	3,974
Mozambique	744	665	11.8 %	605
South Africa	1,641	1,450	13.2 %	1,292
China	2,989	1,442 (2)	107.3 %	-
India	664 (3)	-	-	
Cape Verde	287	242	18.7 %	178
Subtotal	27,929	26,025	7.3 %	21,860
(Intragroup Sales)	(1,122)	(1,479)	n.s.	(1,415)
Consolidated Total	26,807	24,547	9.2 %	20,445

(1) March – December (2) July – December (3) April – December

Ready-mix concrete sales, which were heavily penalised by the crisis of the Iberian market, ended the year only 1.1% below sales in 2007, due to the markedly positive development in the other markets. Aggregate and mortar sales recorded growth in the region of 6.0% and 3.4%, respectively.

Concrete, Aggregates and Mortar Sales

Products / Business Area	2008	2007	Change	2006
Concrete (1,000 m3)				
Portugal	2,887	3,195	- 9,6 %	3,137
Spain	2,382	2,965	- 19.6 %	2,798
Turkey	1,360	983 *	38.4 %	-
Brazil	1,241	996	24.6 %	698
Other Business Areas	696	525	32.5 %	309
Total	8,567	8,664	-1.1 %	6,943
Aggregates (1,000 ton)				
Portugal	7,399	6,904	7.2 %	7,607
Spain	5,260	5,296	- 0.7 %	4,491
Turkey	2,293	1,946 *	17.8 %	-
Other Business Areas	1,157	1,051	10.0 %	889
Total	16,109	15,196	6.0 %	12,987
Mortar (1,000 ton)	562	543	3.4 %	485

* March – December

CIMPOR's consolidated turnover in 2008 was close to EUR 2.1 billion, equivalent to an increase of more than 6%. This growth was primarily driven by the new Business Areas of China and India, as well as the significant growth of this indicator in Brazil (+24.7%) and Egypt (+37.5%), which, single-handedly, almost offset the losses recorded in Portugal and Spain (these losses in Portugal and Spain caused the relative weight of these two countries in the Group, excluding domestic transactions, to fall below 40%).

Contributions to Turnover (1)

(EUR million)

Business Areas	2008 Value	2008 %	2007 Value	2007 %	Change Value	Change %
Portugal	461.4	22.1	475.9	24.2	- 14.5	- 3.1
Spain	357.8	17.1	469.6	23.9	- 111.9	- 23.8
Morocco	88.8	4.3	80.5	4.1	8.4	10.4
Tunisia	64.0	3.1	59.7	3.0	4.3	7.2
Egypt	161.2	7.7	117.3	6.0	44.0	37.5
Turkey (2)	156.1	7.5	163.1	8.3	- 6.9	- 4.2
Brazil	401.3	19.2	321.8	16.4	79.5	24.7
Mozambique	77.4	3.7	60.1	3.1	17.3	28.8
South Africa	136.0	6.5	128.1	6.5	7.9	6.2
China (3)	64.3	3.1	23.9	1.2	40.3	168.5
India (4)	32.3	1.5	-	-	32.3	-
Cape Verde	42.1	2.0	30.5	1.5	11.6	38.1
Trading / Shipping	45.6	2.2	34.1	1.7	11.5	33.8
Other Activities	0.7	0.0	1.5	0.1	- 1.4	- 99.2
Consolidated Total	2,088.9	100.0	1,966.1	100.0	122.8	6.2

(1) Excluding intra-group transactions (2) 2007: March – December

(3) 2007: July – December (4) April – December

Depreciation and Provisions rose by almost EUR 25 million (14.7%) as a result of the investments made by the Group in the last two years, driving Operating Income down 10.4%.

The recognition of a loss of close on EUR 77 million on the value of shares in Banco Comercial Português, held directly and indirectly by an associate of the Group, impacted on the Financial Income, which was close to negative EUR 134 million. If this exceptional and one-off loss is not considered, the downturn in the Financial Income did not exceed EUR 9 million. Net interest expenses in particular rose only EUR 3.3 million (6.4%), which compares very favourably - in a year of sharp rises in interest rates - to the increase (nearly 18% in terms of annual average balance) of Net Financial Debt.

Income Tax fell by around EUR 44 million, essentially due to the cancellation (close to EUR 50 million) of part of a provision for tax risk. This cancellation was based on a judgment proffered by the 1st Chamber of the Supreme Administrative Court, which was confirmed by the Section's plenary in 2008. The result of this judgement, as CIMPOR had always argued, is that the Public Debt Settlement Fund is liable for any payment of tax arising from additional assessments relative to 1997 and 1998, where such is payable.

Despite the share devaluation by the currencies of Brazil, Turkey and South Africa, the amount of Capital Employed (not considering investments in progress) rose by around EUR 168 million (5.2%) from the end of 2007, to approach EUR 3.4 billion.

Invested Capital

(EUR million)	2008	2007	Change	2006
Working Capital	403.4	307.0	31.4 %	256.9
Tangible Fixed Assets	1,705.3	1,682.0	1.4 %	1,422.3
Goodwill	1,277.0	1,283.7	- 0.5 %	910.0
Other Assets (net Other Liabilities)	(3.2)	(58.1)	n.s.	(42.0)
Capital Employed	3,382.5	3,214.6	5.2 %	2,547.1
Investments in Progress	302.9	213.1	42.1 %	120.1
Financial Investments	105.2	168.4	- 37.6 %	171.1
Other Non-Operating Assets (net)	(87.5)	(97.7)	n.s.	(75.3)
Invested Capital	3,703.2	3,498.4	5.9 %	2,763.0
Net Financial Debt	1,862.6	1,359.3	37.0 %	865.6
(Available for sale Investments)	(4.1)	(9.8)	n.s.	0.0
Provisions	74.7	71.5	4.4 %	71.4
Financial Debt and Equivalents	1,933.2	1,421.1	36.0 %	937.0
Equity attributable to:				
Shareholders	1,505.1	1,796.4	- 16.2 %	1,579.7
Minorities	110.7	102.9	7.6 %	74.1
Deferred Taxes	94.3	75.1	25.7 %	54.9
Provisions for Taxes and Others	59.8	102.9	- 41.9 %	117.4
Equity and Equivalents	1,770.0	2,077.3	-14.8 %	1,826.0
Invested Capital	3,703.2	3,498.4	5.9 %	2,763.0
Return on Capital Employed	10.4 %	11.6 %		13.1 %
Return on Equity	13.3 %	18.1 %		18.9 %

The decline in Operating Income and the value of total investment in fixed assets exceeding EUR 590 million, led to the Return on Capital Employed (after taxes) declining from 11.6% recorded in 2007 to 10.4% in 2008.

Net Financial Debt, including equivalent items, at EUR 1.421 billion at the end of 2007, rose in December 2008 to EUR 1.933 billion - equivalent to growth of around 36%, which is wholly explained by the abovementioned investment effort. As a result, its share of total capital invested between these two dates increased from 41% to a little over 52%.

MAIN BUSINESS AREAS - ACTIVITY IN 2008

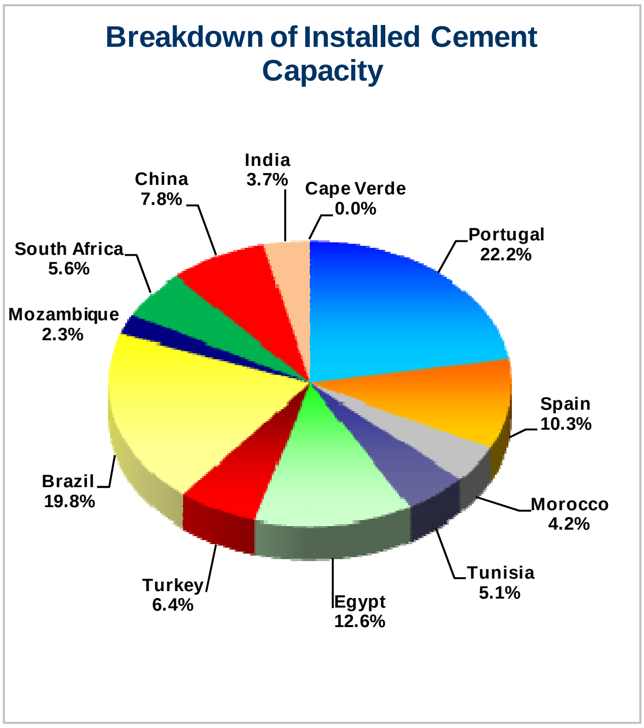
	Units	Portugal [1]	Spain [1]	Morocco	Tunisia	Egypt	Turkey	Brazil	Mozambique	South Africa	China	India [2]	Cape Verde
Cement Activity													
Installed Capacity [3]	10^3 ton	6,900	3,200	1,295	1,600	3,900	2,000	6,150	710	1,725	2,425	1,165	---
Cement and Clinker Sales	10^3 ton	5,636	3,190	1,154	1,521	3,200	2,250	4,652	744	1,641	2,989	664	287
Market Share		54.9%	7.4%	8.0%	23.5%	8.3%	5.2%	8.7%	82.6%	12.2%	0.1%	0.4%	71.2%
Overall Activity													
Turnover	10^6 euros	546.6	358.8	88.8	64.0	161.2	156.1	401.3	77.4	138.2	65.6	32.3	42.1
Operating Cash Flow (EBITDA)	10^6 euros	171.9	82.9	41.0	17.0	73.2	15.6	102.3	13.6	46.2	6.3	3.1	4.2
Operating Income (EBIT)	10^6 euros	117.3	47.6	30.5	9.3	58.9	-0.8	70.1	8.8	38.9	2.2	2.4	3.2
Net Profit Before I.M.	10^6 euros	2.8	19.7	20.1	10.3	65.0	1.0	58.2	5.6	27.0	2.2	0.5	2.0
Capital Employed	10^6 euros	616.8	652.3	75.6	126.4	256.5	486.7	740.7	51.8	175.2	72.0	72.2	19.1
Industrial Investment	10^6 euros	31.9	35.4	9.3	3.2	5.1	70.4	43.1	9.0	21.8	37.9	1.6	1.0
Employees (31 Dec)	units	1,540	991	207	221	488	848	1,501	451	638	648	552	138
Turnover / Employee	10^3 euros	354	350	437	290	331	188	280	177	225	105	78	264
Value Added / Employee	10^3 euros	151	130	226	93	163	43	99	41	93	13	13	36
EBITDA Margin		31.4%	23.1%	46.1%	26.6%	45.4%	10.0%	25.5%	17.6%	33.4%	9.5%	9.7%	10.0%
EBIT Margin		21.5%	13.3%	34.4%	14.6%	36.5%	-0.5%	17.5%	11.4%	28.1%	3.3%	7.4%	7.7%

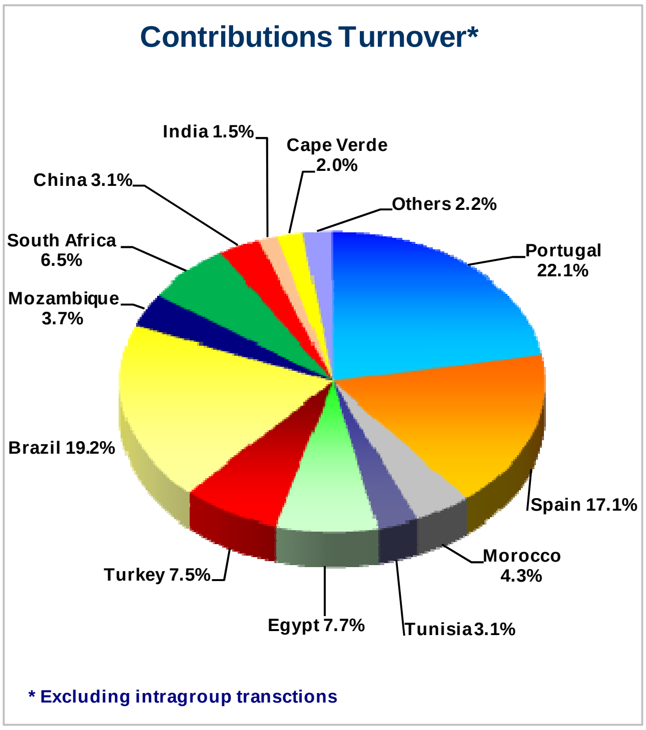
(1) Excluding areas common to the Group

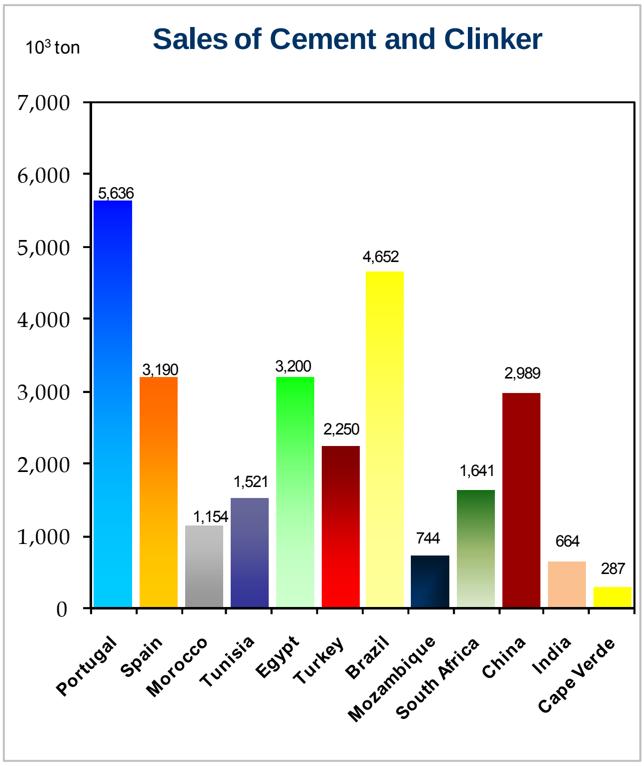
(2) April - December

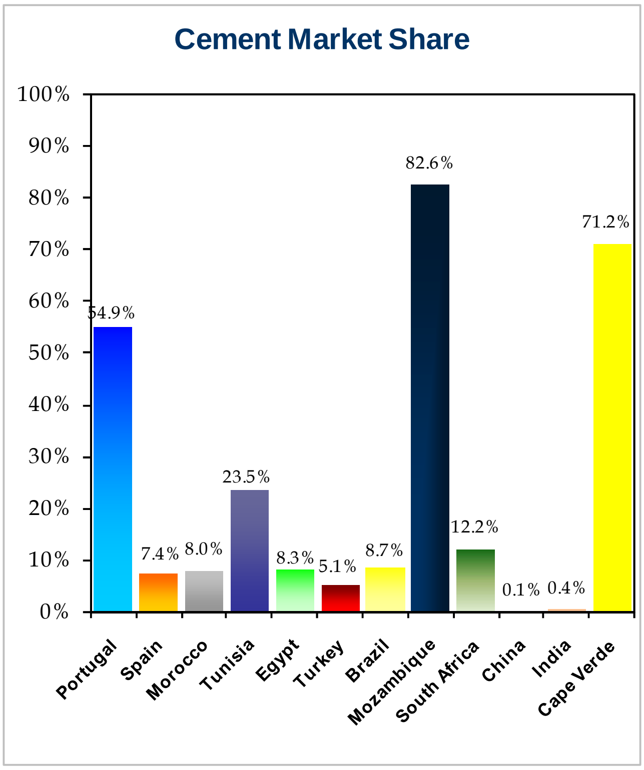
(3) Cement production capacity own clinker (at year's end)

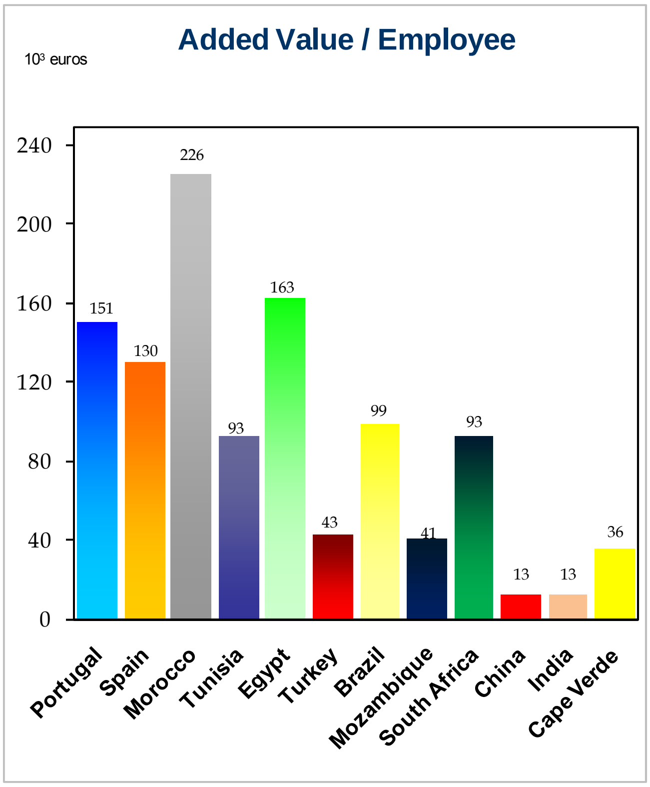
Contribution and Relative Position of the Different Business Areas (2008)

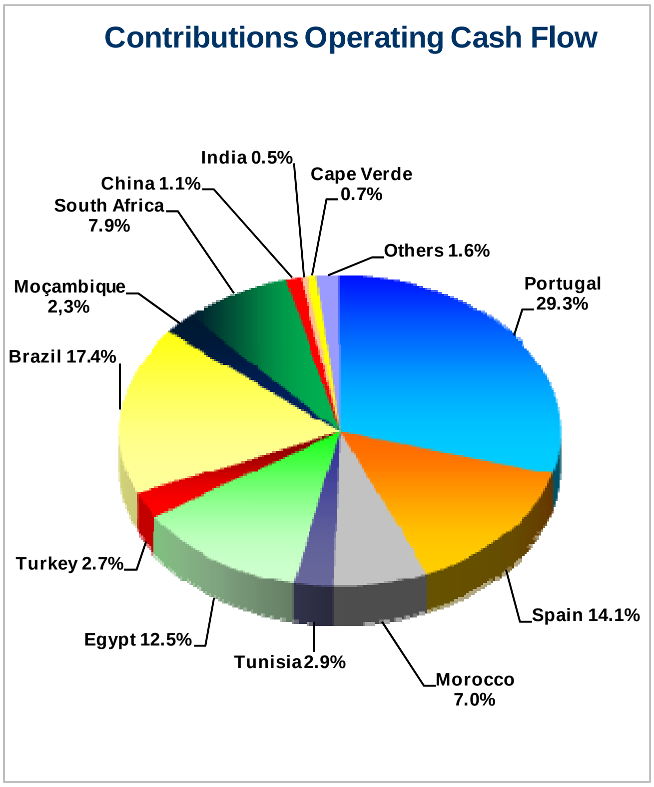


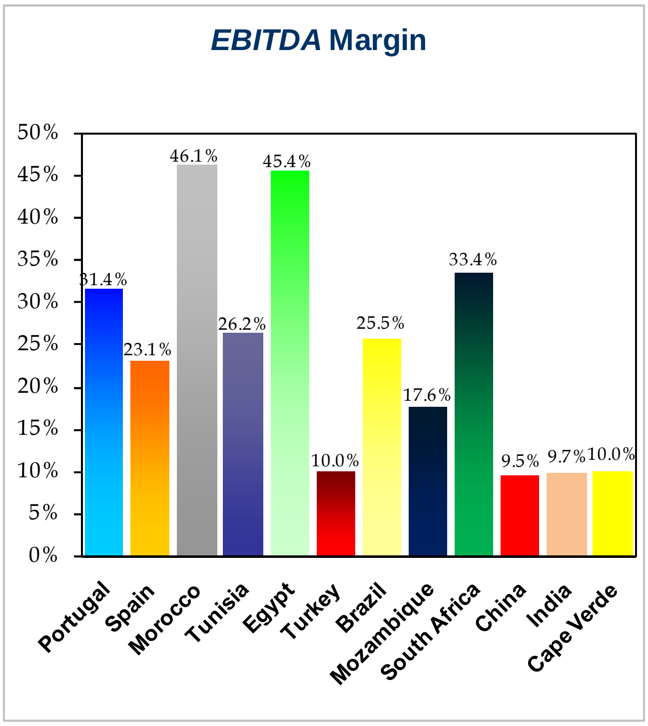







Added Value / Employee
10^3 euros
240
200
160
120
80
40
0
151
130
226
93
163
43
99
41
93
13
13
36
Portugal
Spain
Morocco
Tunisia
Egypt
Turkey
Brazil
Mozambique
South Africa
China
India
Cape Verde


Contributions Operating Cash Flow
India 0.5%
Cape Verde 0.7%
China 1.1%
South Africa 7.9%
Others 1.6%
Moçambique 2,3%
Portugal 29.3%
Brazil 17.4%
Turkey 2.7%
Spain 14.1%
Egypt 12.5%
Tunisia 2.9%
Morocco 7.0%


EBITDA Margin
50%
45%
40%
35%
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25%
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10%
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31.4%
23.1%
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26.2%
45.4%
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Portugal
Spain
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Tunisia
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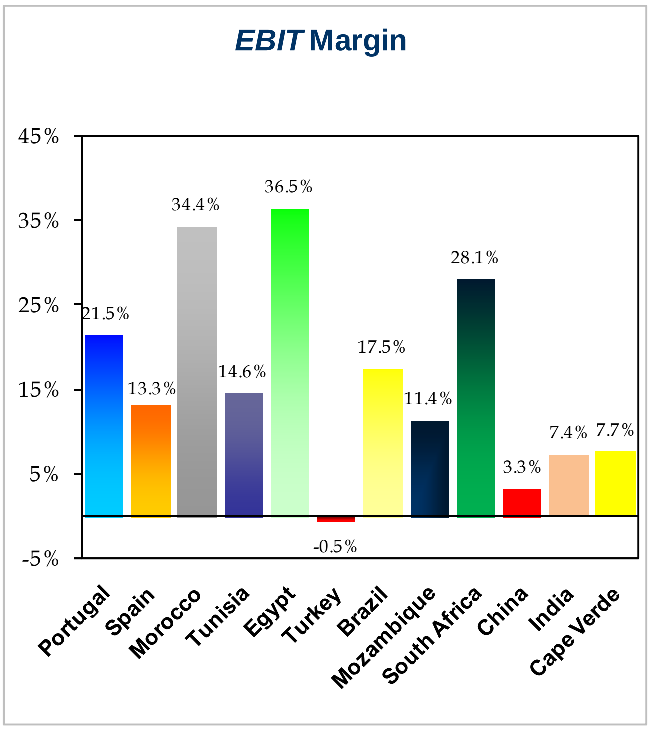
Turkey
Brazil
Mozambique
South Africa
China
India
Cape Verde


EBIT Margin
45%
35%
25%
15%
5%
-5%
21.5%
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14.6%
36.5%
-0.5%
17.5%
11.4%
28.1%
3.3%
7.4%
7.7%
Portugal
Spain
Morocco
Tunisia
Egypt
Turkey
Brazil
Mozambique
South Africa
China
India
Cape Verde

3.2. Portugal

The Portuguese economy will not have grown more than 0.4% in 2008, and it even recorded two successive quarterly falls in the final six months of the year. The stagnation of investment and heavy slowdown in exports (with positive growth of only 0.8% compared to 7.5% achieved in 2007) were the factors that most contributed to this cooling down, though the increase of around 1.3% in private consumption did attenuate the decline to some extent. The annual average inflation rate (2.6%) worsened slightly, while the budget deficit again decreased (from 2.6% of GDP to 2.2% of GDP), contrary to the negative balance of external accounts, which grew from 8.2% to 8.9% of the referred to aggregate.

The overall production indicator for the construction sector fell 1.1% despite the growth observed in the civil engineering (2.1%) and construction of non-residential buildings segments (4.4%). This decline was due to the sharp fall in the housing segment (in the region of 8%, equivalent to the second worst fall since the start of the crisis in the sector, in 2002).

Portugal Business Area

	Unit	2008	2007	Change	2006
Installed Capacity (1)	10^3 ton	6,900	6,820	1.2%	6,850
Use of Installed Capacity (2)		87.8%	93.2%		89.8%
Cement and Clinker Sales	10^3 ton	5,636	6,133	- 8.1%	5,849
Market Share		54.9%	55.1%		53.8%
Concrete Sales	10^3 m^3	2,887	3,195	- 9.6%	3,137
Aggregate Sales	10^3 ton	7,399	6,904	7.2%	7,607
Mortar Sales	10^3 ton	175	150	16.2%	156
Turnover	10^6 euros	546.6	562.6	- 2.8%	531.6
Operating Cash Flow (EBITDA)	10^6 euros	171.9	172.7	- 0.5%	173.9
Operating Income (EBIT)	10^6 euros	117.3	117.7	- 0.3%	122.2
Capital Employed	10^6 euros	616.8	595.6	3.6%	605.8
Industrial Investment	10^6 euros	31.9	28.5	11.9%	28.2
Employees (31 Dec.)	Units	1,540	1,559	- 1.2%	1,572
Turnover/Employee	10^3 euros	354	360	- 1.5%	328
EBITDA Margin		31.4%	30.7%		32.7%
EBIT Margin		21.5%	20.9%		23.0%

(1) Cement production capacity with own clinker (average over year)
(2) Clinker production / Installed capacity (clinker)

This slump in residential construction caused cement consumption of decrease almost 9% (to around 7.2 million tons) and a more or less identical reduction in the sales of the CIMPOR Group in the domestic market (down to 3.95 million tons). Furthermore, exports of cement and clinker fell approximately 5.4%, to total around 1.7 million tons. This fall was primarily due to the contraction of the Spanish market.

Sales of ready-mix concrete fell in 2008 following the slight upturn in 2007, as the annual figure did not exceed 2.9 million cubic metres (9.6% down on the previous year). Aggregate and mortar sales, however, recorded growth in the region of 7.2% and 16.2%, respectively.

Turnover (EUR 547 million) and EBITDA (EUR 172 million) only underwent slight changes, benefiting from the inevitable rise in sale prices caused by the deterioration in energy costs. The respective margin (31.4%) even recorded a slight improvement.

Investment totalled close to EUR 32 million. The investment highlights were the installation of an automatic beam production line (with a production capacity of 700,000 units/year) at Geofer's plant, and the conclusion of some investments started in 2007, namely: The assembly at the Alhandra plant of reception, storage and feeding systems for coal and alternative fuels and animal wastes, and the system for burning hazardous industrial waste at the Souselas plant.

3.3. Spain

Spain's economy underwent a sharp slowdown in 2008, recording growth of only 1.2% (contrasting with 3.8% growth in 2007) and it clearly entered a technical recession in the last two quarters.

The increase in internal demand did not exceed 0.7% (4.1% in 2007), which was mainly due to the fall in investment. Investment in the construction sector fell 4.3% (residential construction fell 10%). External demand made a positive contribution to the growth of the product for the first time in twelve years, while the record budget surplus of the previous year transformed into a deficit equivalent to 1.6% of GDP. The unemployment rate rose from 8.3% to 11.2% of the active population and the inflation rate increased, in terms of annual average, from 2.8% in 2007 to 4.1% in 2008.

Cement consumption, reflecting the sharp contraction of the real estate market, will not have exceeded 43 million tons, recording a heavy decline (in the region of 24%), especially in the Madrid (33%) and Catalonia (28%) regions. Growth in the markets where the Group operates was, however, quite varied: in Galicia cement consumption will have fallen by around 8.5%, and by nearly 25% in Andalusia and Extremadura combined.

The sales of the CIMPOR Group, against this backdrop, only totalled 3.19 million tons (21.3% down on 2007), which comprised a fall in harmony with market decline in the southern region, and a fall of approximately 15% in the Galicia zone due to increased competition from two new operators. Nonetheless, the Group's national market share rose 0.2 p.p. to close on 7.4%.

Concrete sales also declined heavily (around 20%), to below 2.4 million cubic metres. The sale of aggregates, benefiting from some acquisitions made in Extremadura and Andalusia, remained at practically the same level as the previous year (close to 5.3

million tons). Mortar sales fell by around 15%, and they did not break the 200,000 tons barrier.

Spain Business Area

	Unit	2008	2007	Change	2006
Installed Capacity (1)	10^3 ton	3,200	2,675	19.6%	2,700
Use of Installed Capacity (2)		76.7%	89.3%		100.5%
Cement Sales	10^3 ton	3,190	4,055	- 21.3%	4,235
Market Share		7.4%	7.2%		7.6%
Concrete Sales	10^3 m^3	2,382	2,965	- 19.6%	2,798
Aggregate Sales	10^3 ton	5,260	5,303	- 0.8%	4,491
Mortar Sales	10^3 ton	196	230	- 15.0%	195
Turnover	10^6 euros	358.8	470.9	- 23.8%	430.5
Operating Cash Flow (EBITDA)	10^6 euros	82.9	137.8	- 39.8%	143.7
Operating Income (EBIT)	10^6 euros	47.6	94.0	- 49.4%	109.5
Capital Employed	10^6 euros	652.3	449.4	45.1%	486.5
Industrial Investment	10^6 euros	35.4	45.1	- 21.7%	24.1
Employees (31 Dec.)	units	991	998	- 0.7%	1,011
Turnover / Employee	10^3 euros	350	469	- 25.3%	429
EBITDA Margin		23.1%	29.3%		33.4%
EBIT Margin		13.3%	20.0%		25.4%

(1) Cement production capacity with own clinker (average over year)
(2) Clinker production / Installed capacity (clinker)

The decline in demand generated an almost general fall in sale prices, which combined with the fall in economic activity led to a decrease of approximately EUR 112 million to turnover. This fact combined with the increase in energy costs and fuel and the irregular operation of the Córdoba and Niebla plants (following the important interventions carried out on these plants in 2007) drove the Operating cash flow generated in the Spain Business Area down by close on EUR 55 million (almost 40%) and the EBITDA and EBIT margins to decrease more than 6 p.p.

The most significant investments made included the conclusion of the projects to expand the clinker production capacity by 400,000 tons/year at the two plants in Andalusia and the undertaking of important acquisitions in the aggregates field.

3.4. Morocco

The Moroccan economy, which heavily depends on domestic demand and, in particular, the good or bad performance of the primary sector, is weathering the impact of the international financial crisis relatively unscathed. The economy recorded a growth rate close to 6% in 2008. The difference to the previous year (when GDP only grew 2.7%) is primarily due to a better agricultural year in 2008 and the favourable growth of some industrial activities, such as the mining of phosphates (Morocco is the world's leading producer) and construction and public works.

The civil construction and public works sector continued to enjoy enormous dynamism, which is clearly reflected in cement consumption of close to 14.1 million tons (9.9% up on 2007).

Asment de Témara's cement sales totalled 1.12 million tons, equivalent to year-on-year growth of 6.6%, despite being restricted by an unscheduled stoppage to one of its grinding units (which stopped for almost a month). Nonetheless, the fall in clinker sales (almost 60%) meant that the overall increase in quantities sold was no more than 2.1%.

Morocco Business Area

	Unit	2008	2007	Change	2006
Installed Capacity (1)	10^3 ton	1,295	1,295	0.0%	1,290
Use of Installed Capacity (2)		100.0%	82.2%		97.2%
Cement and Clinker Sales	10^3 ton	1,154	1,130	2.1%	1,152
Market Share		8.0%	8.2%		8.6%
Concrete Sales	10^3 m^3	371.3	307.0	20.9%	176.6
Aggregate Sales	10^3 ton	117.8	109.8	7.2%	145.7
Turnover	10^6 euros	88.8	80.5	10.4%	72.0
Operating Cash Flow (EBITDA)	10^6 euros	41.0	35.2	16.3%	33.5
Operating Income (EBIT)	10^6 euros	30.5	28.4	7.5%	25.9
Capital Employed	10^6 euros	75.6	65.1	16.0%	62.2
Industrial Investments	10^6 euros	9.3	8.2	13.2%	4.7
Employees (31 Dec.)	units	207	206	0.5%	208
Turnover / Employee	10^3 euros	437	398	9.8%	346
EBITDA Margin		46.1%	43.8%		46.5%
EBIT Margin		34.4%	35.3%		35.9%

(1) Cement production capacity with own clinker (average over year)
(2) Clinker production / Installed capacity (clinker)

The market's dynamism ensured that Betocim achieved record concrete sales figures in 2008 (371,000 cubic metres), equivalent to growth of more than 20%. Sales of aggregates exclusively for cement production again rose, by about 7.2%, to close to 118 000 tons.

Morocco's consolidated turnover, which surpassed two billion dirhams, in local currency, for the first ever time, was around EUR 90 million, equivalent to an increase of 10.4%. EBITDA in 2008 rose by 16.3% to nearly EUR 41 million, even though Operating Cash Costs recorded growth that, despite the strong rise in fuel prices, did not exceed 6%. As a result, the respective margin rose from 43.8% in 2007 to 46.1% in 2008.

The investment highlights were the commencement of the work to install a third grinding unit (to start up in the second half of 2009), the modernisation of the bagging lines and the construction of the new car park to support the shipping of cement.

3.5. Tunisia

The relative soundness of Tunisia's economy, which has been strengthened over the last decade, and the low international exposure of its financial sector allowed GDP growth in 2008 to reach 4.7%, driven by domestic demand and, in particular, by investment. The inflation rate, which had fallen to 3.1% in 2007, began rising again in 2008 (to around 5%), which continued to fuel the devaluation trend of the local currency against the euro.

Consumption of binders (cement and hydraulic lime) totalled approximately 6.3 million tons, an increase of 3.2% on 2007, which in per capita terms, means more than 600 kg per inhabitant. Regionally, the difference between the east coast and the rest of the country is becoming greater, with the region of greater Tunis – where consumption rose by around 7% and close to which the Ciments de Jbel Oust (CJO) plant is located – accounting for close on 37% of the market. The strong growth of exports in 2008 (exceeding 30%) is also to be highlighted. A factor in this growth is that domestic cement prices continue to be set by government, and they are much lower than the prices practised in neighbouring countries.

The sales of CJO – 1.52 million tons (including exports of 48,000 tons) – recorded year-on-year growth of 4.1%, while Turnover grew by 7.2% to nearly EUR 64 million.

Net selling prices did not rise more than 4.3% in annual average terms and in local currency, which strongly contrasts with the rises in energy and fuel prices (above 20%). This fact led the EBITDA generated in this Business Area to fall almost EUR 2 million, causing the respective margin to fall 5 p.p., from 31.7% in 2007 to 26.6% in 2008.

Tunisia Business Area

	Unit	2008	2007	Change	2006
Installed Capacity (1)	10^3 ton	1,600	1,560	2.6%	1,560
Use of Installed Capacity (2)		88.7%	89.5%		92.8%
Cement Sales	10^3 ton	1,521	1,461	4.1%	1,485
Market Share		23.5%	24.0%		24.7%
Turnover	10^6 euros	64.0	59.7	7.2%	59.6
Operating Cash Flow (EBITDA)	10^6 euros	17.0	18.9	- 10.1%	17.5
Operating Income (EBIT)	10^6 euros	9.3	10.8	- 13.7%	9.7
Capital Employed	10^6 euros	126.4	121.5	4.0%	131.8
Industrial Investment	10^6 euros	3.2	1.5	116.8%	1.9
Employees (31 Dec.)	Units	221	226	- 2.2%	231
Turnover / Employee	10^3 euros	290	262	10.7%	253
EBITDA Margin		26.6%	31.7%		29.4%
EBIT Margin		14.6%	18.1%		16.2%

(1) Cement production capacity with own clinker (average over year)
(2) Clinker production / Installed capacity (clinker)

Total investment in 2008 (EUR 3.2 million) more than doubled from 2007, mainly due to the installation of new palleting equipment and the work to link the silos to the bagging area.

3.6. Egypt

The Egyptian economy once again demonstrated notable growth in 2008 (GDP up by close to 7%). This was sustained by the increase in domestic demand and increased revenue from tourism. The inflation rate, pressurised by the upward trends followed by food goods in international markets and by the reduction of some state subsidies, significantly worsened to exceed 18%.

Cement consumption in 2008 recorded double digit growth (11.5%), just as it had in 2007 (14.4%), to total around 38.4 million tons. 2008 was, nonetheless, not a particularly easy year for the cement industry, given the obstacles created by a number of government decisions, some of which are difficult to comprehend while others are totally unjustified: the 100% increase in the price of *mazot* (the fuel still used by many plants), straight away in January; the export of cement and clinker was forbidden between April and September; the creation of a tax on the clay consumed in the manufacturing of cement; the rise in the price of electricity and natural gas in July (50% and 75%, respectively); and the levying of heavy fines on the entire sector for allegedly infringing competition legislation.

The sales of the CIMPOR Group totalled 3.2 million tons (13.4% up on the previous year), which, combined with the rise in cement prices, generated an increase in Turnover exceeding EUR 40 million and a rise of close to 25% in Operating Cash Flow. Nevertheless, the EBITDA margin fell by more than 3 p.p. - from 48.6% in 2007 to 45.4% in 2008 - as a result of the referred to rises in costs and despite higher installed capacity use.

Egypt Business Area

	Unit	2008	2007	Change	2006
Installed Capacity (1)	10^3 ton	3,900	3,900	0.0%	3,900
Use of Installed Capacity (2)		84.0%	72.7%		78.2%
Cement and Clinker Sales	10^3 ton	3,200	2,822	13.4%	3,090
Market Share		8.3%	7.9%		8.9%
Turnover	10^6 euros	161.2	120.6	33.7%	127.8
Operating Cash Flow (EBITDA)	10^6 euros	73.2	58.6	24.9%	63.3
Operating Income (EBIT)	10^6 euros	58.9	46.0	27.9%	50.6
Capital Employed	10^6 euros	256.5	238.9	7.4%	225.3
Industrial Investment	10^6 euros	5.1	19.2	- 73.6%	19.0
Employees (31 Dec.)	Units	488	491	- 0.6%	491
Turnover / Employee	10^3 euros	331	246	34.6%	265
EBITDA Margin		45.4%	48.6%		49.6%
EBIT Margin		36.5%	38.2%		39.6%

(1) Cement production capacity with own clinker (average over year)
(2) Clinker production / Installed capacity (clinker)

Investment in 2008 did not surpass EUR 5.1 million, following the conclusion of the revamping of one of the two oldest clinker production lines. The investment mainly entailed a range of interventions essentially aimed at guaranteeing the operational continuity of the equipment and to increase equipment reliability.

3.7. Turkey

The Turkish economy, following clear signs of slowdown in 2007, will not have grown more than 1.7% in 2008, which represents its worst result since the domestic crisis of 2001. The unemployment rate and inflation rate both broke through the 10% barrier, which combined with the climate of political instability in the country, decisively fuelled the sharp deceleration in domestic demand.

The climate of instability heavily deterred the launch of new projects in the residential and infrastructure areas, causing the construction sector to contract by around 1.1%, leading to a 4.5% decline in cement consumption. Additionally, installed capacity underwent significant growth (in the region of 11 million tons/year), which caused, despite the increase of exports (estimated at 59%), a situation of strong competition domestically, which in turn drove prices downwards.

The catchment market of Cimpor Yibitas (Central Anatolia and the Black Sea) contracted at a rate above the national average, causing the company's cement sales (2.25 million tons) to fall by around 8.4%, on a comparable base. The sales of ready-mix concrete, driven by some construction projects started in 2007 and the start up of five new plants, increased by close to 27% on 2007 as a whole, recording total sales of 1.36 million cubic metres. Aggregate sales (totalling almost 2.3 million tons) also recorded notable growth despite the increased competition.

Turkey Business Area

	Unit	2008	2007 (1)	Change
Installed Capacity (2)	10^3 ton	2,000	1,680	19.0%
Use of Installed Capacity (3)		101.1%	98.9%	
Cement Sales	10^3 ton	2,250	2,308	- 2.5%
Market Share		5.2%	5.4%	
Concrete Sales	10^3 m^3	1,360	983	38.4%
Aggregate Sales	10^3 ton	2,293	1,946	17.8%
Turnover	10^6 euros	156.1	163.1	- 4.2%
Operating Cash Flow (EBITDA)	10^6 euros	15.6	38.6	- 59.5%
Operating Income (EBIT)	10^6 euros	- 0.8	23.3	-103.5%
Capital Employed	10^6 euros	486.7	596.1	- 18.4%
Industrial Investments	10^6 euros	70.4	18.5	281.4%
Employees (31 Dec.)	Units	848	803	5.6%
Turnover / Employee	10^3 euros	188	255	- 26.2%
EBITDA Margin		10.0%	23.6%	
EBIT Margin		neg.	14.3%	

(1) March – December
(2) Cement production capacity with own clinker (average over year)
(3) Clinker production / Installed capacity (clinker)

Turnover fell to around EUR 156 million due to the drop in cement sales, the generalised decline in prices and the devaluation of the local currency. These components combined with the rise in cost of the main production factors to cause Operating Cash Flow to decrease by close on 60% and generate a substantial reduction in the respective margin: from 23.6% for the last ten months of 2007 to no more than 10.0% in 2008.

Further to the variety of investments made in sustainability and environmental protection, the work to install a new clinker production line at Hasanoglan (in the Ankara region), proceeded at a good pace and it is expected to be complete by the end of September this year. The functioning of this line will raise the cement production capacity with own clinker of this Business Area by about one million tons/year.

3.8. Brazil

The first nine months of 2008 reported strong growth, benefited by dynamic domestic demand, the increase of household's income and the expansion of credit. In the last quarter, the Brazilian economy will have registered a slight dip, which caused GDP growth to fall to close on 5.3% in 2008. The inflation rate worsened by more than 2 p.p. to about 5.8%, while the local currency rose in value against the US dollar by nearly 14% between January and August, before depreciating by more than 30% from September to the year's end, due to the widespread climate of aversion to risk.

Cement consumption in Brazil in 2008 grew by more than 14%, to surpass 51 million tons, despite undergoing clear deceleration in the last quarter. The sales of CIMPOR – which are limited in some regions by the available production capacity – increased overall by around 7.8% (8.8% in the domestic market). This result signifies a slight loss of national market share.

Brazil Business Area

	Unit	2008	2007	Change	2006
Installed Capacity (1)	10^3 ton	6,070	6,025	0.7%	6,015
Use of Installed Capacity (2)		78.5%	73.6%		63.9%
Cement Sales	10^3 ton	4,652	4,316	7.8%	3,974
Market Share		8.7%	9.1%		9.3%
Concrete Sales	10^3 m^3	1,241	996	24.6%	698
Mortar Sales	10^3 ton	192	163	17.8%	134
Turnover	10^6 euros	401.3	322.0	24.6%	270.3
Operating Cash Flow (EBITDA)	10^6 euros	102.3	73.9	38.5%	60.6
Operating Income (EBIT)	10^6 euros	70.1	37.7	85.7%	35.1
Capital Employed	10^6 euros	740.7	842.4	- 12.1%	797.9
Industrial Investments	10^6 euros	43.1	35.5	21.4%	31.4
Employees (31 Dec.)	units	1,501	1,395	7.6%	1,272
Turnover / Employee	10^3 euros	280	243	15.5%	224
EBITDA Margin		25.5%	22.9%		22.4%
EBIT Margin		17.5%	11.7%		13.0%

(1) Cement production capacity with own clinker (average over year)
(2) Clinker production / Installed capacity (clinker)

In the ready-mix field, the heavy investment made in recent years and the in-depth restructuring of the segment, led, just as in 2007, to a noteworthy increase in sales (24.6%), raising total sales to around 1.24 million cubic metres. Mortar sales rose by around 18%, exceeding 190,000 tons.

The turnover of Cimpor Brasil grew by around 24.6%, exceeding EUR 400 million, due not only to these developments but also an important price recovery (an average recovery in local currency, in the case of cement, in the region of 13%). This fact permitted Operating Cash Flow to rise by 38.5% (to slightly over EUR 100 million) and the respective margin to grow 2.6 p.p., in spite of higher energy prices and higher costs incurred with demurrage during the import of coke.

The contribution from concrete – above EUR 10 million, corresponding to an EBITDA margin of 11.4% – to this sharp improvement in the operating performance of Cimpor Brasil in 2008 deserves particular highlight, given that such contribution has been practically zero or even negative in previous years.

Total investments of EUR 43 million were made, the main highlights being the conclusion of the work to extend clinker production capacity of the Cezarina plant by 450 tons/day, the ongoing investment in one of the rawmix mills at the Cajati plant (with the aim of increasing capacity), the acquisition of a concrete plant in the metropolitan region of São Paulo and the acquisition of a quarry in Paraíba state.

3.9. Mozambique

The Mozambican economy likely grew by close to 6% in 2008 (slightly down on 2007), driven by the construction sector and, in particular, the initiation of a number of projects of notable scale on the central and northern regions of the country, and the large number of public works to construct and rehabilitate infrastructures. The inflation rate will have increased by more than 6 p.p., driven by rise in the price of fuel, maritime freight and food goods, reaching an annual average of 14.5%.

Cement consumption increased almost 6% to approximately 900,000 tons, around 744,000 of which (11.8% up on 2007) corresponded to sales of Cimentos de Moçambique (which raised the respective market share to above 80%). Growth in the ready-mix concrete production and marketing activities was even stronger (21.8%) pushing sales to almost 80 000 cubic metres.

The consolidated turnover grew by close on 30% to EUR 77.4 million, as a result of the increased business activity and the repercussions of the increased costs of producing and importing clinker on selling prices. The rise in prices was not, however, sufficient to offset the referred to rise in costs, causing the EBITDA margin to fall back 3 p.p. and an increase of only EUR 1.3 million (10.4%) in Operating Cash Flow. This fact combined with increased amortization generated a 19% fall in Operating Income.

Mozambique Business Area

	Unit	2008	2007	Change	2006
Installed Capacity (1)	10^3 ton	710	735	- 3.4%	745
Use of Installed Capacity (2)		45.0%	41.2%		20.9%
Cement and Clinker Sales	10^3 ton	744	665	11.8%	605
Market Share		82.6%	78.3%		78.1%
Concrete Sales	10^3 m^3	78.5	64.4	21.8%	52.8
Turnover	10^6 euros	77.4	60.1	28.8%	54.5
Operating Cash Flow (EBITDA)	10^6 euros	13.6	12.3	10.4%	8.4
Operating Income (EBIT)	10^6 euros	8.8	10.9	- 19.2%	7.5
Capital Employed	10^6 euros	51.8	40.8	27.1%	40.6
Industrial Investments	10^6 euros	9.0	4.1	118.2%	4.8
Employees (31 Dec.)	Units	451	408	10.5%	497
Turnover/Employee	10^3 euros	177	141	25.0%	113
EBITDA Margin		17.6%	20.6%		15.4%
EBIT Margin		11.4%	18.1%		13.7%

(1) Cement production capacity with own clinker (average over year)
(2) Clinker production / Installed capacity (clinker)

Most of the total of EUR 9 million of investments made were of an environmental nature. The most important being the intervention on the electro-filter at the Matola plant and also at that plant, the installation of the equipment needed to burn natural gas, a dust removal filter in one of the grinding units and a sleeve filter in the clinker cooler. The start up of the installation of a new grinding unit at Matola and the start of work to rehabilitate the Dondo grinding facility were also highlights of 2008.

3.10. South Africa

The GDP growth rate in South Africa will have been marginally positive, due to the heavy deceleration of economic activity in the second half of 2008. The rise in fuel prices and food goods caused, like in previous years, a significant rise in inflation to nearly 11.5%. This fact together with a slight political instability and a general climate of greater aversion to risk, contributed to an additional devaluation of the rand against the US dollar of around 14.6% and 20.4% against the euro (in terms of average exchange rate for the year).

Investment in construction will have risen 9.8% (well below the 19.3% increase recorded in 2007), and the residential segment even showed a slight decrease. National cement consumption was no greater than 13.5 million tons, thus registering a fall of close to 5%. In KwaZulu-Natal province, where most of the Group's activity is concentrated under NPC-Cimpor, market growth was, contrary to previous years, above the national average, recording growth of 1.6%. That fact plus operational and logistic problems to competitors meant that NPC-Cimpor was able to increase cement sales by more than 13%, to around 1.64 million tons.

South Africa Business Area

	Unit	2008	2007	Change	2006
Installed Capacity (1)	10^3 ton	1,340	1,025	30.7%	1,055
Use of Installed Capacity (2)		84.6%	85.5%		98.7%
Cement Sales	10^3 ton	1,641	1,450	13.2%	1,292
Market Share		12.2%	10.2%		10.2%
Concrete Sales	10^3 m^3	180	93	93.5%	79.8
Aggregates Sales	10^3 ton	740	811	- 8.8%	723
Turnover	10^6 euros	138.2	129.8	6.5%	119.5
Operating Cash Flow (EBITDA)	10^6 euros	46.2	43.0	7.3%	47.9
Operating Income (EBIT)	10^6 euros	38.9	38.1	2.3%	39.6
Capital Employed	10^6 euros	175.2	156.3	12.1%	164.6
Industrial Investment	10^6 euros	21.8	37.5	- 41.9%	49.4
Employees (31 Dec.)	units	638	580	10.0%	467
Turnover/Employee	10^3 euros	225	218	3.2%	260
EBITDA Margin		33.4%	33.1%		40.1%
EBIT Margin		28.1%	29.3%		33.1%

(1) Cement production capacity with own clinker (average over year)
(2) Clinker production / Installed capacity (clinker)

The supply of concrete to the new airport at Durban ensured that sales of this product almost doubled, to 180,000 cubic metres. The sale of aggregates (down 9%) was seriously hindered by the electricity supply problems occurring at the start of the year.

The devaluation of the South African currency prevented Turnover from growing more than 6.5% when translated into euros. The increase to Operating Cash Flow was no greater than 7.3%, for the same reason, while the EBITDA margin remained at more or less the same level it had registered in 2007. Even so, profound differences existed between the first and second halves of the year: significant quantities of clinker had to be imported up to June – which restricted the Operating Cash Flow obtained for that period to around EUR 16 million (equivalent to an EBITDA margin of only 24.7%); whereas, in the second half of the year, the start up of the new clinker production line allowed that indicator to rise to EUR 30 million and the EBITDA margin to climb above 40%.

The main focus of investment was the conclusion of that new clinker production line (with a nominal capacity of 1,500 tons/day) and the construction of a new clinker silo.

3.11. Cape Verde

Latest estimates indicate that GDP in Cape Verde in 2008 will have grown at a rate (6.0%) slightly below that of 2007, mainly due to a certain slowdown in private investment and lower input flows of foreign capital.

Nevertheless, cement consumption – driven by public investment in infrastructures and the implementation of important tourism projects – will have increased around 12%, to over 400,000 tons. The sales of the Group (of cement totally imported from Portugal) recorded even more emphatic growth (18.7%), to attain 287,000 tons (a market share above 70%).

Cape Verde Business Area

	Unit	2008	2007	Change	2006
Cement Sales	10^3 ton	287	242	18.7%	178
Market Share		71.2%	67.2%		69.2%
Concrete Sales	10^3 m^3	66.0	60.7	8.8%	-
Aggregates Sales	10^3 ton	74.0	109.9	- 32.7%	20.0
Turnover	10^6 euros	42.1	30.5	38.1%	18.0
Operating Cash Flow (EBITDA)	10^6 euros	4.2	3.0	42.2%	2.3
Operating Income (EBIT)	10^6 euros	3.2	2.2	46.3%	1.3
Capital Employed	10^6 euros	19.1	18.3	4.7%	11.6
Industrial Investments	10^6 euros	1.0	3.9	- 75.4%	0.4
Employees (31 Dec.)	units	138	169	- 18.3%	88
Turnover/Employee	10^3 euros	264	223	18.2%	340
EBITDA Margin		10.0%	9.7%		12.9%
EBIT Margin		7.7%	7.3%		7.4%

The conclusion of come works that had begun in 2007 and the interruption or deferral of others meant that concrete sales increased only 8.8%, while the sale of aggregates, hampered by operating and red-tape problems, contracted by 30%.

In 2006 The consolidated turnover exceeded EUR 42 million and the Operating Cash Flow was EUR 4.2 million, generating a slight increase to the EBITDA margin (from 9.7% in 2007 to 10.0% in 2008).

3.12. China

The Chinese economy slowed down slightly in 2008, following five consecutive years of two-digit GDP growth. The latest forecasts indicate real GDP growth of around 9%. Exports and particularly investment (which grew in the region of 25%) remained the main driving forces of economic activity, even though they may have undergone hefty deceleration in the last quarter of 2008.

The high growth rate of the urban population continues to stimulate the construction sector and, in particular, the residential segment, driving cement consumption above 1.4 billion tons. Furthermore, many of the technologically obsolete plants were closed down (which represented a production capacity of around 60 million tons/year) and this together with the start up of new plants increased the market share of new generation installed capacity to above 60%.

China Business Area

	Unit	2008	2007 (1)
Installed Capacity (2)	10^3 ton	2.425	1.210
Use of Installed Capacity (3)		103,1%	103,1%
Cement and Clinker Sales	10^3 ton	2.989	1.442
Turnover	10^6 euros	65,6	23,9
Operating Cash Flow (EBITDA)	10^6 euros	6,3	1,8
Operating Income (EBIT)	10^6 euros	2,2	0,3
Capital Employed	10^6 euros	72,0	45,9
Industrial Investment	10^6 euros	37,9	0,4
Employees (31 Dec.)	Units	648	623
Turnover/Employee	10^3 euros	105	79
EBITDA Margin		9,5%	7,7%
EBIT Margin		3,3%	1,1%

(1) 2nd half of year

(2) Cement production capacity with own clinker (average over year)

(3) Clinker production / Installed capacity (clinker)

The CIMPOR Group's cement and clinker sales were close to 3 million tons in 2008, corresponding to more than double the sales achieved in the second half of 2007. The

Turnover of the companies in question (taken over at the end of June 2007) exceeded EUR 65 million, generating EBITDA of EUR 6.3 million. The respective margin was subsequently close to 9.5%, which despite showing some improvement, continues to reflect the extremely low prices practised in China.

The main investments in 2008, in addition to acquiring, right at the end of the year, the entire share capital of a company (Liyang) with a clinker production capacity of 900,000 tons/year, were the start of construction work on a new plant at Shanting (Zaozhuang), a new grinding unit at Huaian and the waste heat recovery project at the NLG plant to generate electricity.

3.13. India

The Indian economy also recorded a certain deceleration, primarily due to the slowdown of exports. It is estimated to have grown no more than 6% in 2008 (which contrasts with the growth of close to 10% achieved in the three years previous). The construction sector remained robustly dynamic and cement consumption is forecast to have increased by about 9%, to near on 174 million tons.

Following the acquisition by the CIMPOR Group at the end of the first quarter, from Shree Digvijay, besides exporting approximately 49,000 tons of clinker, it sold a total of 615,000 tonnes of cement in the domestic market, generating a Turnover of close to EUR 32.3 million.

India Business Area

	Unit	2008 (1)
Installed Capacity (2)	10^3 ton	875
Use of Installed Capacity (3)		81.8%
Cement and Clinker Sales	10^3 ton	664
Market Share		0.4%
Turnover	10^6 euros	32.3
Operating Cash Flow (EBITDA)	10^6 euros	3.1
Operating Income (EBIT)	10^6 euros	2.4
Capital Employed	10^6 euros	72.2
Industrial Investment	10^6 euros	1.6
Employees (31 Dec.)	Units	552
Turnover/Employee	10^3 euros	78
EBITDA Margin		9.7%
EBIT Margin		7.4%

(1) April – December

(2) Cement production capacity with own clinker (average over year)

(3) Clinker production / Installed capacity (clinker)

Cement prices are controlled by the government and they lagged far behind in accompanying the significant increases in the cost of the main production factors. This fact, allied to the consequences of a serious electrical fault that had occurred in 2007, generated an Operating Cash Flow slightly above EUR 3 million, equivalent to an EBITDA margin of only 9.7%.

3.14. Other Areas

In Peru, the activity of the Cementos Otorongo company – the CIMPOR Group holds 80% of this company's share capital – continued to focus of the development of the project to construct an integrated cement and clinker plant in the region of Arequipa, where the company owns a number of mining concessions with sufficient and adequate raw material for such a plant.

The CIMPOR Group also has an important, though minority, shareholding in the company C+PA – Cimento e Produtos Associadas, S.A.. The business activity of that company is to manage a set of equity holdings in companies operating in the cement, concrete and aggregates areas, as well as manage some investments of a financial nature. Eminent among those investments is the ownership of around 100 million shares of Banco Comercial Português, S.A. (equivalent to 2.18% of the share capital). Those shares generated an impairment loss carried in the accounts of C+PA of close to EUR 115 million.

The many subsidiaries include: Arenor, S.L., a Spanish concrete and aggregates company; the Namibian company Karibib Portland Cement, Limited, holding licences that allow it to immediately commence the construction of a cement plant; a 25% stake in the CIMPOR Group's holding for the Chinese market (Sociedade de Investimento Cimpor Macau, S.A.); and the Ukraininga company Cement, Ltd. (100% owned), which owns a cement plant in Odessa with a production capacity of around 425,000 tons/year.

4. CIMPOR TEC's Business

CIMPOR TEC – Engenharia e Serviços Técnicos de Apoio ao Grupo, S.A. has sought, in its fourth year of activity, to internally consolidate the process of certification according to the ISO 9001:2000 standard, which, following the necessary final audit by APCER (The Portuguese Standards and Certification Agency), would be obtained in 2009.

It was also decided in 2008 to create a new structure – the Sustainable Development Advisory Office. The aim of this structure is to coordinate all Group activities concerning that theme, providing the different Business Areas and respective Operating Units with clear guidance on the action to be taken. It is to be highlighted in this context that in 2008, and for the first time, an external entity assessed the occupational health and safety data made available, as has been undertaken, for the past four years, with the CO_2 emissions of all the Group's plants.

The drawing up of the "Annual Benchmarking Programme" is one of many tasks performed on an annual basis by the management of the CIMPOR Performance Programme. This benchmarking programme involves the comparison of about two hundred key indicators aimed at measuring the operating performance of the different cement manufacturing plants. This work, which precedes the drawing up of the annual budget and the update of the business plan, allows the managers of the referred to 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.

This Department, through its "Process and Environmental Engineering" area and "Geology and Raw Materials" area, also performed various studies in 2008 to evaluate the process conditions of the different manufacturing units. The aim is to identify the best alternatives for the implementation of the performance improvement actions, capacity increases or undertake new investment. It also carries out research work, operational planning and the control of raw material reserves. A number of significant initiatives were also started, such as the implementation of an Emissions Reporting and Monitoring Manual, a Study of the Mercury Cycle in the Manufacture of Cement, the development of an Atmospheric Emissions Database and the creation of a working party to draw up a set of Guidelines for the Environmental Recovery of Spoilt Areas.

The Investments, Engineering, Equipment and Safety Department continued to provide important coordination and technical assistance services to the different maintenance and investment projects undertaken by the Group, most of which are mentioned in the previous point.

The highlights of the Products, Quality and Staff Technical Training Department included the signing of a partnership contract with Instituto Eduardo Torroja (Spain) for the development of belite cements, the holding of 12 training courses totalling 473 hours and encompassing 83 officers from different countries, and the organisation of the second CIMPOR Group Production Seminar, on the theme of "Process and Quality", and which was attended by 59 employees (including plant managers and other managers of those areas) from almost all the countries the Group operates in.

Since one of CIMPOR TEC's main duties is to encourage the dissemination of knowledge within the Group, it publishes a monthly Technical Bulletin. This bulletin contains recent news related to the cement business, disseminates CIMPOR's concerns and policies with respect to sustainable development and presents case studies, aimed at sharing and disseminating in-house what are considered to be best practices of the Group.

5. Sustainability and Social Responsibility

The CIMPOR Group's Sustainability Report for 2008, which is drawn up in accordance with the directives of the GRI – Global Reporting Initiative and which is published along with this report, refers to these matters in more detail, with special reference to the Group's environmental and social performance. We encourage our shareholders to take the opportunity to read the report (it is also available at our site www.cimpor.pt).

5.1. Sustainable Development

As stated in reports of previous years, CIMPOR firmly supports the concept of Sustainable Development, and the Group strives to marry the excellence of technical, economic and financial performance - decisive factors in the value creation process - with an effective stance on social and environmental responsibility.

At the end of the nineteen nineties, after having subscribed to the WBCSD – World Business Council for Sustainable Development, CIMPOR was one of the group of ten companies, from among the world's leading cement companies, that launched the project designated as CSI – Cement Sustainability Initiative. Since then, it has actively taken part in the development of this project and, in particular, the launch in July 2000 of a five-year action plan, "Our Agenda for Action", which identifies six key areas for this business sector in progressing towards a more sustainable society:

- Climate protection and management of CO_2 emissions;
- Responsible use of raw materials and fuels;
- Worker safety and health;
- Emission monitoring and disclosure;
- Impacts in terms of land use and at the local community level;
- Reporting and communication.

A highlight in 2008 is the preparation of a report, in the first of the abovementioned areas, entitled "Getting the Numbers Right", which aims to inventory the CO_2 emissions of the world's cement industry, in order to provide a correct assessment of this industry's real contribution to worldwide greenhouse gas emissions. Though the report is still in the final drafting phase, the partial results that have already been disclosed have served as the baseline for establishing national and regional benchmarks in contacts with the different stakeholders.

Significant developments were also recorded in 2008 as regards the establishment of bases for obtaining sectoral agreements from the world's cement industry to limit CO_2 emissions in the medium/long-term (the Sectoral Approach); Hence, a model aimed at quantifying and describing the emissions reductions that may be achieved, considering the forecast development of the different variables underlying such emissions, is currently being drawn up.

In the Worker Health and Safety area, the "Safety in the Cement Industry – Guidelines for Monitoring and Reporting" document was reviewed, which allowed concepts to be clarified and the monitoring criteria used to be harmonised.

The CSI Full Report, announcing the results achieved during the first five years of the "Our Agenda for Action" action plan was published in 2008, following the holding of the first CSI Forum in 2007, which aimed to extend the discussion and sharing of knowledge on matters concerning sustainable development.

2008 was also the start of a new period of compliance with the EU-ETS mechanism (European emissions trading scheme) and the Kyoto Protocol (2008-2012). The following table summarises its application at the different industrial units of the CIMPOR Group (Portugal and Spain), in this its initial year:

CO_2 Emissions Licences

Plant / Ton CO_2	Registered Emissions	Licences Awarded	Difference
Portugal			
Souselas	1,665,408	1,750,901	- 85,493
Alhandra	1,619,196	1,748,681	- 129,485
Loulé	476,804	503,429	- 26,625
Cabo Mondego	33,904	50,886	- 16,982
Total Portugal	3,795,312	4,053,897	- 258,585
Spain			
Toral de los Vados	721,165	695,311	25,854
Oural	376,336	363,244	13,092
Córdoba	320,224	590,748	- 270,524
Niebla	222,619	376,466	- 153,847
Total Spain	1,640,344	2,025,769	- 385,425
General Total	5,435,656	6,079,666	- 644,010

The market slump in both countries is the main reason for the number of surplus licences, and this excess was further exacerbated in the case of the Córdoba and Niebla plants by the lengthy stoppages recorded at those plants to allow important modernisation work to be performed. For this reason, a total of 285,000 emissions licences were sold in Spain.

At the Alhandra plant in Portugal, the growing consumption of neutral or partially neutral alternative fuels, in terms of CO_2 emissions(tyres, animal mass and plant biomass) has permitted the achievement of a thermal substitution rate in the region of 14% and the consequent saving (and sale) of 75,000 licences.

The Souselas plant began the use of hazardous industrial waste as a fuel in 2008, which does not have significant impact on overall CO_2 emissions accounting but it does solve the serious environmental problem originated by the generation and accumulation of hazardous industrial waste.

5.2. Social Responsibility

The CIMPOR Group, under its sustainable development policy and aware of the need to link to the social environment it forms a part of and take on its responsibilities to the local populations, has developed a privileged relationship over the years with the communities living around its plants. It undertakes a range of actions of significant importance in the social, education, cultural and sports areas (in addition to those it develops in the environmental field).

Though it is usually the Group companies or its employees that have the initiative (as is the case with the "Connosco" programme), requests for support form a diverse range of collective and individual entities are frequently received. Such entities range from social institutions (e.g. schools, homes for the elderly, hospitals, churches and fire stations) to cultural associations, associations for the disabled, small enterprises in the start-up phase, universities requesting support for scientific projects and many other entities. CIMPOR seeks to respond to such requests, provided that they meet the characteristics defined by the Group - which mainly concern, besides the social and cultural value of the projects and the respective impact on the community in general, criteria such as geographical proximity to any of the Group's operational premises. Its support policy is also not reduced to simple financial assistance or the free supply of the products manufactured.

In effect, the support that the Group increasingly provides tends to value the real involvement with the communities in question, as well as partnerships with governmental and non-governmental organisations, in order to guarantee the existence of the competences required for the good development of the projects and to guarantee the long-term feasibility of the same.

Hence, particular importance is placed on the sense of responsibility demonstrated by the beneficiary entity in the manner in which the project is managed. Therefore, regular progress reports are requested from supported projects. These reports must justify how and the extent to which the funds are being used and encourage the donor companies not only to perform regular inspections of the work in progress and also provide a general appraisal on the same.

6. Human Resources

The CIMPOR Group, aware of the major human resources challenges it faces in terms of its process of internationalization, it backed the development and consolidation in 2008 of a corporate strategy, embodied in a project called CHESS – *Cimpor Human Environment Structures & Systems*.

The project was co-ordinated by the Personnel Department and Planning, Control and Information Systems Department of Cimpor Serviços. All Business Areas of the Group participated and collaborated with the project. It basically consists of the creation of a global database that will allow the improvement of the quality of human resources management through:

- Greater visibility and control of staff data;
- The maximisation of synergies between Business Areas;
- Strengthening communication and the Group spirit;
- Aligning local HR systems within the Group's strategy.

Other highlights in addition to this project include, in the Recruitment and Integration areas, the endeavours made to promote the Young Engineers Pool, which consists of hiring recently graduated engineers and developing their technical and behavioural skills through their participating in practical and theoretical training courses. Five such programmes started in 2008: two in Portugal and one apiece in Spain, Tunisia and Morocco.

In the Training and Development area – which is currently a key area of the Group's Human Resources – each Business Area developed specific training and qualification processes for the respective workers. Of note in this area was the training in the Safety, Quality and Environment fields. Simultaneously, CIMPOR TEC carried on the implementation of the usual training programme provided to all the Group's technical management staff.

The highlights of the many activities undertaken in 2008 in the different Business Areas are: the definition and dissemination of the Vision, Mission and Values of Cimpor Egipto; the consolidation of the identity of Cimpor Brasil ("Be Cimpor" programme); the design and implementation of a new performance assessment and bonus system in India and Turkey; the establishment of a holiday camp for the children of the staff of Asment de Témara (Morocco); and the drawing up of the Staff Manual for the China Business Area.

The CIMPOR Group's workforce at the end of 2008 was 8,369 workers (not including the staff of the operations acquired in the Canary Islands), spread over 13 countries, as detailed in the following table:

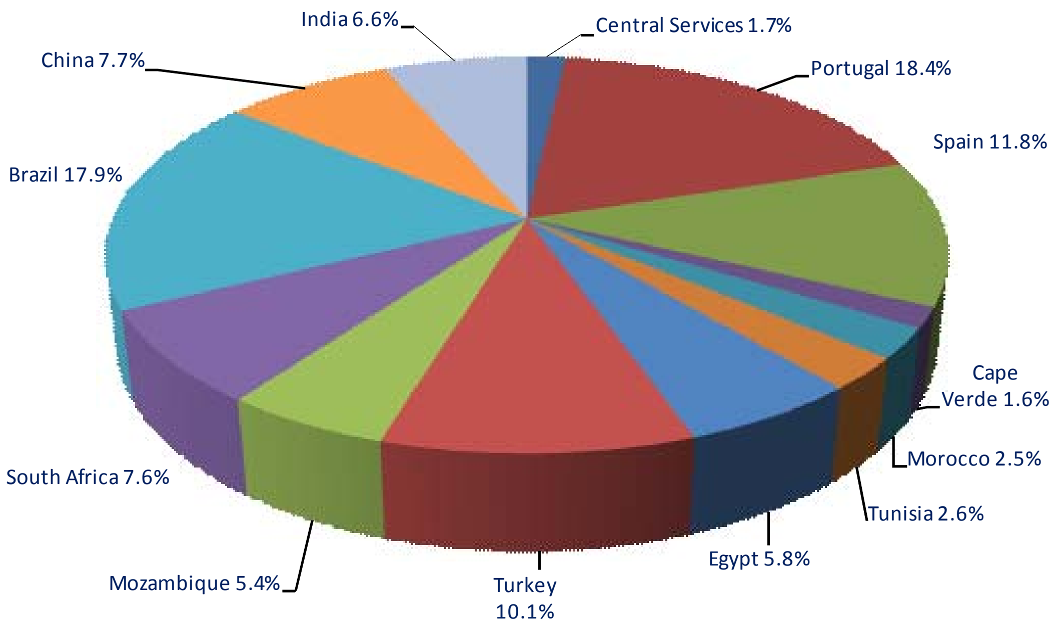
Number of Employees per Business Area (31 Dec. 2008) [1]

	Permanent	Term Contract	Workers on Loan	Total
Central Services [2]	94	4	3	101
Portugal	1,348	189	3	1,540
Spain	875	116	0	991
Morocco	193	12	2	207
Tunisia	214	7	0	221
Egypt	270	209	9	488
Turkey	841	5	2	848
Brazil	1,501	0	0	1,501
Peru	1	40	0	41
Mozambique	376	62	13	451
South Africa	515	123	0	638
China	50	598	0	648
India	551	0	1	552
Cape Verde	0	137	1	138
Trading	4	0	0	4
Total	6,833	1,502	34	8,369

(1) Of companies included in the consolidation
(2) *Holding*, CIMPOR Inversiones, CIMPOR Investimentos and Cimpor Tec

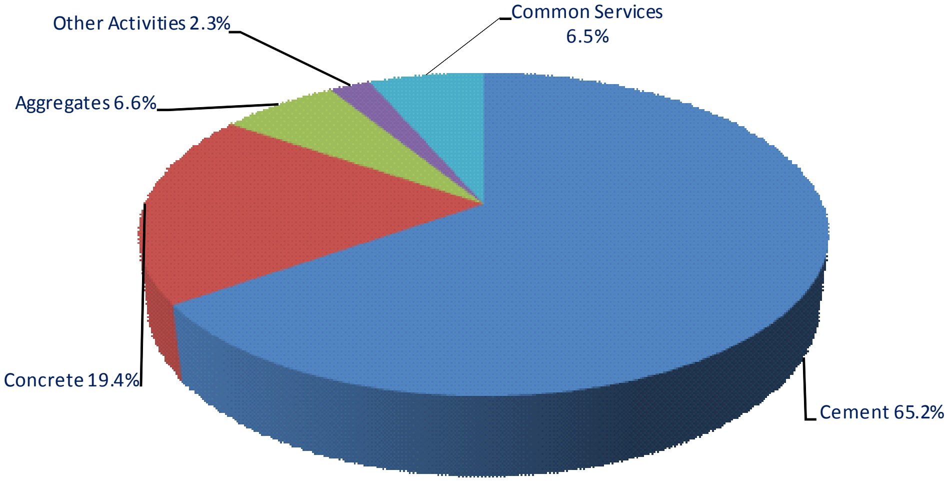
The workforce increased by 761 in 2008, essentially due to the integration of the new Business Area of India and the expansion of the production and marketing activity of ready-mix concrete in Brazil and Turkey.

Distribution of Employees by Business Area (31 Dec. 2008)



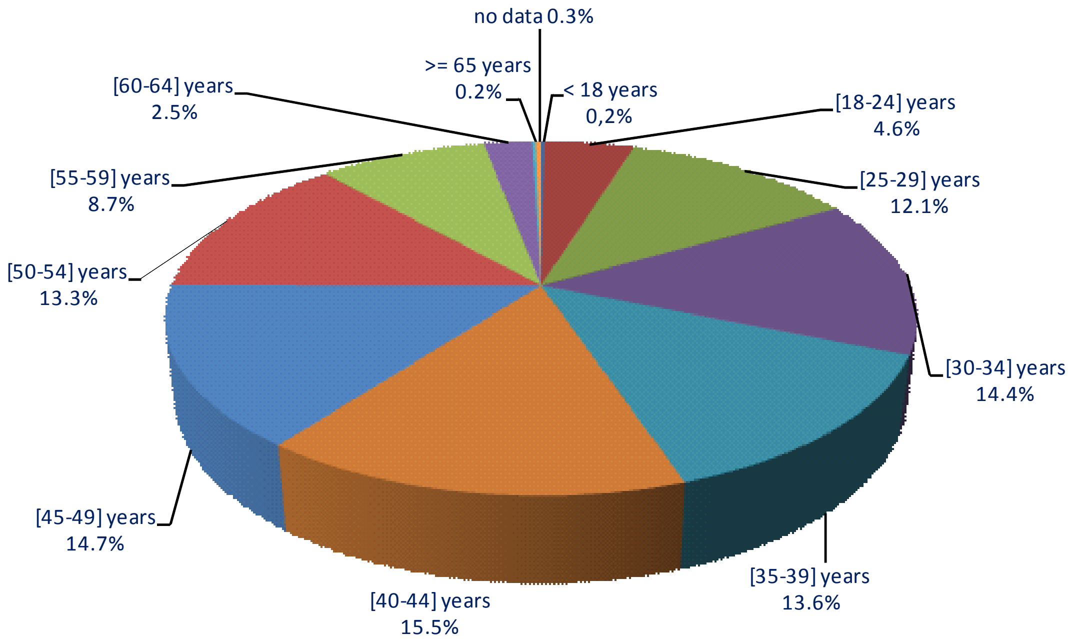
Cement clearly remains the main activity of the Group, employing 5,456 workers (almost two-thirds of the total):

Distribution of Employees by Activity (31 Dez 2008)



Around 89% of the total universe of the Group is male. The most common age groups are 40-44 years (15.5%), 45-49 years (14.7%) and 30-34 years (14.4%):

Age Distribution



7. Occupational Health and Safety

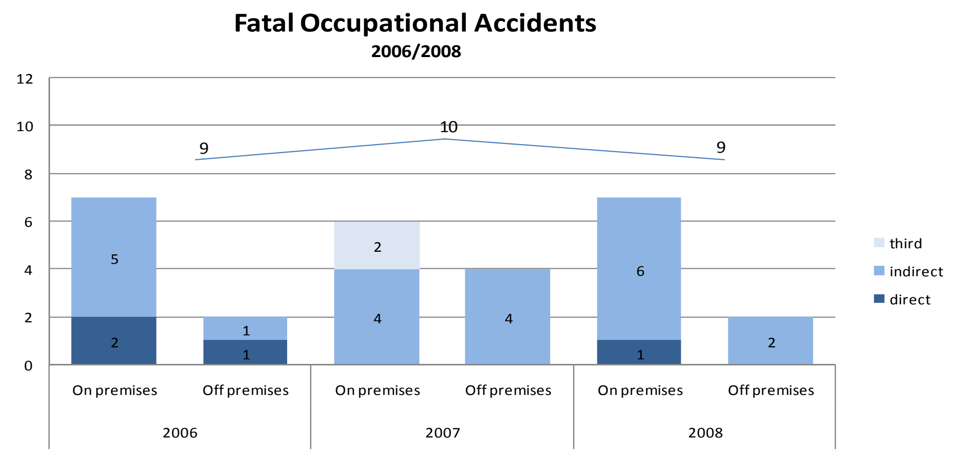
The CIMPOR Group has been assigning growing importance on the occupational health and safety area (OHS), seeking to implement at all the sites where the Group develops its business, a set of rules and practices aimed at ensuring compliance with its baseline goal, "Zero Accidents, Healthy and Safe Workplace".

The most notable actions implemented in 2008 are:

- The holding of the 1st OHS Co-ordinators Meeting, which was attended by 13 experts in the field. The main aim was to draw up a set of operating instructions to be applied to the areas of greatest risk;
- The launch of an Ideas Contest to chose the slogan and logo; 97 entries were received;
- The broadening of the scope for the collection of OHS data - to be used for statistics, benchmarking and communication to internal and external entities – to cover the Health, Absenteeism, Training and Employee Participation areas;
- The integration of new OHS Performance Indicators for indirect employees and third persons;
- Participation is various institutional initiatives, such as Task Force 3 of the Cement Sustainability Initiative (CSI).

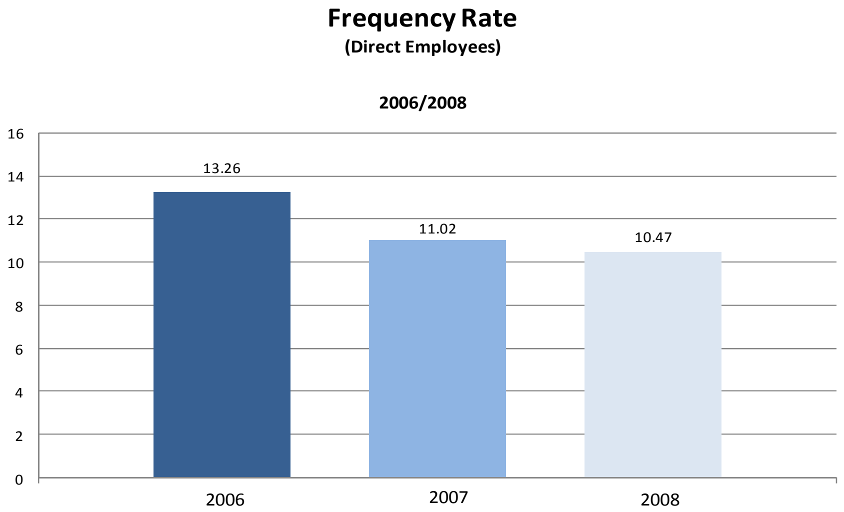
In addition, the OHS area made a significant communication effort throughout 2008, through the constant dissemination of information, not only of the CIMPOR Group but also of like companies (this included statistical data, good practices, fatal occupational accident reports and the respective instruction).

Despite all the attention given the subject, the number of victims of fatal occupational accidents – most of which (54%) were caused by heavy vehicle traffic – has remained stable for the last three years:

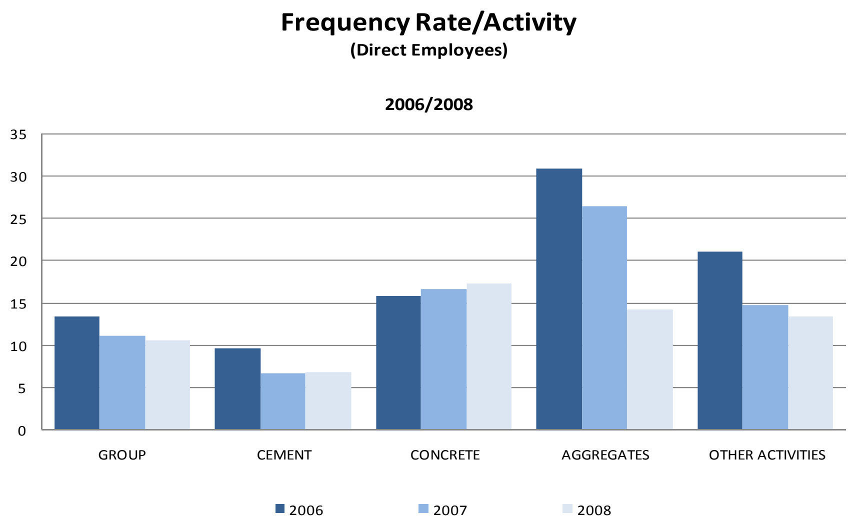


The countries with the highest rates during the period were clearly Mozambique, Brazil and Egypt, with eight, seven and six accidents, respectively (75% of the total).

Another important indicator is the Frequency Rate (number of new cases of occupational accidents implying an absence from work of more than one day per one million hours worked), which has progressively traced out a downward trend:



This trend is true for all activity sectors save the concrete sector:



8. Financial and Risk Management Policy

8.1. Financial Debt Management

The large volume of investments made by the CIMPOR Group in 2008 led to an increase of close on EUR 500 million in its Net Financial Debt, taking this indicator to approximately EUR 1.86 billion.

The borrowing requirements arising not only from the investments contracted but also from the maturing of some debt instruments led to the contracting of three new important operations in 2008:

- A five-year Club Deal bank loan, contracted from two financial institutions, in the amount of EUR 200 million;
- Another Club Deal loan, involving three entities, with maturity in 2011, in the amount of EUR 225 million;
- A two-year bilateral loan in the amount of EUR 300 million.

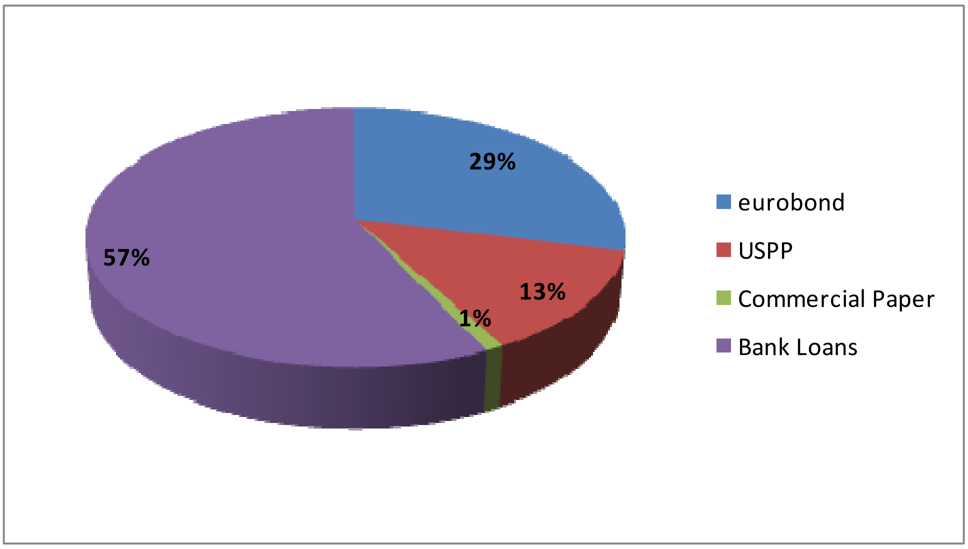
Any of these operations – the first two of which are under the amortizing scheme and the last one the bullet scheme – was negotiated before the enormous worsening of spreads that occurred in the last quarter. This fact means that CIMPOR obtained extremely favourable credit conditions in the light of the current climate.

AS regards the management of short-term debt, CIMPOR continues to favour the dynamic use of the credit lines available, aiming to facilitate the movement of funds associated to the refinancing of the loans falling due, ensuring the necessary financial support for any acquisitions and sustaining the intragroup cash support operations carried out by Cimpor Inversiones.

In this context, the contracting in Spain of new back-up lines deserves highlight, which raises the global ceiling available to Cimpor Inversiones and Corporación Noroeste from EUR 380 million, that was in force at the end of 2007, to EUR 487 million as at December 2008.

In parallel, CIMPOR sought to raise the effectiveness of the management of cash surpluses existing in some Business Areas, channelling them either directly or indirectly to where cash shortages exist due to investments being undertaken. This process is never easy given the financial, administrative and tax restrictions that still exist in some countries where the Group operates.

The financial debt at the end of 2008 totalled around EUR 2.152 billion in gross terms, basically divided between four types of instrument: a Eurobond issue (EUR 600 million) launched in 2004, two US Private Placements issues (USD 404 million) placed in 2003; sundry Bank loans (EUR 1,230 billion) and Commercial Paper issued in 2008 (EUR 25 million).



Despite the referred to rise in Net Financial Debt (close to 18% in annual average terms) and the sharp rise in the Euribor rates between the start of 2008 (when the 6-month rate was 4.65%) and the middle of October (when the same rate topped out at 5.40%), the credit conditions underlying the new operations that have been contracted and the careful management of debt in preceding years have allowed the increase in the respective costs to be contained at a little over EUR 3 million (including the impact arising from the application of IAS 39).

It is also to be noted that despite the increase of debt and the slight deterioration in the Group's operating income, CIMPOR continues to comply with all the financial covenants established in the contracts in force, even though the margin is much lower than that existing in previous years. This narrowing of the differential between the ratios presented and the respective contractual limits, allied to fears of a greater deterioration of the Group's operating income, considering the worsening of the international economic climate, caused Standard & Poor's to place CIMPOR's rating on Credit Watch towards the end of the year. This has negative implications and, at the start of 2009, the Company's rating was lowered from BBB to BBB- (and it remained on credit watch with a negative outlook).

Below is a table summarizing the Group's main financial operations reported in its consolidated liabilities:

Financial Debt as at 31 December 2008

Financing	Currency	Value (10^3)	Start	Maturity	Interest Rate
CIMPOR Inversiones					
Bilateral Loan	EUR	280,000	Nov 2007	Nov 2012	Euribor + 0.275%
Bilateral Loan	EUR	200,000	Jan 2008	Jan 2013	Euribor + 0.275%

Bilateral Loan	EUR	225,000	Jun 2008	Mar 2011	Euribor + 0.750%
Bilateral Loan	EUR	300,000	Aug 2008	Jun 2010	Euribor + 0.550%
Sundry Financing	EUR	571	-	-	-
Impact of IAS 39	EUR	- 1,441	-	-	-
Total	EUR	1,004,130			
CIMPOR B.V.					
Eurobonds	EUR	600,000	May 2004	May 2011	4.500%
US PP 10y	USD	150,000	Jun 2003	Jun 2013	4.750%
US PP 12y	USD	254,000	Jun 2003	Jun 2015	4.900%
Impact of IAS 39	EUR	- 29,054			
Total	EUR	915,656			
Portugal					
BEI Financing	EUR	46,667	Sept 2003	Sept 2015	EIB Basic Rate
Commercial Paper	EUR	25,000	Dec 2008	Jan 2009	3.290%
Sundry Financing	EUR	5,572	-	-	-
Overdraft	EUR	3,488	-	-	-
Total	EUR	80,726			
Spain					
Sundry Financing	EUR	73,578	-	-	-
Overdraft	EUR	29	-	-	-
Total	EUR	73,607	-	-	-
Morocco					
Sundry Financing	MAD	23,127	-	-	-
Sundry Financing	MAD	38,809	-	-	-
Total	EUR	5,586			
Turkey					
Overdraft	EUR	4,800	-	-	-
Overdraft	TRY	65,074	-	-	-
Total	EUR	35,084			
Brazil					
Sundry Financing	BRL	32,131	-	-	-
Total	EUR	9,906			
South Africa					
Overdraft	ZAR	952	-	-	-
Total	EUR	73			
China					
Sundry Financing	CNY	29,800	-	-	-
Total	EUR	3,138			
India					
Bilateral Loan	INR	1,000,000	Mar 2008	Mar 2011	10.500%
Total	EUR	14,838			
Peru					
Sundry Financing	PEN	5,855	-	-	-
Total	EUR	1,340			
Cape Verde					
Sundry Financing	EUR	239	-	-	-
Sundry Financing	CVE	3,300			
Overdraft	CVE	96,809	-	-	-
Total	EUR	1,147			
Various					
Financial Leasing	EUR	6,771	-	-	-
Group Total	EUR	2,152,002			

8.2. Risk Management Policy

8.2.1. Financial Risk Management

As part of its normal operations, the CIMPOR Group is faced with various financial risks as a result of exposure to fluctuations in the local currency exchange rates in countries in which it operates. It is also exposed to euro and US dollar interest rate changes, the main currencies in which its financial debt is held.

To mitigate the potential impact of any unfavourable changes in these factors, management policy is abides with the following basic principles:

- Centralization of all risk management in the holding company, which analyses and approves transactions (Executive Committee) and carries them out and monitors them (Financial Operations Area of the Corporate Centre);
- Analysis of the Group's global exposure to different types of financial risk, and identification of potential new sources of uncertainty arising from the normal process of growth and internationalization;
- Search for and development of solutions to cover identified risks, and never, as a rule, merely for trading purposes, without there being underlying assets or liabilities;
- Selection of hedging instruments based on careful analysis and assessment of the risk/return ratio of the various alternatives available on the market for the type of risk in question;
- Search, whenever possible, for natural hedging by contracting financing in the local currency of the various countries where the Group operates;
- Regular monitoring of the risks and costs relating to the different operations contracted, in particular by calculating their market value and analysing market value sensitivity to changes in the main variables.

With respect to this last point, attention is drawn to the use of a particularly relevant statistical measure for derivative portfolio management, known as Earnings-at-Risk. This indicator forecasts the portfolio's maximum negative impact in terms of results for a three-month time frame, with 95% accuracy. It provides an ongoing analysis for the portfolio and assesses the extent to which this impact may or may not be lessened by contracting certain operations.

Regarding exchange risk management, the two cross-currency swaps (USD/EUR) associated with the private placements issued in June 2003 on the US market were kept. The policy of hedging the risks relative to the intragroup loans contracted by Group companies operating outside the Euro Zone was also maintained, provided the local market conditions permit such.

In the area of interest rate risk, the Group continued its dynamic management of the portfolio of derivatives not classified as hedging instruments, aiming to minimise its global cost and to balance the cash flow / market value ratio. In the hedging portfolio, the weight of Eurobonds - issued at a fixed rate in 2004 - was increased, from 25% to 50%, and hedged by variable rate swap operations, as a means of taking advantage of the reduction to market rates that occurred at the end of the year.

8.2.2. Asset Risk Management

The operating risk management policy of the Group was not significantly changed in 2008, with self-insurance being kept at the same level as in previous years and "major risks" being insured with international insurance companies.

When renegotiating insurance policies within the CIMPOR Group's global programmes, and despite the fact that the main companies involved continued to make very demanding conditions for their renewal, substantial reductions in the premiums for material damage and third party liability policies were once again obtained.

The Group's "captive" reinsurance company – CIMPOR Reinsurance, based in Luxembourg – continued to directly assume material damage and machine breakdown risks, with compensation limits up to two million euros. It also handled third party liability and product liability, with compensation limits up to two hundred and fifty thousand euros. Above these sums, cover remained with international reinsurance companies.

In 2008 the global third party liability insurance of CIMPOR's directors and managers was renegotiated, and even with the difficult market conditions the same cover was maintained as in previous years, but for a lower premium.

Personal, vehicle and other miscellaneous insurance cover required by the different business areas was kept with local firms, in accordance with the specific laws of each country and the contractual conditions of employees.

9. Outlook for 2009

9.1. Overview

2009 is shaping up to be quite gloomy, with the world economy facing serious recession risks, though deflation is less probable. Unless the current tension as regards financial markets in substantially mitigated, the international economic climate will be marked by the retraction of growth, the reduction of world trade and credit access difficulties, with increased unemployment leading to a sharper contraction of private consumption.

In more developed countries, strongly affected by the serious crisis in the financial system, GDP is expected to fall, according to the OECD's latest forecasts, by as much as 4% in the USA and Euro Zone and around 6.5% in Japan. Though the main emerging economies may initially suffer from the impact of that contraction - especially those most dependent on exports and external financing flows - but they should maintain relatively strong growth rates (i.e. such being the case with India and China, which have estimated GDP growth rates of 4.3% and 6.3%, respectively)

In this climate, the construction sector will probably record its worst year since 1991, and world cement consumption will probably record, for the first time, zero or almost zero growth: the expected advance for the African markets (above 10%) and in Asia (6.5%, excluding Japan) will probably not be enough to offset the decline (in the region of 9 to 12%) in the US, UK and Euro Zone markets.

It is natural in these latter markets that the under-use of installed capacity as well as the recent drop in maritime freighting (favouring imports) will pressurise selling prices and, consequently, reduce operating margins, though this should be offset by the sharp fall in the cost of fuel.

9.2. CIMPOR Group

In the CIMPOR Group, the expected EBITDA increases in Egypt, South Africa, China and India should be enough to offset any possible declines in Portugal and Spain, allowing the Group Operating Cash Flow to at least reach the level achieved in 2007 (above EUR 600 million).

The recession that the two Iberian countries are currently experiencing indicates a fall in cement consumption of around 6% in Portugal and more than 20% in Spain, which, combined with the export difficulties (given the contraction of demand), foresees a decline in the joint EBITDA for these two Business Areas of around EUR 40 million. This reduction would be even more significant had not CIMPOR recently acquired all of Grupo Cemex's operations in the Canary Islands which, besides their own profitability, guarantee the placing of a significant quantity of clinker with the Group's plants located on the Iberian Peninsula, thus allowing them to make greater use of the installed capacity.

In Morocco and Tunisia, cement consumption should continue its growth trend, though at a slower rate, despite the international economic climate - which will primarily impact on exports and revenue from tourists and transfers of money into the country from emigrants working abroad. The update of prices that is expected (mainly in Tunisia) and the fall in fuel prices should allow both Business Areas to increase their operating income.

In Egypt, the cement market continues to show enormous robustness, meaning growth rates that, at least in the first half of the year, will probably be double-digit. If the current prices and local currency exchange rate remain unchanged, the EBITDA in this Business Area may increase by more than EUR 20 million.

In Turkey, however, the latest estimates indicate a fall in GDP of between 1 and 2%, and a decline in cement consumption of around 10% - given the excess installed capacity, and the difficulty in absorbing that decline through exports, given the slowdown in demand in neighbouring countries – which continues to place pressure on cement prices. In this context, the conclusion of the investment at Hasanoglan, scheduled for the end of the third quarter, may not be sufficient to prevent a new decline in Operating Cash Flow.

In Brazil, even though the reduction of foreign demand may lead to economic growth almost stagnating, the construction and public works sector should continue to benefit from the current cycle of low interest rates and the economic stimuli established in the Growth Acceleration Programme (PAC). It is expected that the EBITDA of Cimpor Brasil will significantly improve in local currency, if the recovery of selling prices continues and fuel prices remain low. Nonetheless, in view of the recent depreciation of the currency, the euro value f EBITDA may not grow significantly.

In Mozambique, the public works ready to start and the continuation of some private projects currently underway should continue to sustain the growth of the construction sector and, according, cement consumption. Nonetheless, the recent government decision to remove the surcharge that had existed on the import of cement may lead to a loss of market share and greater pressure on cement prices, with an inevitable impact on operating margins.

In South Africa, the latest estimates indicate GDP growth close to zero, and a 10% decline in cement consumption is envisaged. Nevertheless, the new clinker production line in full operation may ensure that this Business Area's contribution to the Group's EBITDA may be one of the most significant.

Public investment in Cape Verde, which is very focused on expanding and improving port infrastructures, will certainly not be sufficient to offset the strong contraction in private consumption. Sales are expected, therefore, to fall sharply, especially concrete sales.

The slowdown of both the Chinese and Indian economies will have an affect on construction and, consequently, on cement consumption. It is forecast that the cement consumption will only grow by no more than 4% in both countries. The EBITDA of these two Business Areas should, however, grow strongly: In India, through the already visible improvement in operating performance, allied to the fact that 2009 will be the first full year of integration in the Group; in the case of China, through the effect of the recent acquisition of a new company and the fact that the units currently in the final phase of construction will soon start-up.

10. Post Balance Sheet Events

The following significant events took place after the end of the 2008 financial year:

- Acquisition by Cimpor Portugal, SGPS, S.A. of 10% of the share capital of Jomatel – Empresa de Materiais de Construção, S.A., giving the former 100% control of that company.
- Acquisition by Agrepor Agregados – Extracção de Inertes, S.A., of the shares corresponding to the remaining 5% of the share capital of Sogral – Sociedade de Granitos, S.A., after having acquired 95% do share capital of that company at the end of 2008.
- Acquisition by Corporación Noroeste de Hormigones y Áridos, S.L. of 10% of the share capital of Firmes y Hormigones Sani, S.L. (adding to the 80% shareholding already held in that company).
- Acquisition by Corporación Noroeste, S.A. of 25% of the share capital of Occidental de Áridos, S.L., for the sum of EUR 8.15 million giving the former 100% control of that company.
- Reduction of the share capital of Société Les Ciments de Jbel Oust (Tunísia) from TND 84,059,500 to TND 75,214,500 through the amortization of 88,450 shares held by Cimpor Inversiones, S.A..
- Société Les Ciments de Jbel Oust (Tunisia) pays up the share capital in full of two new companies – Granulats Jbel Oust and Béton Jbel Oust – which are founded to commence the activity of marketing aggregates and ready-mix concrete in Tunisia, respectively.
- Renewal of the quality management system (ISO 9001:2000) and environmental management (ISO 14001:2004) certifications of AMCC and ACCC (Egypt).
- Founding of the company Cimpor Zaozhuang Cement Corporation Ltd. (China), which is intended to operate the new Shanting plant.
- Acquisition by Sociedade de Investimento Cimpor Macau, S.A., of the shareholding (20%) held by Chengtong Group in Cimpor Chengtong Cement Corporation, Ltd., for the amount of HKD 58 million.
- Issue by Shree Digvijay Cement Company Limited (India) of preferred shares – convertible in the timeframe of 18 months and earning a priority dividend of 6%/year – in the total amount of INR 870 million, fully subscribed by Cimpor Inversiones S.A..

Lisbon, 24 April 2009

THE BOARD OF DIRECTORS

Ricardo Manuel Simões Bayão Horta

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Jacques Lefèvre

Jean Carlos Angulo

Jorge Manuel Tavares Salavessa Moura

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Manuel Luís Barata de Faria Blanc

Pedro Maria Calaínho Teixeira Duarte

Vicente Árias Mosquera

José Manuel Baptista Fino

José Enrique Freire Arteta

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CONSOLIDATED FINANCIAL STATEMENTS

CIMPOR - CIMENTOS DE PORTUGAL, S.A.

CONSOLIDATED STATEMENTS OF PROFIT AND LOSS FOR THE YEARS ENDED

31 DECEMBER 2008 AND 2007

(Amounts stated in thousands of euros)

(Translation from the Portugueses original - Note 50)

	Notes	2008	2007
Operating income:			
Sales	7	1,981,645	1,806,747
Services rendered	7	107,217	159,310
Other operating income	8	65,601	47,519
Total operating income		2,154,464	2,013,577
Operating expenses:			
Cost of goods sold and material used in production	9	(630,936)	(539,317)
Changes in inventories of finished goods and work in progress		26,954	6,620
Supplies and services		(708,514)	(641,657)
Payroll costs	10	(224,875)	(207,070)
Depreciation and amortisation	7,17 and 18	(184,573)	(165,052)
Provisions and impairment losses	7,18 and 35	(9,129)	(3,808)
Other operating expenses	11	(30,749)	(25,163)
Total operating expenses		(1,761,822)	(1,575,447)
Net operating income	7	392,642	438,130
Financial expenses	7 and 12	(187,816)	(158,794)
Financial income	7 and 12	138,627	100,490
Share of profits of associates	7,12 and 19	(86,735)	8,025
Other investment income	7 and 12	1,537	2,291
Profit before income tax		258,255	390,142
Income tax	7 and 13	(24,949)	(69,341)
Net profit for the year	7	233,306	320,802
Attributable to:			
Equity holders of the parent		219,441	304,073
Minority interest	7 and 32	13,865	16,729
		233,306	320,802
Earnings per share:			
Basic	15	0.33	0.45
Diluted	15	0.33	0.45

The accompanying notes form an integral part of the consolidated financial statements for the year ended 31 December 2008.

The Board of Directors

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CIMPOR - CIMENTOS DE PORTUGAL, SGPS, S.A.

CONSOLIDATED BALANCE SHEETS AS OF 31 DECEMBER 2008 AND 2007

(Amounts stated in thousands of euros)

(Translation from the Portuguese original - Note 50)

	Notes	2008	2007
Non-current assets:			
Goodwill	16	1,277,008	1,283,741
Intangible assets	17	42,530	13,302
Tangible assets	18	2,007,926	1,895,055
Investments in associates	7 and 19	97,663	163,533
Other investments	20	131,395	164,314
Accounts receivable-other	21	10,883	11,880
Taxes recoverable	22	16,349	20,488
Other non-current assets	23	33,874	4,655
Deferred tax assets	24	103,039	123,185
Total non-current assets		3,720,666	3,680,155
Current assets:			
Inventories	25	327,849	230,569
Accounts receivable-trade	26	313,443	323,861
Accounts receivable-other	21	29,633	22,800
Taxes recoverable	22	43,349	29,860
Cash and cash equivalents	45	169,564	540,250
Other current assets	23	10,751	6,474
Total current assets		894,589	1,153,813
Total assets	7	4,615,255	4,833,968
Shareholders' equity:			
Share capital	27	672,000	672,000
Treasury shares	28	(41,640)	(19,927)
Currency translation adjustments	29	(149,706)	183,834
Reserves	30	283,112	271,950
Retained earnings	31	521,858	384,470
Net profit for the year	15	219,441	304,073
Equity before minority interest		1,505,065	1,796,401
Minority interest	32	110,720	102,880
Total shareholders' equity		1,615,786	1,899,281
Non-current liabilities:			
Deferred tax liabilities	24	197,388	198,249
Employee benefits	33 and 35	16,642	17,028
Provisions	35	152,374	190,965
Loans	36	1,911,130	1,324,247
Obligations under finance leases	37	4,670	6,305
Accounts payable-other	40	19,515	20,814
Taxes payable	22	1,499	1,817
Other non-current liabilities	41	115,193	169,147
Total non-current liabilities		2,418,411	1,928,574
Current liabilities:			
Employee benefits	33 and 35	4,685	2,060
Provisions	35	2,140	3,139
Accounts payable-trade	42	207,187	196,243
Accounts payable-other	40	58,986	73,336
Taxes payable	22	41,135	44,967
Loans	36	201,501	623,481
Obligations under finance leases	37	2,102	1,946
Other current liabilities	41	63,325	60,942
Total current liabilities		581,059	1,006,113
Total liabilities	7	2,999,470	2,934,687
Total liabilities and shareholders' equity		4,615,255	4,833,968

The accompanying notes form an integral part of the consolidated financial statements for the year ended 31 December 2008.

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CIMPOR - CIMENTOS DE PORTUGAL, SGPS, S.A.

CONSOLIDATED CASH FLOW STATEMENTS FOR THE YEARS ENDED 31 DECEMBER 2008 AND 2007

(Amounts stated in thousands of euros)

(Translation from the Portugueses original - Note 50)

	Notes	2008	2007
Operating activities:			
Receipts from clients		2,447,674	2,278,931
Payments to suppliers		(1,535,342)	(1,312,633)
Payments to employees		(223,001)	(204,186)
Cash flows generated by operations		689,331	762,112
Income tax recovered/(paid)		(63,144)	(66,902)
Other payments related to operating activities		(196,820)	(202,898)
Cash flows from operating activities (1)		429,367	492,313
Investing activities:			
Receipts relating to:			
Changes in the consolidation perimeter	5	429	6,464
Investments		9,018	1,509
Tangible assets		6,335	5,493
Investment subsidies		868	2,281
Interest and similar income		34,683	27,556
Dividends		1,513	2,570
Others		137	9,146
		52,983	55,018
Payments relating to:			
Changes in the consolidation perimeter	5	(316,218)	(522,466)
Investments	45	(36,295)	(22,999)
Tangible assets		(305,887)	(214,578)
Intangible assets		(6,127)	(1,834)
Others		(323)	(1,825)
		(664,850)	(763,703)
Cash flows from investing activities (2)		(611,867)	(708,684)
Financing activities:			
Receipts relating to:			
Loans obtained	45	1,156,341	819,333
Sale of treasury shares		4,856	4,227
		1,161,197	823,560
Payments relating to:			
Loans obtained	45	(1,066,468)	(290,904)
Interest and similar costs		(114,691)	(93,845)
Dividends	14	(153,151)	(143,951)
Purchase of treasurys hares		(25,586)	(14,371)
Others		(16,858)	(3,741)
		(1,376,754)	(546,812)
Cash flows from financing activities (3)		(215,557)	276,748
Variation in cash and cash equivalents (4) = (1) + (2) + (3)		(398,057)	60,377
Effect of currency translation and other non monetary transactions		5,255	(5,583)
Cash and cash equivalents at the beginning of the year	45	519,280	464,486
Cash and cash equivalents at the end of the year	45	126,479	519,280

The accompanying notes form an integral part of the consolidated financial statements for the year ended 31 December 2008.

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CIMPOR - CIMENTOS DE PORTUGAL, SGPS, S.A.

CONSOLIDATED STATEMENTS OF RECOGNISED INCOME AND EXPENSE

FOR THE YEARS ENDED 31 DECEMBER 2008 AND 2007

(Amounts stated in thousands of euros)

(Translation from the Portugueses original - Note 50)

	Notes	2008	2007
Variation in fair value of cash flow hedging financial instruments	30	3,265	(8,709)
Variation in fair value of available-for-sale financial assets	30	258	2,098
Actuarial gain and loss on employee benefit plans	30, 31 and 32	(3,167)	6,568
Variation in currency translation adjustments	29 and 32	(330,755)	60,942
Adjustments in investments in associates and others	30 and 31	(3,296)	3,212
Net income recognised directly in shareholders' equity		(333,695)	64,111
Transfers:			
Transfer from shareholders' equity to gain and losses of variation in fair value of cash flow hedging financial instruments	30	-	(884)
Transfer from shareholders' equity to gain and losses of variation in fair value of available-for-sale financial assets	30	(1,994)	-
Consolidated net profit for the year		233,306	320,802
Total recognised income and expense for the year		(102,383)	384,028
Attributable to:			
Equity holders of the parent		(118,972)	368,920
Minority interest		16,589	15,108
		(102,383)	384,028

The accompanying notes form an integral part of the consolidated financial statements for the year ended 31 December 2008.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008
(Amounts stated in thousands of euros)
(Translation of notes originally issued in Portuguese – Note 50)

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008
(Amounts stated in thousands of euros)
(Translation of notes originally issued in Portuguese – Note 50)

1. Introductory note

Cimpor - Cimentos de Portugal, SGPS, S.A. ("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").

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's 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 parts and related activities in Portugal; and (ii) Cimpor Inversiones, S.A., which holds the investments in companies operating abroad.

2. Summary of significant accounting policies

2.1. Basis of presentation

The accompanying financial statements were prepared on a going concern basis from the books and accounting records of the companies included in the consolidation (Note 4), restated in the consolidation process to the International Financial Reporting Standards, effective for the years beginning 1 January 2008. 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 International Financial Reporting Interpretation Committee ("IFRIC") and Standing Interpretation Committee ("SIC"). These standards and interpretations are hereinafter referred to collectively as "IFRS".

The financial statements were prepared in accordance with the historical cost convention, except as regards financial instruments. Following is a summary of the main accounting policies adopted.

2.2. New accounting standards and its impact in the financial statements

In 2007 was endorsed by the European Union, the IFRS 8 - Operating segments, which is effective for annual periods beginning on or after 1 January 2009. During 2008 and up to the approval date of these financial statements, the European Union endorsed the following accounting standards and interpretations, which will be applicable for annual periods beginning on or the following effective dates:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008
(Amounts stated in thousands of euros)
(Translation of notes originally issued in Portuguese – Note 50)

	Effective date
IAS 39/IFRS 7 – Financial assets reclassification (reviewed)	Jul-08
IFRIC 13 – Customer loyalty programs	Jul-08
IFRIC 14 – IAS 19: The limit on a defined benefit asset, minimum funding requirements and their interaction	Jan-08
IFRS 8 – Operating segments	Jan-09
IFRS 2 – Share-based payment (reviewed)	Jan-09
IAS 1 – Presentation of financial statements (reviewed)	Jan-09
IAS 23 – Borrowing costs (reviewed)	Jan-09
IAS 32/IAS 1 – Puttable instruments and obligations arising on liquidation	Jan-09
IFRS annual improvements (2007)	Jan-09
IFRS 1/IAS 27 – Cost of a subsidiary in the separate financial statements of a parent on first-time adoption of IFRS	Jan-09
IFRIC 12 – Service concession arrangements	Jan-10

The application of IFRIC 14 and IFRIC 13, in 2008, didn't have any impacts in the consolidated financial statements.

Except for IAS 23, which the Group decided to adopt in advance and prospectively from the year of 2008, the remaining standards endorsed by the European Union mentioned above haven't been adopted by the Group in 2008, due to its non mandatory application in this annual year and because the Group has decided not to earlier application.

Significant impacts aren't predicted in the Group financial statements due to the adoption of those standards.

The following accounting standards and interpretations have already been issued at this time, although they haven't yet been endorsed by the European Union:

	Effective date
IFRS 3 – Business combinations (reviewed)	Jul-09
IFRS 1 – First-time adoption of international financial reporting standards (reviewed)	Jul-09
IAS 27 – Consolidated and separate financial statements (reviewed)	Jul-09
IAS 39 – Eligible hedged items	Jul-09
IAS 39 – Reclassifications of financial assets (reviewed)	Jul-09
IFRS 7 – Enhancing disclosures about fair value and liquidity risk (reviewed)	Jan-09
IFRIC 15 – Agreements for the construction of real estate	Jan-09
IFRIC 16 – Hedges of a net investment in a foreign operation	Oct-08
IFRIC 17 – Distributions of non-cash assets to owners	Jul-09
IFRIC 18 – Transfers of assets from customers	Jul-09

It's not likely that from the future adoption of the standards above occur significant impacts in the consolidated financial statements.

2.3. Critical accounting judgements/estimates

The preparation of financial statements in accordance with IFRS recognition and measurement principles requires the Board of Directors 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 high level of Management judgements 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 16. 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 usable 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 reasonable 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 of the company.

• 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 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 "Minority interest".

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Where losses attributed to minority shareholders exceed the minority 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.

Where the Group has, in substance, control over other entities created for a specific purpose, even though it does not have direct participations in them, they are consolidated by the full integration method.

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.

Classification as a jointly controlled investment is determined by the contractual arrangements undertake on the economic activity that is subject to joint control.

c) Business combinations

Business combinations, namely the acquisition of controlled and subsidiary companies are recorded in accordance with the purchase method. Cost corresponds to the sum of the fair values of the assets acquired less the liabilities incurred or assumed and the equity instruments issued in exchange for the control acquired as of the transaction date plus any costs directly attributable to the purchase process.

The identifiable assets, liabilities and contingent liabilities of a subsidiary that meet the criteria to be recognised in accordance with IFRS 3 - Business Combinations, 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, which are recognised and measured by their respective fair values less costs to sell.

Any excess of cost over the fair value of the identifiable net assets 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.

Minority shareholders' interest is reflected in proportion to the fair value of the assets and liabilities identified.

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 used.

In accordance with the equity method investments are adjusted periodically by the amount corresponding to participation in the net results of associated companies by corresponding entry to Share of profit of associates (Note 12) and by other changes in shareholders' equity by corresponding entry to Adjustments in investments in associates, reflected as Reserves, as well by recognition of impairment losses.

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

Any excess of cost over the fair value of the identifiable net assets is recorded as Goodwill. 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 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.

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e) Goodwill

Goodwill represents the excess of cost over the fair value of the identifiable assets and liabilities of a controlled, associated company or jointly controlled entity, as of the date of acquisition.

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). Periodically, or whenever there are indications of a possible loss in value, goodwill is subjected to impairment tests. 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.

As a result of the exception established in IFRS 1, the Group applied the provisions of IFRS 3 – Business Combinations, to acquisitions after 31 December 1998. Goodwill on acquisitions after that date is restated to the currency of the subsidiary and translated to the Group's reporting currency (euros) at the rate of exchange on the balance sheet date.

Exchange differences arising on that translation are recorded in the caption Currency translation adjustments.

Exchange differences generated prior to 1 January 2004 were recorded directly in Retained earnings, in accordance with IFRS 1.

Goodwill on acquisitions prior to 1 January 1999 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, where applicable, impairment losses.

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

Depreciation of tangible fixed assets is provided on a straight-line basis over their estimated useful lives, 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 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.

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/write-off, are recognised in the statement of profit and loss caption Other operating income or Other operating expenses.

2.7. 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 statement of profit and loss for the period to which they relate.

In the case of operating leases, the lease instalments are recognised, on a straight- basis, in the statement of profit and loss over the period of the lease contracts.

2.8. 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 statement of profit and loss caption Provisions and impairment losses.

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 statement of profit and loss caption Provisions and impairment losses. 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.

2.9. 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, provided that they comply with the efficiency criteria established in 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 statement of profit and loss and statement of cash-flow captions at the average exchange rates.

The exchange effect of such translations after 1 January 2004 is reflected 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 Financial expenses or Financial income 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 in the caption Currency translation adjustments.

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

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2.10. 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 are used to finance a qualifying asset 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.

2.11. Government grants

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 employee training, are recognised in the statement of profit and loss in accordance with the costs incurred.

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

2.12. 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 reduced in value where market value is lower than book value, the reduction being reversed when the reasons that gave rise to it cease to exist.

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2.13. Segment reporting

A business 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 business segments. A geographical segment is a group of assets and operations involved in the supply of products and services within a particular economic environment that is subject to risks and returns that are different from those operating in other economic environments.

The Group presents as main segments the geographical segments, following the way Management carries out businesses.

2.14. Balance sheet classification

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

2.15. 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.

2.16. Provisions

Provisions are recognised when: (i) exists an obligation (legal or implicit) 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.

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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.

2.17. 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 less than three months, and are repayable on demand with insignificant risk of change in value.

The caption Cash and cash equivalents in the statement of cash flows also includes bank overdrafts, which are included in the balance sheet in the caption Loans.

b) Accounts receivable

Accounts receivable are measured at fair value when they are initially recognised 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.

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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 statement of profit and loss when the recorded amount of the investment is lower 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 revalued 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 in the statement of profit and loss.

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 deduction of the 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:

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- 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.

In this respect, the Group does not contract derivative financial instruments for speculation purposes.

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 in the caption Reserves - Hedging operations as regards their effective component and in financial income or expense for the period as regards 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 the statement of profit and loss.

Changes in the value of derivative financial instruments hedging net investments in a foreign entity, are recorded in the caption Currency translation adjustments as regards their effective component. The non effective 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 in the 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 profit and loss 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 the caption Reserves.

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.

2.18. 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 balance sheet.

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 Reserves.

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.

2.19. 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", except for the ones relating to actuarial gains and losses, which are recorded in Reserves.

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.

2.20. 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 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 cost on a straight-line basis over the vesting period as a result of services rendered.

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2.21. Contingent assets and liabilities

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.

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.

2.22. Revenue recognition and accruals basis

Income resulting from sales is recognised in the consolidated statement of profit and loss 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 profit and loss in the period in which they are rendered.

Interest and financial income are recognised on an accruals 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 (Notes 23 and 41).

2.23. 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 statement. Impairments relating to investments in available-for-sale equity instruments are not reversed through statement of profit and loss.

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 terms established by the contracted agreements. To identify these losses, several indicators are used, such as:

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

The adjustments are measured by the difference between the recoverable amount and the carrying amount of the financial asset and recognized as an expense in the income statement. The carrying amount of these assets is reduced to the recoverable amount through an impairment recognition. Whenever a certain amount is considered as uncollectible it is removed through the use of the respective impairment account. Subsequent recovery of these amounts is recorded in the income statement.

2.24. Income tax

Tax on income for the period 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.

2.25. 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.

2.26. 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 consolidated 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 consolidated financial statements.

2.27. 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 as decreases in other operating expenses;

- 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

The significant changes in estimates in the years ended 31 December 2008 and 2007 relate to changes in the actuarial assumptions used to determine the liability due to employee benefits, disclosed in Note 33.

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In the year ended 31 December 2008, arising from changes to IAS 23, the Group has charged the cost of its qualifying assets (Note 2.11.) on loan costs directly related to its acquisition, construction or production to date that is available to the intended use or sale.

There were no other changes in accounting policies or corrections of errors identified in these years.

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
HOLDING AND SUB-HOLDING COMPANIES		
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
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

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Name	Full name/headquarters	Effective participation
CEMENT AREA (Portugal)		
CIMPOR INDÚSTRIA	CIMPOR – INDÚSTRIA DE CIMENTOS, S.A. Rua Alexandre Herculano, 35 1250 - 009 Lisboa	100.00
SCIAL	ESTABELECIMENTOS SCIAL DO NORTE, S.A. Av. Américo Duarte – S. Pedro Fins – Maia 4425 - 504 Maia	100.00
CECISA	CECISA - COMÉRCIO INTERNACIONAL, S.A. Rua Alexandre Herculano, 35 1250 - 009 Lisboa	100.00
CTA	CEMENT TRADING ACTIVITIES - COMÉRCIO INTERNACIONAL, S.A. Rua Alexandre Herculano, 35 1250 - 009 Lisboa	100.00
MOSSINES	MOSSINES – CIMENTOS DE SINES, S.A. Rua Alexandre Herculano, 35 1250 - 009 LISBOA	100.00
CIMENTAÇOR	CIMENTAÇOR - CIMENTOS DOS AÇORES, LDA. Rua Bento Dias Carreiro, 6 9600-050 Pico da Pedra - Ribeira Grande Açores	100.00
CECIME	CECIME – CIMENTOS, S.A. R. Cintura do Porto de Lisboa, Armazém, 21 Topo Norte 1900 - 649 Lisboa	100.00

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Name	Full name/headquarters	Effective participation
READY MIX CONCRETE AND AGGREGATES AREA (Portugal)		
CIMPOR BETÃO	CIMPOR BETÃO - INDÚSTRIA DE BETÃO PRONTO, S.A. Rua Quinta do Paizinho, Edifício Bepor, Bloco 2-1ºEsq. 2790 - 237 Carnaxide	100.00
AGREPOR	AGREPOR AGREGADOS - EXTRACÇÃO DE INERTES, S.A. Rua Alexandre Herculano, 35 1250 - 009 Lisboa	100.00
BETÃO LIZ	BETÃO LIZ, S.A. Rua Quinta do Paizinho, Edifício Bepor, Bloco 2-1ºEsq. 2790 - 237 Carnaxide	100.00
VERMOFEIRA	VERMOFEIRA - EXTRACÇÃO E COMÉRCIO DE AREIAS, LDA. Rua Quinta do Paizinho, Edifício Bepor, Bloco 2-1ºEsq. 2790 - 237 Carnaxide	100.00
FORNECEDORA	FORNECEDORA DE BRITAS DO CARREGADO, S.A. Rua Alexandre Herculano, 35 1250 - 009 Lisboa	100.00
M.C.D.	M.C.D. - MATERIAIS DE CONSTRUÇÃO, DRAGADOS E BETÃO PRONTO, S.A. Rua Quinta do Paizinho, Edifício Bepor, Bloco 2-1ºEsq. 2790 - 237 Carnaxide	100.00
SOGRAL	SOGRAL - SOCIEDADE DE GRANITOS, S.A. Lugar de Fojo Freguesia e Concelho de Mangualde 3530-110 Mangualde	95.00
JOMATEL	JOMATEL - EMPRESA DE MATERIAIS DE CONSTRUÇÃO, S.A. Rua Quinta do Paizinho, Edifício Bepor, Bloco 2-1ºEsq. 2790 - 237 Carnaxide	90.00
IBERA	IBERA - INDÚSTRIA DE BETÃO, S.A. Qtª da Madeira, Estrada Nac. 114, km 85 7002 - 505 Évora	50.00

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Name	Full name/headquarters	Effective Participation
PRECAST AREA (Portugal)		
PREDIANA	PREDIANA - SOCIEDADE DE PRÉ-ESFORÇADOS, S.A. Rua Alexandre Herculano, 35 1250 - 009 Lisboa	100.00
GEOFER	GEOFER - PRODUÇÃO E COMERCIALIZAÇÃO DE BENS E EQUIPAMENTOS, S.A. Rua Alexandre Herculano, 35 1250 - 009 Lisboa	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
CIMPOR TEC	CIMPOR TEC – ENGENHARIA E SERVIÇOS TÉNICOS DE APOIO AO GRUPO, S.A. Rua Alexandre Herculano, 35 1250 - 009 Lisboa	100.00
CIARGA	CIARGA - ARGAMASSAS SECAS, S.A. Rua Alexandre Herculano, 35 1250 - 009 Lisboa	100.00
TRANSVIÁRIA	TRANSVIÁRIA - GESTÃO DE TRANSPORTES, S.A. Rua Alexandre Herculano, 35 1250 - 009 Lisboa	100.00
ALEMPEDRAS	ALEMPEDRAS - SOCIEDADE DE BRITAS, LDA. Casal da Luz, Santa Maria 2510 - 086 Óbidos	100.00
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

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Name	Full name/headquarters	Effective participation
KANDMAD	KANDMAD – SOCIEDADE GESTORA DE PARTICIPAÇÕES SOCIAIS, LDA. Av. Arriaga, 77, Edifício Marina Fórum, 1º, sala 103, Sé 9000 - 060 Funchal Madeira	100.00

INTERNATIONAL AREA

SPAIN

CORPORACIÓN NOROESTE	CORPORACIÓN NOROESTE, S.A. Brasil, 56 36 204 Vigo	99.54
C.N. HORMIGONES Y ÁRIDOS	CORPORACIÓN NOROESTE DE HORMIGONES Y ÁRIDOS, S.L. Brasil, 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
CEMENTOS ANDALUCÍA	CEMENTOS DE ANDALUCÍA, S.L. Av. de la Agrupación de Córdoba, 15 14 014 Córdoba	99.54
OCCIDENTAL HORMIGONES	OCCIDENTAL DE HORMIGONES, S.L. Calle la Biela s/n Polígono Industrial el Nevero 06006 Badajoz	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. Brasil, 56 36 204 Vigo	99.54

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Name	Full name/headquarters	Effective participation
SERMACONSA	SERVICIOS Y MATERIALES PARA LA CONSTRUCCIÓN, S.A. Brasil, 56 36 204 Vigo	99.54
MORTEROS GALICIA	MORTEROS DE GALICIA, S.L. Brasil, 56 36 204 Vigo	99.54
HORMIGONES HÉRCULES	HORMIGONES HÉRCULES, S.L. Polígono Industrial – El Prado – 40 – Mérida 06800 Mérida – Badajoz	99.54
S.I.F. GALLEGA	SOCIEDAD INDUSTRIAL Y FINANCIERA GALLEGA, S.L. Brasil, 56 36 204 Vigo	99.54
TABANQUE, S.L.	TABANQUE, S.L. Brasil, 56 36 204 Vigo	99.54
HORMIGONES MIÑO	HORMIGONES MIÑO, S.L. Brasil, 56 36 204 Vigo	99.52
CEMENTOS COSMOS	CEMENTOS COSMOS, S.A. Brasil, 56 36 204 Vigo	99.30
PREBETONG GALICIA	PREBETONG GALICIA, S.A. Brasil, 56 36 204 Vigo	98.41
CANTERAS PREBETONG	CANTERAS PREBETONG, S.L. Brasil, 56 36 204 Vigo	98.41
BOMTRAHOR	BOMBEO Y TRANSPORTE DE HORMIGON, S.A. Brasil, 56 36 204 Vigo	92.80
PREBETONG LUGO	PREBETONG LUGO, S.A. Av. Benigno Rivera s/n Polígono Industrial del Ceao 27 003 Lugo	81.57

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Name	Full name/headquarters	Effective participation
PREBETONG LUGO HORMIGONES	PREBETONG LUGO HORMIGONES, S.A. Av. Benigno Rivera s/n Polígono Industrial del Ceao 27 003 Lugo	81.57
F.Y.H. SANI	FIRMES Y HORMIGONES SANI, S.L. CARRETERA NACIONAL – 630 Gijón – Sevilla, Km 308 06200 ALMENDRALEJO (BADAJOZ)	83.52
MATERIALES ATLÁNTICO	MATERIALES DEL ATLÁNTICO, S.A. Polígono Industrial As Lagoas – Carretera Cedeira Km. 1,5 15 570 Narón (La Coruña)	99.46
HORMIGONES LA BARCA	HORMIGONES Y ÁRIDOS LA BARCA, S.A. Lugar de Lantañón Vilanoviña - Meis (Pontevedra)	49.77
ARICOSA	ÁRIDOS DE LA CORUÑA, S.A. Candame 15 142 Arteixo (La Coruña)	49.21
CANPESA	CANTEIRA DO PENEDO, S.A. Reina, 1 – 3º 27 001 Lugo	40.77
OCCIDENTAL DE ARIDOS	OCCIDENTAL DE ARIDOS, S.L. Calle Brasil nº 56 36204 Vigo	87.78
ÁRIDOS COSMOS	ARIDOS COSMOS, S.L. Calle Brasil nº 56 36204 Vigo	83.52
CIMPOR HORMIGÓN CANARIAS	CIMPOR HORMIGÓN CANARIAS, S.L. Calle Brasil nº 56 36204 Vigo	99.54
CIMPOR CANARIAS	CIMPOR CANARIAS, S.L. Calle Brasil nº 56 36204 Vigo	99.54

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Name	Full name/headquarters	Effective participation
MOROCCO		
ASMENT DE TEMARA	ASMENT DE TEMARA, S.A. Ain Attig – Route de Casablanca Témara	62.62
BETOCIM	BETOCIM, S.A. Ain Attig – Route de Casablanca Témara	100.00
ASMENT DU CENTRE	ASMENT DU CENTRE, S.A. Ain Attig – Route de Casablanca Témara	100.00
GRABEMA	GRABEMA, S.A. Ain Attig – Route de Casablanca Témara	100.00
TUNISIA		
C.J.O.	SOCIÉTÉ DES CIMENTS DE JBEL OUST 9, Rue de Touraine, Cité Jardins 1082 Tunis – Belvédère Tunisie	100.00

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Name	Full name/headquarters	Effective participation
EGYPT		
CEC	CIMPOR EGYPT FOR CEMENT COMPANY, S.A.E. El Gharbaneyat – Borg El Arab City P.O. Box 21511 Alexandria	100.00
AMCC	AMREYAH CEMENT COMPANY, S.A.E. El Gharbaneyat – Borg El Arab City P. O. Box 21511 Alexandria	96.39
AMREYAH CIMPOR	AMREYAH CIMPOR CEMENT COMPANY, S.A.E. El Gharbaneyat – Borg El Arab City P.O. Box 21511 Alexandria	97.29
CSC	CEMENT SERVICES COMPANY, S.A.E. El Gharbaneyat – Borg El Arab City P.O. Box 21511 Alexandria	98.39
CIMPSAC	CIMPOR SACS MANUFACTURE COMPANY, S.A.E. El Gharbaneyat – Borg El Arab City P.O. Box 21511 Alexandria	99.59
AMREYAH DEKHEILA	AMREYAH DEKHEILA TERMINAL COMPANY, S.A.E. Trade City Center – Down Town Desert Road International Garden Alexandria	97.35
AMREYAH CIMPOR READY MIX	AMREYAH CIMPOR READY MIX COMPANY S.A.E. Trade City Center – Down Town Desert Road International Garden Land Alexandria	96.86
TURKEY		
CIMPOR YIBITAS	CIMPOR YIBITAS CIMENTO SANAYI VE TICARET A.S. Portakal Cicegi Sokak nº 33 - 06540 06540 Cankaya/Ankara/TURKIYE	99.74
YOZGAT	YIBITAS YOZGAT ISCI BIRLIGI INSAAT MALZEMELERI TICARET VE SANAYI A. S. 66920 - Sarayköy / Yozgat/TURKIYE	79.50

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Name	Full name/headquarters	Effective participation
BEYNAK	CIMPOR YIBITAS NAKLIYECILIK TICARET VE SANAYI A.S. Portakal Cicegi Sokak nº 33 - 06540 06540 Cankaya/Ankara/TURKIYE	99.74
NAKLIYECILIK	CIMPOR YIBITAS NAKLIYECILIK LTD. STI. Portakal Cicegi Sokak nº 33 - 06540 06540 Cankaya/Ankara/TURKIYE	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
MOZAMBIQUE		
CIM. MOÇAMBIQUE	CIMENTOS DE MOÇAMBIQUE, S.A. Av. Fernão de Magalhães, 34 – 2º, nº1 Maputo – Caixa Postal 270	82.46
CIMBETÃO	CIMPOR BETÃO MOÇAMBIQUE, S.A. Estrada de Lingamo Matola	82.46
IMOPAR	IMOPAR - IMOBILIÁRIA DE MOÇAMBIQUE, S.A. Av. 24 de Julho, nº 7 - 10º piso, direito Maputo - Moçambique	100.00
SOUTH AFRICA		
NPC	NPC - CIMPOR (PTY) LIMITED 199 Coedmore Road Bellair 4094 Durban South Africa	74.00
NPCC	NATAL PORTLAND CEMENT COMPANY (PTY) LTD. 199 Coedmore Road Bellair 4094 Durban South Africa	100.00

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Name	Full name/headquarters	Effective participation
DC	DURBAN CEMENT LTD. 199 Coedmore Road Bellair 4094 Durban South Africa	100.00
SRT	SIMUMA REHABILITATION TRUST 1 Wedgelink Road Bryanston South Africa	37.00
NPC - CELL "A7"	NATAL PORTLAND CEMENT CO (PTY) LTD. – CELL A7 5 th Floor SA Eagle House 70 Fox Street Johannesburg South Africa	74.00
CONCRETE	NPC CONCRETE (PTY) LTD. 199 Coedmore Road Bellair 4094 Durban South Africa	100.00
S. C. STONE	SOUTH COAST STONE CRUSHERS (PTY) LTD. 199 Coedmore Road Bellair 4094 Durban South Africa	74.00
S. C. MINING	SOUTH COAST MINING (PTY) LTD. 199 Coedmore Road Bellair 4094 Durban South Africa	100.00
EEDESWOLD	EEDESWOLD HIGHLANDS (PTY) LTD. 199 Coedmore Road Bellair 4094 Durban South Africa	100.00
STERKSPRUIT AGGREGATES	STERKSPRUIT AGGREGATES (PTY) LTD. 199 Coedmore Road Bellair 4094 Durban South Africa	74.00
STERKSPRUIT CONCRETE	STERKSPRUIT CONCRETE (PTY) LTD. 199 Coedmore Road Bellair 4094 Durban South Africa	100.00
DURBAN QUARRIES	DURBAN QUARRIES (PTY) LTD. 199 Coedmore Road Bellair 4094 Durban South Africa	100.00

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Name	Full name/headquarters	Effective participation
CHINA		
CIMPOR CHENGTONG	CIMPOR CHENGTONG CEMENT CORPORATION LIMITED. Suite 6404, 64th floor Central Plaza, 18 Harbour Road Wanchai - Hong Kong (R. P. China)	49.60
SEA - LAND MINING	SEA - LAND MINING LIMITED Suite 6404, 64th floor Central Plaza, 18 Harbour Road Wanchai - Hong Kong (R. P. China)	49.60
NEW LIUYUAN	SHANGDONG LIUYUAN NEW TYPE CEMENT DEVELOPMENT COMPANY LIMITED Kuangsi Village, Liuyuan Town, Yicheng District Zaozhuang City, Shangdong Province ZIP code: 277300 (R.P. China)	48.41
NANDA	SUZHOU NANDA CEMENT COMPANY LIMITED Nº. 1, WenDu Road, Wang Ting Town, Xiang Cheng District Suzhou City, Jiangu Province ZIP code: 215155 (R.P. China)	35.23
HUAI AN LIUYUAN	HUAI AN LIUYUAN CEMENT COMPANY LIMITED Huai' an city, Huaiyin district, WangYing town (former Huayin district Building materials plant site) ZIP code: 223300 (R.P China)	48.41
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 (R.P. China)	48.41
CIMPOR SHANGHAI	CIMPOR CHENGTONG (SHANGHAI) ENTERPRISES MANAGEMENT CONSULTING COMPANY LIMITED 222 Huaihai Zhong Lu, Lippo Plaza, Floor 25, Room 2505-07 ZIP Code: 200021 Shanghai (R.P. China)	49.60
LIYANG	LIYANG DONGFANG CEMENT COMPANY LIMITED Shanghuang Town, Liyang, Jiangsu Province ZIP Code: 213314 (R.P. China)	49.60
NEW HLG	CIMPOR CHENGTONG (HUAIN AN) CEMENT PRODUCTS COMPANY LIMITED Wangying Town, Huaiyin district Huai'An City (R.P. China)	49.60

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Name	Full name/headquarters	Effective participation
CIMPOR MACAU INVESTMENT	CIMPOR MACAU INVESTMENT COMPANY, S.A. Av. da Praia Grande, 693 Edifício Tai Wash - 15º andar MACAU (R. P. China)	62.00
EAST ADVANTAGE	EAST ADVANTAGE INTERNACIONAL LIMITED OMC Chambers, P.O. Box 3152, Road Town, Tortola British Virgin Islands	49.60

INDIA

SHREE DIJIVAY CEMENT CO, LTD	SHREE DIJIVAY CEMENT CO, LTD P.O. Digvijaygram - 361140 Jamnagar Estado de Gujarat India	73.63

CAPE VERDE

NORDICAVE TRADING	NORDICAVE TRADING INDUSTRIAL, LIMITADA. Estrada de Tira Chapéu, Praia, Santiago 14/A Cabo Verde	100.00
CIMPOR CABO VERDE	CIMPOR CABO VERDE, S.A. Estrada de Tira Chapéu Praia, Santiago 14/A Cabo Verde	98.65
CABO VERDE BETÕES E INERTES	CABO VERDE BETÕES E INERTES, S.A. Estrada de Tira Chapéu Praia, Santiago 14/A Cabo Verde	75.96
ITP	INDÚSTRIA DE TRANSFORMAÇÃO DE PEDRAS, LDA. Estrada de Tira Chapéu Praia, Santiago 14/A Cabo Verde	98.65
BETÕES DE CABO VERDE	BETÕES DE CABO VERDE, S.A. Estrada de Tira Chapéu Praia, Santiago 14/A Cabo Verde	54.32

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Name	Full name/headquarters	Effective participation
PERU		
CEMENTOS OTORONGO	CEMENTOS OTORONGO, S.A.C. Calle Siglo XXI nº 120 Centro Comercial La Gran Vía, Of. 549 - 551 Cercado Arequipa - Peru Ciudade de Arequipa, Provincia y Departamento de Arequipa - Perú	80.00
AGRECOM	AGREGADOS COMERCIAIZADOS S.A.C. Av. Néstor Gambetta s/n Base Naval Del Callao, Puerta 6 Callao Peru	80.00
UNRELATED ACTIVITIES		
CIMPOR SERVIÇOS	CIMPOR – SERVIÇOS DE APOIO À GESTÃO DE EMPRESAS, S.A. Rua Alexandre Herculano, 35 1250 - 009 Lisboa	100.00
CIMPOR SAGESA	CIMPOR SAGESA, S.A. Brasil, 56 36 204 Vigo	100.00
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
SCANANG SGPS	SCANANG SGPS, UNIPESSOAL, LDA. Rua Alexandre Herculano, 35 1250 - 009 Lisboa	100.00
CIMPOR IMOBILIÁRIA	CIMPOR IMOBILIÁRIA, S.A. Rua Alexandre Herculano, 35 1250 - 009 Lisboa	100.00

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Name	Full name/headquarters	Effective participation
MECAN	MECAN - MANUFACTURA DE ELEMENTOS DE CASAS DE CONSTRUÇÃO NORMALIZADA, LDA. Rua Alexandre Herculano, 35 1250 - 009 Lisboa	100.00
SCANANG TRADING	SCANANG TRADING ACTIVITIES-ESPAÑA, S.A. Brasil, 56 36 204 Vigo	100.00
CIMPOR REINSURANCE	CIMPOR REINSURANCE, S.A. 74, Rue de Merl, L - 2146 1611 – Luxemburgo	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
CIMPOR DEL ECUADOR	CIMPOR DEL ECUADOR, S.A. Distrito Metropolitano de Quito Província de Pichincha	49.00

4.2. Associated companies

Investments in associated companies, recorded in accordance with the equity method (Note 19) for the year ended 31 December 2008 were as follows:

Name	Full name/headquarters	Effective participation
CEMENT AREA (Portugal)		
C + P.A.	C + P.A. – CIMENTO E PRODUTOS ASSOCIADOS, S.A. Edifício 1 do Lagoas Park 2740 - 265 Porto Salvo	48.00

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Name	Full name/headquarters	Effective participation
OTHER RELATED ACTIVITIES (Portugal)		
SOGESSO	SOGESSO - SOCIEDADE DE GESSOS DE SOURE, S.A. Lugar de São José do Pinheiro 3130 - 544 Soure	40.00
SETEFRETE	SETEFRETE, SGPS, S.A. Av. Luísa Todi, 1 – 1º 2900 – 459 Setúbal	25.00
INTERNATIONAL AREA – SPAIN		
CEMENTOS ANTEQUERA	CEMENTOS ANTEQUERA, S.A. Calle Atarazanas nº 2 - 1º 29005 Málaga	21.29
ARENOR	ARENOR, S.L. Calle Monte Carmelo nº 1 – 5º C 41011 Sevilla	51.74
CEMENTOS DEL MARQUESADO	CEMENTOS DEL MARQUESADO, S.A. Calle Atarazanas, nº 2 - 1º 29 005 Málaga	27.64
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

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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
CEMENT AREA (Portugal)		
TEPORSET	TEPORSET - TERMINAL PORTUÁRIO DE SETÚBAL, S.A. Rua Alexandre Herculano, 35 1250 - 009 Lisboa	50.00
INTERNATIONAL AREA - SPAIN		
CEISA	CEMENTOS ESPECIALES DE LAS ISLAS, S.A. Calle Secretario Artiles nº 36 35007 Las Palmas de Gran Canaria	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
INTERNATIONAL AREA - TUNISIA		
TCG	TERMINAL CIMENTIER DE GABES, G.I.E Port de Gabes Gabes - Tunisie	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	49.99

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5. Changes in the consolidation perimeter

The more significant changes in the year ended 31 December 2008, in the companies included in the consolidation were as follows:

Purchases:

Portugal - acquisition of 50% of the capital of Teporset - Terminal Portuário de Setúbal, S.A. from the C+PA - Cimentos e Produtos Associados, S.A. company, and acquisition of 95% of the share capital of Sogral – Sociedade de Granitos, S.A..

India - Conclusion by Cimpor Inversiones, S.A. of the process of acquisition of a set of shareholdings representing close on 73.63% of the share capital of the Indian company Shree Digvijay Cement Company Limited, listed on the Mumbai Stock Exchange.

Spain - The acquisition during the first half of 2008, through subsidiaries of the Spain Business Area, of i) a 75% stake in the capital of Arenor Áridos, S.L.U., with the remaining 25% subject to a preliminary purchase contract, with a three year execution period, by 8.15 million euros; ii) three concrete plants and of all the shares representing the share capital of Arenor Hormigones, S.L.U.; iii) all the shares representing the share capital of Urgón y Trituración, S.L.; iv) all the shares representing the share capital of Urgón, S.A. (the first two were acquired from the associate Arenor S.L.).

In the second half of 2008, the acquisition of i) all the operations developed by the Cemex Group in the Canary Islands: assets on the island of Tenerife manufacturing and marketing cement and ready-mix concrete and two shareholdings of 50%, one in the share capital of the Cementos Especiales de las Islas, S.A. (CEISA) company and the other in the share capital of the Insular de Productos para la Construcción y la Industria, S.L. (INPROCOI) company; ii) acquisition of 24% of the share capital of Cementos del Marquesado, S.A..

Brazil - acquisition of 48% of the share capital of the Companhia de Mineração Candiota company and the purchase of the assets of a ready-mix concrete plant.

Turkey - acquisition of the assets of two ready-mix concrete plants.

China - acquisition of 100% of the share capital of the Liyang Dongfang Cement Co (LIYANG) company by the subsidiary Cimpor Chengtong Cement Corporation, Ltd..

Sales:

In the Portugal Business Area, the entire shareholding in Betaçor – Fabrico de Betão e Artefactos de Cimento, S.A. was disposed of.

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The impact of these changes in the consolidated balance sheet for the year ended 31 December 2008 was as follows:

	Acquisitions							Sales	
Captions	Portugal	India	Spain	Brazil	Turkey	China	Subtotal of acquisitions	Portugal	Total
Non current assets:									
Intangible assets (Note 17)	176	-	22,166	-	-	644	22,987	-	22,987
Tangible assets (Note 12)	4,964	15,836	98,614	757	1,621	14,685	136,477	(352)	136,125
Investments in associates (Note 19)	-	-	11,076	15	-	-	11,091	-	11,091
Other investments (Note 20)	9	109	536	-	-	-	654	-	654
Accounts receivable - other	-	2	-	-	-	-	2	-	2
Other non-current assets	-	-	17,540	-	-	361	17,901	-	17,901
Deferred tax assets (Note 24)	27	8,913	-	-	-	-	8,940	(40)	8,899
Total non-current assets	5,177	24,860	149,933	772	1,621	15,690	198,053	(392)	197,660
Current assets:									
Inventories	227	6,281	16,232	-	-	1,762	24,502	(30)	24,472
Accounts receivable - trade	1,370	2,466	19,687	-	-	989	24,512	(1,445)	23,067
Accounts receivable - other	370	264	1,038	-	-	110	1,781	(1)	1,780
Taxes recoverable	132	648	2,961	-	-	-	3,741	(30)	3,711
Other current assets	3	56	916	-	-	213	1,188	-	1,188
Total current assets	2,101	9,715	40,835	-	-	3,074	55,725	(1,506)	54,219
Total assets	7,278	34,575	190,768	772	1,621	18,764	253,778	(1,898)	251,879
Non current liabilities:									
Deferred tax liabilities (Note 24)	-	(2,673)	(9,506)	-	-	-	(12,179)	1	(12,178)
Provisions (Note 35)	(300)	(4,170)	(328)	-	-	-	(4,799)	-	(4,799)
Loans	-	(16,132)	(30)	-	-	-	(16,162)	-	(16,162)
Obligations under finance leases	-	-	(716)	-	-	-	(716)	-	(716)
Accounts payable - other	-	-	(1,238)	-	-	-	(1,238)	100	(1,138)
Total non-current liabilities	(300)	(22,975)	(11,818)	-	-	-	(35,094)	101	(34,993)
Current liabilities:									
Accounts payable - trade	(1,477)	(3,805)	(6,557)	-	-	(3,001)	(14,840)	965	(13,875)
Accounts payable - other	(1,986)	(2,094)	(4,914)	-	-	(2,397)	(11,391)	959	(10,432)
Taxes payable	(17)	(675)	(67)	-	-	(247)	(1,005)	190	(815)
Loans	(4,148)	-	(3,059)	-	-	(3,138)	(10,346)	-	(10,346)
Obligations under finance leases	-	-	(323)	-	-	-	(323)	-	(323)
Other current liabilities	(51)	(547)	(40)	-	-	(1,077)	(1,714)	32	(1,683)
Total current liabilities	(7,679)	(7,120)	(14,959)	-	-	(9,860)	(39,619)	2,146	(37,473)
Total liabilities	(7,979)	(30,095)	(26,777)	-	-	(9,860)	(74,712)	2,246	(72,466)
Minority interest (Note 32)	25	(1,845)	(6,653)	-	-	-	(8,473)	-	(8,473)
Net amount	(676)	2,634	157,338	772	1,621	8,904	170,593	348	170,941
Goodwill (Note 16)	3,103	68,374	68,736	991	2,335	13,284	156,823	-	156,823
Investments in associates	-	-	-	-	-	-	-	(307)	(307)
Badwill (Note 12)	-	-	(21)	-	-	-	(21)	-	(21)
Capital (gain) / loss	-	-	-	-	-	-	-	(532)	(532)
Accounts receivable / payable - other	-	-	(7,143)	-	-	(3,785)	(10,928)	63	(10,865)
Other investments (Note 20)	(250)	-	-	-	-	-	(250)	-	(250)
Net amount paid / (received)	2,178	71,008	218,910	1,763	3,956	18,403	316,218	(429)	315,789
Cash and cash equivalents	359	2,518	5,610	-	-	99	8,586	(109)	8,478
Net assets acquired / (sold)	2,787	73,527	231,663	1,763	3,956	22,287	335,982	(600)	335,382

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The impact in the consolidated statement of profit and loss for the year ended 31 December 2008, as result of the above referred acquisitions, was as follows:

Captions	Portugal	India	Spain	Total
Operating income	-	32,398	7,559	39,957
Operating expenses	16	30,004	6,479	36,499
Net operating income	(16)	2,394	1,080	3,458
Net financial expenses	74	(1,643)	-	(1,568)
Profit before income tax	58	752	1,080	1,889
Income tax	(20)	(237)	(324)	(582)
Net profit for the year	38	514	756	1,308
Attributable to:				
Equity holders of the parent	38	379	752	1,168
Minority interest	-	136	3	139

6. Exchange rates used

The exchange rates used to translate, to euros, the foreign currency assets and liabilities at 31 December 2008 and 2007, as well the results for the years then ended were as follows:

		Closing exchange rate			Average exchange rate		
Currency	Segment	2008	2007	Var.%	2008	2007	Var.%
USD	Other	1.3917	1.4721	(5.5)	1.47134	1.37074	7.3
MAD	Morocco	11.2665	11.4042	(1.2)	11.43104	11.30842	1.1
BRL	Brazil	3.2436	2.5963	24.9	2.68231	2.66901	0.5
TND	Tunisia	1.8318	1.803	1.6	1.83041	1.7726	3.3
MZM	Mozambique	35,250.00	34,830.00	1.2	35,654.28	35,156.33	1.4
CVE	Other (Cape Verde)	110.265	110.265	0.0	110.265	110.265	0.0
EGP	Egypt	7.6857	8.1072	(5.2)	8.07765	7.83675	3.1
ZAR	South Africa	13.0667	10.0298	30.3	12.0776	9.67099	24.9
TRY	Turkey	2.1488	1.717	25.1	1.90964	1.78257	7.1
HKD	China	10.7858	11.48	(6.0)	11.46236	10.69488	7.2
CNY	China	9.4956	10.7524	(11.7)	10.24795	10.59077	(3.2)
MOP	China	11.1094	11.8244	(6.0)	12.01416	11.2599	6.7
PEN	Other (Peru)	4.3713	4.4862	(2.6)	4.34771	4.40802	(1.4)
INR	India	67.3931	-	-	65.61679 1)	-	-

1) Average exchange rate between 1 April to 31 December 2008.

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7. Segment reporting

The main profit and loss information, by geographical segment, for years ended 31 December 2008 and 2007, is as follows:

2008

	Portugal	Spain	Morocco	Tunisia	Egypt	Turkey	Brazil	Mozambique	South Africa	China	India	Others	Unallocated	Eliminations	Consolidated
Sales and services rendered:															
External sales	461,420	357,751	88,849	64,021	161,226	156,128	401,271	77,361	136,018	64,266	32,263	42,712	45,577	-	2,088,862
Inter segment sales	85,173	1,037	-	-	-	-	-	-	2,211	1,351	-	-	96,385	(186,157)	-
Total	546,594	358,788	88,849	64,021	161,226	156,128	401,271	77,361	138,228	65,617	32,263	42,712	141,963	(186,157)	2,088,862
Operating results	117,270	47,594	30,543	9,344	58,873	(810)	70,093	8,796	38,910	2,194	2,394	2,042	5,400	-	392,642
Financial expenses															(187,816)
Financial income															138,627
Share of results of associates															(86,735)
Other investment income															1,537
Profit before income tax															258,255
Income tax															(24,949)
Net profit for the year															233,306

2007

	Portugal	Spain	Morocco	Tunisia	Egypt	Turkey	Brazil	Mozambique	South Africa	China	Others	Unallocated	Eliminations	Consolidated
Sales and services rendered:														
External sales	475,947	469,649	80,478	59,732	117,272	163,053	321,760	60,078	128,119	23,939	30,522	35,509	-	1,966,058
Inter segment sales	86,626	1,280	-	-	3,328	-	207	-	1,658	-	-	98,054	(191,153)	-
Total	562,573	470,929	80,478	59,732	120,600	163,053	321,967	60,078	129,778	23,939	30,522	133,562	(191,153)	1,966,058
Operating results	117,660	94,045	28,409	10,826	46,017	23,286	37,745	28,305	38,051	260	2,129	11,396	-	438,130
Financial expenses														(158,794)
Financial income														100,490
Share of results of associates														8,025
Other investment income														2,291
Profit before income tax														390,142
Income tax														(69,341)
Net profit for the year														320,802

All inter segment transactions were made at market values.

The above net income includes the full amount of the segments, without considering the following amounts attributable to minority shareholders:

2008

	Portugal	Spain	Morocco	Tunisia	Egypt	Turkey	Brazil	Mozambique	South Africa	China	India	Others	Unallocated	Consolidated
Profit for the year attributable to minority interest	99	634	7,058	-	1,677	2,207	1	830	-	1,245	136	(487)	466	13,865

2007

	Portugal	Spain	Morocco	Tunisia	Egypt	Turkey	Brazil	Mozambique	South Africa	China	Others	Unallocated	Consolidated
Profit for the year attributable to minority interest	423	1,663	7,494	-	1,201	2,462	-	3,445	-	(170)	(117)	328	16,729

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Other information:

2008

	Portugal	Spain	Morocco	Tunisia	Egypt	Turkey	Brazil	Mozambique	South Africa	China	India	Others	Unallocated	Consolidated
Fixed capital expenditure	43,554	161,747	9,935	3,437	5,904	72,826	52,037	9,025	25,043	53,347	17,742	2,006	524	457,126
Depreciation and amortisation	54,357	36,365	8,015	7,701	10,850	16,233	30,817	4,662	7,254	3,726	742	1,366	2,484	184,573
Provisions and impairment losses	261	(1,042)	2,404	(18)	3,497	201	1,390	178	1	332	-	-	1,925	9,129

2007

	Portugal	Spain	Morocco	Tunisia	Egypt	Turkey	Brazil	Mozambique	South Africa	China	Others	Unallocated	Consolidated
Fixed capital expenditure	32,548	42,701	8,925	1,637	18,385	253,623	39,145	3,903	39,861	44,470	13,800	1,484	500,483
Depreciation and amortisation	51,496	33,272	6,775	7,773	11,114	13,964	29,430	1,461	4,957	1,586	824	2,401	165,052
Provisions and impairment losses	3,574	10,437	46	345	1,474	1,306	6,691	(17,417)	-	-	42	(2,691)	3,808

In addition, assets and liabilities, by reportable segment, reconciled to the total consolidated amounts as at 31 December 2008 and 2007, are as follows:

2008

	Portugal	Spain	Morocco	Tunisia	Egypt	Turkey	Brazil	Mozambique	South Africa	China	India	Others	Unllocated	Eliminations	Consolidated
Assets															
Segment assets	796,430	838,277	121,836	145,997	390,315	593,498	1,030,166	86,389	231,482	162,226	97,752	47,132	719,785	(743,693)	4,517,592
Investments in associates															97,663
Total consolidated assets															4,615,255
Liabilites															
Segment liabilities	316,096	550,718	29,304	14,799	50,003	103,648	262,391	28,499	60,377	130,690	28,221	18,947	2,149,473	(743,693)	2,999,470
Total consolidated liabilities															2,999,470

2007

	Portugal	Spain	Morocco	Tunisia	Egypt	Turkey	Brazil	Mozambique	South Africa	China	Others	Unllocated	Eliminations	Consolidated
Assets														
Segment assets	773,578	609,813	132,615	150,787	301,719	688,862	1,221,136	69,618	259,425	67,476	54,141	768,532	(427,267)	4,670,435
Investments in associates														163,533
Total consolidated assets														4,833,968
Liabilites														
Segment liabilities	472,549	362,502	33,710	16,348	39,749	73,763	320,162	24,035	69,712	42,472	27,105	1,879,846	(427,267)	2,934,687
Total consolidated liabilities														2,934,687

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Following is a break-down of the information for the years ended 31 December 2008 and 2007, by business segment:

2008

	Sales and services rendered	Net assets	Fixed capital expenditure
Cement	1,517,530	3,767,339	348,505
Ready-mix and precast concrete	498,538	540,109	75,109
Others	72,794	307,807	33,512
	2,088,862	4,615,255	457,126

2007

	Sales and services rendered	Net assets	Fixed capital expenditure
Cement	1,360,307	3,541,286	461,309
Ready-mix and precast concrete	521,518	493,435	29,994
Others	84,232	799,247	9,180
	1,966,058	4,833,968	500,483

8. Other operating income

Other operating income for the years ended 31 December 2008 and 2007 is made up as follows:

	2008	2007
Supplementary income	20,331	19,693
Gains on the sale of assets (a)	20,112	5,399
Reversal of receivables adjustments (Note 26)	5,120	4,179
Own work for the company	4,606	2,098
Investment subsidies (b)	3,806	7,196
Reversal of inventories adjustments (Note 25)	2,339	274
Other	9,287	8,681
	65,601	47,519

a) The gains in the financial year ended on 31 December 2008 include gains from the sale of CO2 emissions licences and the exchange of CO2 emissions licences for Certified Emission Reductions ("CER") in the sum of 11,467 thousand euros. In the year ended 31 December 2007, this respected, essentially, to gains on the sale of fixed assets;

b) In the year ended 31 December 2007, investments subsidies included profits related to subsidies obtained in relation to investments realized by Cimpor Indústria, by the amount of 5,400 thousand euros.

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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 2008 and 2007 is made up as follows:

	2008	2007
Goods sold	67,166	109,932
Material used in production	563,603	429,173
Gain/(loss) on inventories	167	212
	630,936	539,317

10. Payroll costs

The average number of employees of the companies included in the consolidation in the years ended 31 December 2008 and 2007, by business and geographical segment, was as follows:

	2008	2007	
Cement operations:	**5,266**	**4,378**	
Portugal	682	694	
Spain	495	501	
Brazil	725	707	
Egypt	458	462	
Tunisia	221	228	
Morocco	179	182	
South Africa	356	278	
Turkey	631	527	
China	625	303	
India	414	-	(a)
Others	481	496	
Ready-mix concrete and aggregates:	**2,149**	**1,881**	
Portugal	583	591	
Spain	452	430	
Brazil	583	500	
Morocco	25	23	
South Africa	185	144	
Turkey	167	95	
Others	155	98	
Other activities	**194**	**189**	
Common functions	**534**	**509**	
	8,143	**6,957**	

(a) Not applicable in the year ended 31 December 2007.

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Payroll expenses for the years ended 31 December 2008 and 2007 are made up as follows:

	2008	2007
Remuneration	161,263	145,384
Charges on remuneration	34,307	29,665
Social action and other	21,580	23,152
Indemnities	3,324	2,450
Incentive plan (Note 34)	2,003	1,726
Healthcare benefits (Note 33)	1,136	1,354
Insurance	737	732
Retirement benefits (Note 33)	526	2,608
	224,875	207,070

The caption "Social action and other" includes occupational health, healthcare assistance, professional training and meal allowance costs.

11. Other operating expenses

Other operations expenses for the years ended 31 December 2008 and 2007 are made up as follows:

	2008	2007
Receivables adjustments (Note 26)	9,330	7,652
Taxes	9,913	6,586
Subscriptions	3,289	3,064
Fines and penalties	2,490	382
Donations	1,296	2,170
Inventory adjustments (Note 25)	699	1,058
Uncollectible debts	390	445
Loss on disposal of assets	568	1,161
Other	2,775	2,645
	30,749	25,163

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12. Net financial expenses

Net financial expenses for the years ended 31 December 2008 and 2007 are made up as follows:

	2008	2007
Financial expenses:		
Interest expense:		
Changes in fair-value:		
Hedged assets / liabilities	9,295	-
Trading derivative financial instruments (a)	13,566	7,753
Financial assets/liabilities at fair value (a)	367	2,128
	23,227	9,880
Other	114,614	86,492
	137,841	96,372
Foreign exchange loss:		
Changes in fair-value:		
Hedged assets / liabilities	7,700	2,286
Trading derivative financial instruments (a)	110	32,320
Financial assets/liabilities at fair value (a)	15,855	-
	23,664	34,606
Other	12,716	8,757
	36,380	43,364
Financial discount allowed	3,401	3,327
Other financial expenses (b)	10,194	15,730
	187,816	158,794
Financial income:		
Interest income:		
Changes in fair-value:		
Hedging derivative financial instruments	9,295	-
Trading derivative financial instruments (a)	41,920	15,531
Financial assets/liabilities at fair value (a)	44	217
	51,259	15,748
Other	32,093	29,407
	83,352	45,155
Foreign exchange gain:		
Changes in fair-value:		
Hedging derivative financial instruments	7,700	2,286
Trading derivative financial instruments	15,862	-
Financial assets/liabilities at fair value (a)	-	32,320
	23,562	34,606
Other	24,622	7,846
	48,183	42,452
Financial discount received	716	729
Other financial income (c)	6,375	12,154
	138,627	100,490
Share of profits of associates:		
Loss in associated companies (Note 19)	(87,609)	(242)
Gain in associated companies (Note 19)	853	8,025
	(86,755)	7,782
Other	21	242
	(86,735)	8,025
Investment income:		
Gains on holdings	542	557
Gains/(losses) on investments (d)	995	1,734
	1,537	2,291

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a) This caption is mainly related to: (i) "US Private Placements" fair value changes (Note 36), which were designated as financial liabilities at fair value through profit and loss and (ii) fair value changes of negotiable financial derivative instruments, including two of them that, although contracted to cover exchange rate and interest rate risks associated to "US Private Placements" (Note 38), are not qualified by Group for hedge accounting effects.

b) In the years ended 31 December 2008 and 2007, this caption includes 6,502 and 8,666 thousand euros, related to the financial actualization of liabilities and provisions, of which 1,971 e 2,409 thousand euros are referred to provisions for the environmental rehabilitation of quarries (Note 35).

c) In the year ended 31 December 2008, "Other financial income" included the financial actualization of the tax payable until 2015 of 5,538 thousand euros. In the year ended 31 December 2007, included the reversal of adjustments for credits conceded to associated companies in the amount of 7,000 thousand euros (Note 21).

d) This caption refers, in the financial year ended on 31 December 2008, to the gain from the disposal of the 2.82% shareholding in the Egyptian company Misr Cement (Qena), S.A.E., in the amount of 2,086 thousand euros, and the loss in value of an investment fund portfolio reported as a financial asset at fair value through profit or loss, in the amount of 1,091 thousand euros (Note 20). In the prior year, this caption included the gain on the sale of share capital of Cimentos Madeira, S.A., in the amount of 1,425 thousand euros.

13. Income tax

Income tax expense for the years ended 31 December 2008 and 2007 is made up as follows:

	2008	2007
Current tax	68,471	68,180
Deferred tax (Note 24)	2,264	(3,599)
Increases / (decreases) in tax provisions (Note 35)	(45,786)	4,760
Charge for the year	24,949	69,341

The Company and the majority of its subsidiaries in Portugal are subject to Corporate Income Tax, currently at the rate of 25%, plus a Municipal surcharge up to a maximum of 1.5% of taxable income, totalling 26.5%.

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Tax on income relating to the other geographic segments is calculated at respective rates in force, as follows:

	2008	2007
Spain	30.0%	32.5%
Morroco	30.0%	35.0%
Tunisia	30.0%	30.0%
Egypt	20.0%	20.0%
Brazil	34.0%	34.0%
Mozambique	32.0%	32.0%
South Africa	28.0%	29.0%
Cape Verde	25.5%	30.6%
Turkey	20.0%	20.0%
China	25.0%	33.0%
Peru	30.0%	30.0%
India	34.0%	-

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.

The reconciliation between the tax rate applicable in Portugal and the effective tax rate in the Group is as follows:

	2008	2007
Tax rate applicable in Portugal	26.50%	26.50%
Operational results non taxable (a)	(2.78%)	(2.52%)
Financial results non taxable (b)	6.47%	(2.06%)
Benefits by deduction to the taxable profit and to the collect	(3.85%)	(1.42%)
Increases / (decreases) in tax provisions (c)	(17.73%)	1.22%
Adjustments on deferred taxes (d)	0.21%	(5.66%)
Rate differences	1.26%	1.26%
Other	(0.42%)	0.45%
Effective tax rate of the Group	9.66%	17.77%

a) Included in this item are the profits of tax exempt companies and transactions that are not relevant for tax purposes.

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b) This item consists of financial profits and losses that are not relevant for tax purposes, the most important of it are results appropriated from associated companies and the gain from the financial asset held to maturity mentioned in Note 20.

c) The financial year ended on 31 December 2008 includes the cancellation of the provision that had been set up by the company to cover the additional payment of corporate income tax relative to the 1997 and 1998 financial years (Note 35).

d) This item essentially includes deferred tax adjustments arising from changes in tax rates at which it is estimated that tax will be recovered and changes in expectations of recovering temporary differences from previous years.

In addition to the income tax charge for the year, in the years ended 31 December 2008 and 2007, deferred taxes of (230) thousand euros and 2,430 thousand euros, respectively, were recorded directly in reserves (Note 24).

14. Dividends

In the year ended 31 December 2008 a dividend of 23 cents per share (21.5 cents per share in 2007), totalling 153,151 thousand euros (143,951 thousand euros in 2007), was paid as decided by the Shareholders' Annual General Meeting held on 9 May 2008.

In relation to the financial year ended on 31 December 2008, the Board of Directors proposes a dividend of 18.5 cents per share, subject to approval by the General Meeting of the shareholders to be held on 13 May 2009.

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15. Earnings per share

Basic and diluted earnings per share for the years ended 31 December 2008 and 2007 were computed as follows:

	2008	2007
Basic earnings per share		
Net profit considered in the computation of basic earnings per share	219,441	304,073
Weighted average number of ordinary shares used to calculate the basic earnings per share (thousands)	665,303	669,095
Basic earnings per share	0.33	0.45
Diluted earnings per share		
Net profit considered in the computation of basic earnings per share	219,441	304,073
Weighted average number of ordinary shares used to calculate the basic earnings per share (thousands)	665,303	669,095
Effect of the options granted under the Share Option Plan (thousands) (Note 34)	1,515	1,491
Weighted average number of ordinary shares used to calculate the diluted earnings per share (thousands)	666,818	670,586
Diluted earnings per share	0.33	0.45

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16. Goodwill

The changes in goodwill and related impairment losses in the years ended 31 December 2008 and 2007 were as follows:

	Portugal	Spain	Brazil	Egypt	Tunisia	Morocco	South Africa	Cape Verde	Turkey	China	India	Peru	Mozambique	Total
Gross assets:														
Balances at 1 January 2007	22,325	74,427	540,613	76,614	71,546	27,254	112,438	8,742	-	-	-	-	1,409	935,368
Changes in the consolidation perimeter	-	-	1,054	-	-	-	-	261	321,748	4,072	-	3,626	(37)	330,725
Currency translation adjustments	-	-	30,071	(5,533)	-	-	(9,163)	-	26,119	(185)	-	(102)	(321)	40,885
Additions	223	-	-	-	-	-	-	-	2,260	860	-	-	1,471	4,814
Transfers	-	(2,654)	-	-	-	-	-	-	-	-	-	-	-	(2,654)
Balances at 1 January 2008	22,548	71,773	571,738	71,081	71,546	27,254	103,275	9,003	350,127	4,747	-	3,524	2,523	1,309,139
Changes in the consolidation perimeter (Note 5	3,103	68,736	991	-	-	-	-	-	2,335	13,284	68,374	-	-	156,823
Currency translation adjustments	-	-	(78,428)	3,898	-	-	(24,003)	-	(70,503)	785	(5,484)	218	146	(173,371)
Additions	-	7,855	-	-	-	-	-	133	638	-	-	1,757	-	10,383
Write-offs	-	(765)	-	-	-	-	-	-	-	-	-	-	-	(765)
Transfers	3,812	(6,684)	-	-	-	-	-	-	689	1,911	-	(296)	-	(569)
Balances at 31 December 2008	29,463	140,914	494,301	74,979	71,546	27,254	79,272	9,136	283,286	20,726	62,890	5,203	2,668	1,301,640
Accumulated impairment losses:														
Balances at 1 January 2007	601	765	-	-	-	24,031	-	-	-	-	-	-	-	25,397
Increases	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balances at 1 January 2008	601	765	-	-	-	24,031	-	-	-	-	-	-	-	25,397
Increases	-	(765)	-	-	-	-	-	-	-	-	-	-	-	(765)
Balances at 31 December 2008	601	-	-	-	-	24,031	-	-	-	-	-	-	-	24,632
Carrying amount:														
As at 31 December 2007	21,947	71,008	571,738	71,081	71,546	3,223	103,275	9,003	350,127	4,747	-	3,524	2,523	1,283,741
As at 31 December 2008	28,862	140,914	494,301	74,979	71,546	3,223	79,272	9,136	283,286	20,726	62,890	5,203	2,668	1,277,008

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.).

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 geographic segment, 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 are discounted based on the weighted average cost of capital (WACC), adjusted for the specific risks of each market. For the transaction value, multiples based on business indicators (mainly EBITDA and production capacity), are compared with those calculated for the cash-generating units undergoing these tests.

The cash flow projections are based on the medium and long term business plans approved by the Board of Directors, plus perpetuity.

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The main assumptions used to determine the value for use of goodwill were as follows:

		2008			2007		
Geographic area	Currency	Goodwill (a)	Discount rate (b)	Long term rate	Goodwill (a)	Discount rate (b)	Long term rate
Brazil	BRL	494,301	8.0%	3.3%	571,738	8.9%	3.6%
Egypt	EGP	74,979	8.8%	5.5%	71,081	8.7%	4.7%
Spain	EUR	140,914	6.7%	1.5%	71,008	7.1%	2.0%
South Africa	ZAR	79,272	7.4%	4.4%	103,275	7.9%	4.5%
Morocco	MAD	3,223	8.3%	2.1%	3,223	8.9%	2.3%
Tunisia	TND	71,546	7.7%	1.9%	71,546	8.2%	2.7%
Portugal	EUR	28,862	7.0%	1.4%	21,947	7.7%	2.3%
Cape Verde	CVE	9,136	10.6%	1.1%	9,003	10.4%	3.0%
Mozambique	MZM	2,668	10.5%	5.0%	2,523	10.8%	8.7%
Turkey	TRY	283,286	10.4%	3.9%	350,127	10.2%	4.1%
China	CNY	20,726	7.4%	3.7%	4,747	7.7%	3.8%
Peru	PEN	5,203	8.0%	2.0%	3,524	-	-
India	INR	62,890	8.7%	4.7%	-		
		1,277,008			1,283,741		

a) In euros
b) In local currency

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17. Intangible assets

The changes in intangible assets and corresponding accumulated amortisation and impairment losses in the years ended 31 December 2008 and 2007 were as follows:

	Industrial property and other rights	Intangible assets in progress	Total
Gross assets:			
Balances at 1 January 2007	15,765	650	16,415
Changes in the consolidation perimeter	9,091	11	9,102
Currency translation adjustments	694	(24)	671
Additions	1,665	229	1,894
Write-offs	(173)	-	(173)
Transfers	756	(782)	(27)
Balances at 1 January 2008	27,796	84	27,880
Changes in the consolidation perimeter (Note 5)	22,839	176	23,016
Currency translation adjustments	(2,466)	1	(2,466)
Additions	10,175	69	10,244
Write-offs, sales and transfers	(89)	-	(89)
Balance at 31 December 2008	58,255	330	58,585

	Industrial property and other rights	Intangible assets in progress	Total
Accumulated amortisation and impairment losses:			
Balances at 1 January 2007	5,695	-	5,695
Changes in the consolidation perimeter	6,400	-	6,400
Currency translation adjustments	585	-	585
Increases	2,069	-	2,069
Write-offs	(170)	-	(170)
Balances at 1 January 2008	14,578	-	14,578
Changes in the consolidation perimeter (Note 5)	28	-	28
Currency translation adjustments	(2,079)	-	(2,079)
Increases	3,506	-	3,506
Write-offs and transfers	22	-	22
Balance at 31 December 2008	16,055	-	16,055
Carrying amount:			
As at 31 December 2007	13,219	84	13,303
As at 31 December 2008	42,201	330	42,531

The caption "Industrial property and other rights" includes, essentially, surface rights over land and software utilisation licences. The increase on the 2007 figures is basically due to surface and operating rights in the Spain and China business areas, in the amount of 22,166 thousand euros and 4,923 thousand euros, respectively.

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18. Tangible assets

The changes in tangible assets and corresponding depreciation in the years ended 31 December 2008 and 2007 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 2007	292,696	586,681	2,491,266	90,707	52,476	7,787	11,516	111,924	7,557	3,652,611
Changes in the consolidation perimeter	40,289	77,015	354,311	13,674	2,178	746	99	19,096	4,313	511,720
Currency translation adjustments	5,624	6,422	13,653	1,350	147	(139)	(75)	(1,844)	905	26,044
Additions	1,878	13,313	54,212	5,837	4,942	424	352	131,237	19,513	231,708
Sales	(420)	(861)	(11,620)	(4,830)	(424)	(213)	(237)	(44)	(769)	(19,418)
Write-offs	(1)	(311)	(12,228)	(5,240)	(837)	(22)	(17)	(5)	-	(18,661)
Transfers	5,058	30,774	44,641	7,052	581	676	90	(72,164)	(6,684)	10,024
Balances at 1 January 2008	345,125	713,032	2,934,234	108,550	59,063	9,260	11,728	188,200	24,836	4,394,029
Changes in the consolidation perimeter (Note 5)	6,665	10,240	67,858	4,928	870	647	(31)	8,000	63,976	163,153
Currency translation adjustments	(21,331)	(32,392)	(200,118)	(9,209)	(3,394)	2	22	(29,057)	(2,771)	(298,247)
Additions	11,382	37,949	93,088	3,635	2,330	491	1,286	102,664	34,944	287,770
Sales	(1,560)	(3,954)	(12,763)	(2,637)	(484)	(35)	(145)	(23)	(4,111)	(25,713)
Write-offs	(36)	(159)	(17,876)	(411)	(513)	(43)	(163)	(442)	(3)	(19,648)
Transfers	9,414	19,838	58,113	2,292	1,138	1,959	(1,603)	(83,369)	(229)	7,552
Balances at 31 December 2008	349,659	744,553	2,922,537	107,147	59,010	12,281	11,094	185,973	116,642	4,508,895
Accumulated depreciation and impairment losses:										
Balances at 1 January 2007	37,460	285,301	1,672,817	59,456	42,240	6,786	6,778	-	-	2,110,837
Changes in the consolidation perimeter	176	28,351	206,016	8,686	3,618	649	44	-	-	247,540
Currency translation adjustments	155	5,097	9,166	663	326	(110)	(59)	-	-	15,238
Increases	4,150	26,946	118,773	8,232	3,360	482	1,040	-	-	162,983
Decreases	(29)	(420)	(10,158)	(4,039)	(385)	(210)	(177)	-	-	(15,418)
Write-offs	-	(7,881)	(10,454)	(5,204)	(782)	(22)	(17)	-	-	(24,360)
Transfers	386	9,180	(7,408)	35	29	0	(70)	-	-	2,152
Balances at 1 January 2008	42,298	346,575	1,978,753	67,828	48,406	7,575	7,539	-	-	2,498,974
Changes in the consolidation perimeter (Note 5)	77	1,240	23,343	1,605	617	189	(44)	-	-	27,028
Currency translation adjustments	(1,792)	(16,171)	(143,188)	(5,750)	(2,636)	47	23	-	-	(169,467)
Increases	11,881	30,811	124,558	9,314	3,332	632	538	-	-	181,067
Decreases	(1)	(1,672)	(11,272)	(2,445)	(263)	(35)	(185)	-	-	(15,873)
Write-offs	-	(113)	(17,625)	(290)	(499)	(43)	(40)	-	-	(18,611)
Transfers	525	(463)	(2,442)	53	727	1,108	(1,655)	-	-	(2,147)
Balances at 31 December 2008	52,989	360,206	1,952,127	70,315	49,683	9,473	6,177	-	-	2,500,969
Carrying amount:										
As at 31 December 2007	302,827	366,457	955,482	40,722	10,658	1,684	4,189	188,200	24,836	1,895,055
As at 31 December 2008	296,671	384,346	970,410	36,832	9,327	2,808	4,917	185,973	116,642	2,007,926

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 year ended on 31 December 2008 include 8,352 thousand euros in financial costs related to loans contracted to finance the construction of qualifying assets.

The write-offs in the financial year ended on 31 December 2008 include the sum of 17,150 thousand euros relative to the impact of the replacement of a kiln at a plant in Spain (Symca), due to the equipment becoming obsolete as the result of the investment made.

Tangible assets in progress in the year ended 31 December 2008 include the construction and improvement of installations and equipment of the cement sector of several production units, essentially in the Turkey, Spain, Brazil and China business areas.

The advances to suppliers of tangible assets item includes the assets assigned to the manufacturing and marketing of cement and ready-mix concrete on the island of Tenerife (Note 5).

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19. Investments in associates

The changes in investments in associates in the years ended 31 December 2008 and 2007 are as follows:

	Investment	Goodwill	Total
Balances at 1 January 2007	142,139	14,816	156,955
Changes in the consolidation perimeter	(3,874)	205	(3,669)
Equity method effect:			
On profit (Note 12)	8,025	-	8,025
On shareholders' equity	3,216	-	3,216
Dividends received	(1,295)	-	(1,295)
Acquisitions and increases	302	-	302
Balances at 1 January 2008	148,512	15,021	163,533
Changes in the consolidation perimeter (Note 5)	11,091	-	11,091
Equity method effect:			
On profit (Note 12)	(86,755)	-	(86,755)
On shareholders' equity (Note 30)	(3,296)	-	(3,296)
Dividends received	(1,175)	-	(1,175)
Acquisitions and increases	15,988	-	15,988
Sales and write-offs	(307)	-	(307)
Transfers	-	(1,416)	(1,416)
Balances at 31 December 2008	84,057	13,606	97,663

The profit/loss of associate companies for the financial year ended on 31 December 2008 include the Group's stake in the loss of C+PA and Arenor, in the amounts of 78.4 million of euros and 7,3 million of euros, respectively, which are negatively influenced by approximately 77 million of euros owing to the recognition of impairment losses on financial assets available for sale (shares of Banco Comercial Português, S.A.).

Financial information on associates as of 31 December 2008 and 2007 is as follows:

	2008	2007
Total assets	391,806	474,748
Total liabilities	(152,239)	(123,516)
Total shareholders' equity	239,567	351,232
Group's share of shareholders' equity	97,663	163,533
Sales and services rendered	42,065	98,994
Net profit for the year	(189,758)	22,809
Group's share of net profit for the year	(86,755)	7,782

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20. Other investments

The changes in "Other investments" in the years ended 31 December 2008 and 2007 were as follows:

	Available-for-sale financial assets		Financial assets at fair-value through profit and loss	Held to maturity financial assets	Total
	Cost	Fair value			
Gross investment:					
Balances at 1 January 2007	169,933	-	-	-	169,933
Currency translation adjustments	(42)	(618)	-	11,471	10,811
Revaluation/adjustments	-	2,111	-	-	2,111
Increases	2,921	-	-	-	2,921
Transfers	(158,008)	8,261	-	138,199	(11,548)
Balances at 1 January 2008	14,804	9,754	-	149,669	174,227
Changes in the consolidation perimeter (Note 5)	298	-	106	-	404
Currency translation adjustments	(353)	30	(9)	(29,869)	(30,200)
Revaluation/adjustments	-	499	(1,091)	-	(592)
Increases	314	2,195	4,022	-	6,531
Transfers	(2,806)	-	-	-	(2,806)
Sales	(1,872)	(8,382)	-	-	(10,254)
Write-offs	(34)	-	-	-	(34)
Balances at 31 December 2008	10,352	4,096	3,029	119,801	137,277
Impairment losses:					
Balances at 1 January 2007	16,595	-	-	-	16,595
Currency translation adjustments	85	-	-	-	85
Increases	1,080	-	-	-	1,080
Transfers	(7,846)	-	-	-	(7,846)
Balances at 1 January 2008	9,914	-	-	-	9,914
Currency translation adjustments	(35)	-	-	-	(35)
Transfers	(2,695)	-	-	-	(2,695)
Sales	(1,301)	-	-	-	(1,301)
Balances at 31 December 2008	5,882	-	-	-	5,882
Carrying amount:					
As at 31 December 2007	4,890	9,754	-	149,669	164,314
As at 31 December 2008	4,470	4,096	3,029	119,801	131,395

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 to the estimated impairment losses; (ii) financial assets at fair value through profit and loss, constituted, essentially, by a portfolio of investment fund, and (iii) financial assets held to maturity, namely an instrument issued by the Republic of Austria.

In the year ended 31 December 2008, the Group sold the investment in Misr Cement (Qena), S.A.E. measured by 8,382 thousand euros. Additionally, the accumulated amount in reserves was transferred to profit and loss, totalising a profit of 2,086 thousand euros.

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21. Accounts receivable - other

This caption at 31 December 2008 and 2007 was made up as follows:

	2008		2007	
	Current	Non-current	Current	Non-current
Participated and participating companies	622	875	622	2,000
Other shareholders	843	389	713	283
Advances to suppliers or fixed assets	32	-	38	-
Other debtors	30,169	10,299	22,934	12,244
	31,666	11,563	24,307	14,527
Accumulated adjustments to other receivable accounts	(2,034)	(680)	(1,507)	(2,646)
	29,633	10,883	22,800	11,880

In the years ended 31 December 2008 and 2007, those accounts receivable ageing were as follow:

	2008		2007	
	Current	Non-current	Current	Non-current
Undue balances	26,420	10,916	21,125	10,486
Due balances:				
Up to 180 days	2,055	-	1,031	500
From 180 to 360 days	127	-	233	1,000
More than 360 days	3,063	647	1,918	2,541
	31,666	11,563	24,307	14,527

Adjustments to accounts receivable - other

In the years ended 31 December 2008 and 2007 the changes in this caption were as follows:

Balances at 1 January 2007	9,613
Currency translation adjustments	(34)
Increases	1,574
Decreases (Note 12)	(7,000)
Balances at 1 January 2008	4,154
Changes in the consolidation perimeter	38
Currency translation adjustments	289
Increases	886
Decreases	(2,599)
Utilisation	(53)
Balances at 31 December 2008	2,714

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22. Taxes recoverable and taxes payable

Taxes recoverable and taxes payable at 31 December 2008 and 2007 were made up as follows:

	2008		2007	
	Current	Non-current	Current	Non-current
Taxes recoverable:				
Corporate income tax	7,504	-	12,575	-
Personal income tax	4,365	-	2,851	-
Value added tax	28,802	-	12,350	-
Social security contributions	-	-	172	-
Other	2,678	16,349	1,912	20,488
	43,349	16,349	29,860	20,488

	2008		2007	
	Current	Non-current	Current	Non-current
Taxes payable:				
Corporate income tax	14,513	-	18,033	-
Personal income tax	3,846	-	4,463	-
Value added tax	13,971	1,499	14,498	1,817
Social security contributions	4,530	-	4,599	-
Other	4,275	-	3,373	-
	41,135	1,499	44,967	1,817

In the years ended 31 December 2008 and 2007, non-current recoverable taxes in the caption 'Other', include a judicial deposit in the amount of 15,620 thousand euros and 15,891 thousand euros, respectively, made by a subsidiary in the Brazil business area, due to a judicial divergence in relation with the relevant applicable tax rate. The Board of Directors, according to previous similar processes and lawyer's opinion, believes that its resolution could be favorable to the company.

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23. Other current and non-current assets

Other current and non-current assets at 31 December 2008 and 2007 are made up as follows:

	2008		2007	
	Current	Non-current	Current	Non-current
Accrued interest	1,360	-	1,669	-
Derivative financial instruments (Note 38)	4,492	16,527	840	4,655
Leases (a)	1,227	16,987	609	-
Employee benefits (Note 33)	227	-	647	-
Insurances	591	-	630	-
Other deferred costs and accrued income	2,855	361	2,078	-
	10,751	33,874	6,474	4,655

(a) In 2008, in connection with the acquisition of Arenor Áridos, S.L. (Note 5), was concluded a contract of lease of land for aggregate extraction and the respective exploitation right for a period of 57 months, amounting to 18,440 thousand euros.

24. Deferred taxes

The changes in deferred taxes in the years ended 31 December 2008 and 2007 were as follows:

	Intangible assets	Goodwill	Tangible assets	Tax losses carried forward	Provisions for risks and charges	Cash and cash equivalents	Doubtful accounts	Inventories	Investments	Available-for-sale financial assets	Other	Total
Deferred tax assets:												
Balances at 1 January 2007	1,359	22,056	11,803	4,881	16,607	-	1,702	1,986	1,815	-	18,950	81,159
Changes in the consolidation perimeter	-	-	-	206	1,170	-	27	-	-	-	146	1,549
Currency translation adjustments	39	2,515	312	278	507	-	(29)	(51)	1	-	70	3,644
Income tax (Note 13)	(183)	24,450	1,888	4,432	4,649	-	484	252	(959)	-	(762)	34,251
Shareholders' equity (Note 13)	-	-	-	-	(2,003)	-	-	-	-	-	4,585	2,582
Balances at 1 January 2008	1,215	49,021	14,003	9,798	20,929	-	2,185	2,187	856	-	22,990	123,185
Changes in the consolidation perimeter (Note 5)	-	-	(12)	7,239	1,482	-	191	-	-	-	-	8,899
Currency translation adjustments	(77)	(8,315)	(1,591)	(2,445)	(2,756)	-	(77)	21	(5)	-	(1,744)	(16,989)
Income tax (Note 13)	(609)	(8,479)	(3,032)	3,256	(333)	-	(698)	(642)	(78)	-	(1,128)	(11,742)
Shareholders' equity (Note 13)	-	-	-	-	1,240	-	-	-	-	-	(1,406)	(165)
Transfers	1	-	-	(137)	0	-	(11)	-	-	-	(1)	(148)
Balances at 31 December 2008	530	32,226	9,368	17,711	20,563	-	1,590	1,567	774	-	18,711	103,039

	Intangible assets	Goodwill	Tangible assets	Tax losses carried forward	Provisions for risks and charges	Cash and cash equivalents	Doubtful accounts	Inventories	Investments	Available-for-sale financial assets	Other	Total
Deferred tax liabilities:												
Balances at 1 January 2007	-	12,250	100,877	-	3,606	233	-	-	12,500	-	6,589	136,055
Changes in the consolidation perimeter	-	-	29,816	-	-	-	-	-	-	-	128	29,945
Currency translation adjustments	5	359	760	-	(3)	-	-	-	-	-	326	1,447
Income tax (Note 13)	130	26,492	4,789	-	67	(233)	-	-	(962)	-	369	30,652
Shareholders' equity (Note 13)	-	-	-	-	529	-	-	-	-	13	(390)	152
Balances at 1 January 2008	134	39,100	136,242	-	4,199	-	-	-	11,539	13	7,022	198,249
Changes in the consolidation perimeter (Note 5)	7,892	-	4,286	-	-	-	-	-	-	-	-	12,178
Currency translation adjustments	(12)	(3,041)	(7,174)	-	(9)	-	-	-	-	-	(1,790)	(12,026)
Income tax (Note 13)	(137)	2,586	(3,228)	-	262	-	-	-	(11,539)	-	2,577	(9,479)
Shareholders' equity (Note 13)	-	-	-	-	(28)	-	-	-	-	93	-	65
Transfers	-	-	8,400	-	-	-	-	-	-	-	-	8,400
Balances at 31 December 2008	7,878	38,646	138,525	-	4,423	-	-	-	-	106	7,809	197,388
Carrying amount:												
As at 31 December 2007	1,081	9,921	(122,239)	9,798	16,731	-	2,185	2,187	(10,682)	(13)	15,968	(75,064)
As at 31 December 2008	(7,348)	(6,420)	(129,157)	17,711	16,139	-	1,590	1,567	774	(106)	10,902	(94,348)

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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 recorded in Reserves related to provisions, resulted from the tax effect associated to the actuarial gains and losses recorded directly in Reserves (Note 2.19.);

- 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.

The caption 'Other deferred tax assets' includes essentially the temporary differences of the derivative financial instruments (Note 38). The caption 'Other deferred tax liabilities', included temporary differences resulting from the financial actualization of accounts payable.

At 31 December 2008 the Group had tax losses carried forward of 118,311 thousand euros (2007: 98,119 thousand euros) for deduction from future tax profits; deferred tax asset of 17,711 thousand euros was recognised (2007: 9,798 thousand euros). Deferred tax assets of 58,439 thousand euros (2007: 65,353 thousand euros) have not been recognised due to the uncertainty as to their recovery, of which 52,826 thousand euros (2007: 58,613 thousand euros) expire in 2010.

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 company's business plans, periodically reviewed and actualized.

25. Inventories

Inventories at 31 December 2008 and 2007 are made up as follows:

	2008	2007
Raw, subsidiary and consumable materials	227,136	174,036
Work in process	56,155	40,473
Finished and semi-finished products	35,754	19,326
Merchandise	10,369	6,896
Advances on purchases	7,364	725
	336,778	241,455
Accumulated inventory adjustments	(8,929)	(10,886)
	327,849	230,569

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Inventory adjustments

The changes in inventories adjustments in the years ended 31 December 2008 and 2007 were as follows:

Balances at 1 January 2007	11,979
Changes in the consolidation perimeter	208
Currency translation adjustments	(419)
Increases (Note 11)	1,058
Decreases (Note 8)	(274)
Utilisation	(1,468)
Transfers	(199)
Balances at 1 January 2008	10,886
Currency translation adjustments	(218)
Increases (Note 11)	699
Decreases (Note 8)	(2,339)
Utilisation	(99)
Balances at 31 December 2008	8,929

26. Accounts receivable – trade

This caption at 31 December 2008 and 2007 was made up as follows:

	2008	2007
Trade receivables	265,697	276,949
Notes receivable - trade	51,737	57,120
Doubtful trade accounts receivable	48,710	46,188
Advances to suppliers	7,253	5,203
	373,397	385,460
Adjustments to accounts receivable	(59,954)	(61,599)
	313,443	323,861

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Adjustments to accounts receivable - trade

During the years ended 31 December 2008 and 2007, the changes in this caption are made up as follows:

Balances at 1 January 2007	58,683
Changes in the consolidation perimeter	1,903
Currency translation adjustments	(206)
Increases (Note 11)	7,652
Decreases (Note 8)	(4,179)
Utilisation	(2,254)
Balances at 1 January 2008	61,599
Changes in the consolidation perimeter	879
Currency translation adjustments	(1,451)
Increases (Note 11)	9,330
Decreases (Note 8)	(5,076)
Utilisation	(5,327)
Balances at 31 December 2008	59,954

Increases and decreases in these adjustments are recognized in the statement of profit and loss in captions 'Other operating expenses' and 'Other operating income', respectively.

In the years ended 31 December 2008 and 2007, the ageing of this caption, was as follows:

	2008	2007
Undue balances	245,972	255,907
Due balances:		
Up to 180 days	77,557	69,485
From 180 to 360 days	3,777	8,220
More than 360 days	46,090	51,849
	373,397	385,460

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 adjustments 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.

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27. Share capital

The Company's fully subscribed and paid up capital at 31 December 2008 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 appendix.

28. Treasury shares

Commercial legislation relating to treasury shares requires that a free reserve in an amount equal to the cost of treasury shares be frozen 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 2008 and 2007 Cimpor had 8,476,832 and 4,002,209 treasury shares, respectively.

The changes in treasury shares in the years ended 31 December 2008 and 2007 were as follows:

	Quantity	Value
Balances at 1 January 2007	2,766,810	(9,294)
Treasury shares sale	(1,104,700)	3,739
Treasury shares buy	2,340,099	(14,371)
Balances at 1 January 2008	4,002,209	(19,927)
Treasury shares sale	(1,168,620)	3,872
Treasury shares buy	5,643,243	(25,586)
Balances at 31 December 2008	8,476,832	(41,640)

29. 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 38), to the extent that they comply with the criteria defined in IAS 39, as regards formalisation and efficiency of the hedge.

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The changes in this caption in the years ended 31 December 2008 and 2007 were as follows:

Balances at 1 January 2007	121,274
Currency translation adjustments	62,561
Balances at 1 January 2008	183,834
Currency translation adjustments	(333,541)
Balances at 31 December 2008	(149,706)

No derivative instruments for the purpose of hedging investment in foreign entities were contracted in the financial years ended on 31 December 2008 and 2007.

30. Reserves

The changes in these captions in the year ended 31 December 2008 and 2007 were as follows:

	Legal reserve	Free reserves	Fair value reserve	Hedging operations	Total
Balances at 1 January 2007	95,200	159,555	-	851	255,606
Appropriation of consolidated profit	11,700	-	-	-	11,700
Purchase/(sale) of treasury shares	-	476	-	-	476
Employee bonuses and share purchase options (Note 34)	-	1,047	-	-	1,047
Actuarial gain and loss on employee benefit plans	-	6,570	-	-	6,570
Adjustments in equity investments in associates and other	-	4,047	-	-	4,047
Changes in fair value of hedging financial instruments	-	-	-	(9,593)	(9,593)
Sale of available-for-sale investments	-	-	2,098	-	2,098
Balances at 1 January 2008	106,900	171,695	2,098	(8,742)	271,950
Appropriation of consolidated profit	12,565	-	-	-	12,565
Purchase/(sale) of treasury shares	-	722	-	-	722
Employee bonuses and share purchase options (Note 34)	-	2,453	-	-	2,453
Actuarial gain and loss on employee benefit plans (Note 33)	-	(2,811)	-	-	(2,811)
Adjustments in equity investments in associates (Note 19)	-	(3,296)	-	-	(3,296)
Changes in fair value of hedging financial instruments	-	-	-	3,265	3,265
Changes in fair value of available-for-sale investments	-	-	(1,736)	-	(1,736)
Balances at 31 December 2008	119,465	168,762	362	(5,477)	283,112

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 except upon liquidation of the company, but can be used to absorb losses once the other reserves have been exhausted, or to increase capital.

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31. Retained earnings

The changes in retained earnings in the years ended 31 December 2008 and 2007 were as follows:

Balances at 1 January 2007	248,177
Appropriation of consolidated profit	136,264
Adjustments in equity investments in associates and other	(610)
Share purchase options (Note 34)	678
Other	(40)
Balances at 1 January 2008	384,470
Appropriation of consolidated profit	138,273
Share purchase options (Note 34)	(450)
Actuarial gain and loss on employee benefit plans (Note 33)	(294)
Other	(141)
Balances at 31 December 2008	521,858

32. Minority interest

The changes in this caption in the years ended 31 December 2008 and 2007 were as follows:

Balances at 1 January 2007	74,059
Changes in the consolidation perimeter	26,622
Change resulting from currency translation	(1,619)
Dividends	(3,206)
Increase in investments	(9,999)
Employee benefits	(1)
Other changes in shareholders' equity of subsidiary companies	295
Net profit for the year attributable to minority interests	16,729
Balances at 1 January 2008	102,880
Changes in the consolidation perimeter (Note 5)	8,473
Change resulting from currency translation	2,785
Dividends	(13,508)
Increase in investments	(2,936)
Employee benefits	(62)
Other changes in shareholders' equity of subsidiary companies	(776)
Net profit for the year attributable to minority interests	13,865
Balances at 31 December 2008	110,720

33. 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.

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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 2008 and 2007 were made using the "Projected Unit Credit" method and were based in the following assumptions and technical bases:

	2008	2007
Actuarial technical rate		
Portugal	6.00%	5.00%
Spain	5.00%	5.40%
South Africa	8.40%	9.25%
India	5.75%	n/a
Morocco	5.55%	5.05%
Annual pension growth rate		
Portugal	2.50%	2.25%
Spain	2.50%	2.50%
Annual fund income rate		
Portugal	6.00%	5.00%
Spain	5.90%	5.90%
Annual salary growth rate		
Portugal	2.50%	2.50%
Spain	3.50%	3.50%
India	7.00%	n/a
Mortality tables		
Portugal	TV88/90	TV88/90
Spain	PERMF 2000	PERMF 2000
South Africa	SA 85-90	SA 85-90
India	LIC	n/a
Morocco	TV 88/90	TV 88/90
Disability tables		
Portugal	EKV 80	EKV 80
Nominal growth rate of medical costs		
Portugal		
Growth rate of medical costs	N/A	N/A
Medical inflation rate	2.50%	2.50%
Growth rate of medical costs by age	1,5% till 60, 2% between 60 and 85, -1,5% after 85 years old	1,5% till 60, 2,5% between 60 and 85, -1,5% after 85 years old
South Africa	6.40%	7.25%
Morocco	3.00%	3.00%

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In accordance with the actuarial valuations the pension and healthcare benefits costs for the last four years ended 31 December were as follows:

	Pension plans			
	2008	2007	2006	2005
Current service cost	1,069	1,335	1,763	1,471
Interest cost	3,918	3,772	3,914	3,710
Curtailments / settlements / constitutions	(2,601)	-	(3,386)	(1,937)
Expected return of the plans' assets	(3,531)	(3,667)	(4,330)	(3,758)
Total cost/(income) of the pension plans	(1,146)	1,440	(2,040)	(513)
	Healthcare plans			
	2008	2007	2006	2005
Current service cost	435	352	459	316
Interest cost	812	1,002	927	748
Curtailments / settlements / constitutions	2,042	-	(4,469)	-
Total cost/(income) of the healthcare plans	3,289	1,354	(3,084)	1,065
Total cost/(income) of the defined benefit plans (Notes 10 and 35)	2,144	2,795	(5,123)	551

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The changes in the amount of the defined benefit plans and fund assets in the years ended 31 December 2008 and 2007 were as follows:

	Pension plans		Healthcare plans		Total	
	2008	2007	2008	2007	2008	2007
Defined benefit liability - 1 January	81,645	88,592	16,096	20,833	97,741	109,425
Changes in the consolidation perimeter	1,203	-	-	-	1,203	-
Benefiits and bonuses paid	(5,944)	(5,528)	(782)	(841)	(6,726)	(6,369)
Current service cost	1,069	1,335	435	352	1,504	1,687
Curtailments / settlements / constitutions (a)	(2,601)	-	2,042	-	(559)	-
Interest cost	3,918	3,772	812	1,002	4,730	4,774
Actuarial gains and losses (b)	(5,999)	(6,526)	(636)	(5,152)	(6,635)	(11,678)
Exchange differences	(109)	-	(241)	(99)	(350)	(99)
Defined benefit liability - 31 December	73,181	81,645	17,726	16,096	90,907	97,741
Value of the pension funds - 1 January	79,300	81,781	-	-	79,300	81,781
Changes in the consolidation perimeter	940	-	-	-	940	-
Transfers	(874)	-	-	-	(874)	-
Contributions	3,899	2,019	-	-	3,899	2,019
Benefits and bonuses paid	(5,952)	(5,538)	-	-	(5,952)	(5,538)
Expected income of the funds' assets	3,531	3,667	-	-	3,531	3,667
Actuarial gain in income from the funds' assets (b)	(11,036)	(2,629)	-	-	(11,036)	(2,629)
Value of the pension funds - 31 December	69,807	79,300	-	-	69,807	79,300

(a) Refers to changes on long term benefits structures, which affect actuarial valuations of future responsibilities, for past services.

(b) As from the date of transition to IFRS, the Group has applied the new provisions of IAS 19 - Employee benefits, in which actuarial gains and losses are recognised directly in reserves.

The difference between the present value of the benefit plan liability and the market value of the funds' assets at 31 December 2008 and 2007 was as follows:

	Pension plans		Healthcare plans		Total	
	2008	2007	2008	2007	2008	2007
Liability	73,181	81,645	17,726	16,096	90,907	97,741
Value of the pension funds	(69,807)	(79,300)	-	-	(69,807)	(79,300)
Deficit	3,374	2,345	17,726	16,096	21,100	18,441
Liability for employee benefits:						
Current liability	3,847	1,220	838	841	4,685	2,060
Non-current liability	(246)	1,773	16,888	15,255	16,642	17,028
	3,601	2,993	17,726	16,096	21,327	19,088
Fund surplus (Note 23)	(227)	(647)	-	-	(227)	(647)
Total	3,374	2,345	17,726	16,096	21,100	18,441

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The main assets of the funds at 31 December 2008 and 2007 are as follows:

	2008	2007
Shares	15.8%	21.7%
Fixed rate bonds	42.4%	38.2%
Variable rate bonds	19.8%	32.3%
Real estate investment funds, hedge funds, cash and insurance	22.1%	7.7%
	100.0%	100.0%

Defined contribution plans

In the years ended 31 December 2008 and 2007 the Group incurred on costs of 1,672 thousand euros and 1,168 thousand euros, respectively, with defined contribution plans (Note 10).

34. Incentive plan

A *Share Purchase Plan for Employees* and a *Cimpor Share Purchase Option Plan* were approved by the Shareholders' General Meeting held on 9 May 2008.

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 which 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 listed price on the transaction day, up to an overall amount not exceeding half of their gross monthly remuneration.

The beneficiaries 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 2008 and 2007 under these incentive plans, as well as the derived options exercised under the earlier plans were as follows:

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PLAN	2008 Nº of exercised shares	2008 Unit price	2008 Date	2007 Nº of exercised shares	2007 Unit price	2007 Date
Share purchase options - derived options:						
- Series 2004	-	-	-	249,500	3.20	14 March
- Series 2005	276,700	3.30	17 March	272,970	3.30	14 March
- Series 2006	240,440	4.05	17 March	214,830	4.05	14 March
- Series 2007	229,610	4.90	17 and 28 March	-	-	
Shares purchased options granted	264,490	4.25	27 May	238,750	4.90	25 May
	1,011,240			976,050		
Shares purchased by employees	157,380	4.565	13 May	128,650	5.03	17 May
	1,168,620			1,104,700		

The changes in this liability in the years ended 31 December 2008 and 2007 were as follows:

	2008	2007
Changes in the year:		
Outstanding at the beginning of the year	1,491,250	1,583,050
Issued during the year	1,112,400	1,000,000
Exercised during the year	(1,011,240)	(976,050)
Lapsed during the year and not exercised	(76,990)	(115,750)
Outstanding at the end of the year	1,515,420	1,491,250
Details of options issued during the year:		
Maturity date	May 2008 March 2009, 2010, 2011	May 2007 March 2008, 2009, 2010
Exercise price (euros)	4.25	4.90
Total value exercised (thousands of euros)	4,728	4,900
Cost for the year included in personnel costs	1,091	1,096
Details of options exercised during the year:		
Average exercise price (euros)	4.09	3.83
Total value exercised (thousands of euros)	4,136	3,739

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 2,003 thousand euros in 2008 (1,726 thousand euros in 2007) relating to "Equity Settled" payment plans, as follows:

	2008	2007
Share purchase option plans issued during the year	1,091	1,096
Share purchase option plans issued in prior years	673	415
Shares purchased by employees	239	215
Cost of the exercise (Notes 10, 30 and 31)	2,003	1,726

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The following assumptions were used in the valuations as of 31 December 2008 and 2007:

	2008	2007
Price per share	6.00	6.88
Exercise price	4.25	4.90
Volatility	30.2%	21.0%
Dividend yeld	3.83%	3.12% and 3.67%

35. Provisions

In the year ended 31 December 2008 and 2007, the classification between current and non-current were as follows:

	2008	2007
Non-current provisions:		
Provisions for tax risks	59,842	102,947
Environmental rehabilitation	45,901	44,989
Provisions for employee benefits and others personnel provisions	23,101	23,277
Other provisions for risks and charges	40,172	36,781
	169,017	207,993
Current provisions:		
Environmental rehabilitation	250	250
Provisions for employee benefits and others personnel provisions	5,637	3,668
Other provisions for risks and charges	938	1,280
	6,824	5,199
	175,841	213,192

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The changes in the provisions in the years ended 31 December 2008 and 2007 were as follows:

	Provisions for tax risks	Environmental rehabilitation	Provision for employee benefits and others personnel provisions	Other provisions for risks and charges	Total
Balances at 1 January 2007	99,722	38,327	33,564	14,245	185,858
Changes in the consolidation perimeter	19	3,405	3,000	326	6,750
Currency translation adjustments	(831)	1,299	205	520	1,192
Increases	4,062	2,843	1,911	14,396	23,213
Decreases	(86)	(1)	(5,647)	(5,025)	(10,759)
Utilisation	(30)	(616)	(6,088)	(2,219)	(8,953)
Transfers	92	(18)	-	15,818	15,891
Balances at 1 January 2008	102,947	45,239	26,946	38,061	213,192
Changes in the consolidation perimeter (Note 5)	-	144	131	4,523	4,799
Currency translation adjustments	581	(5,112)	(1,446)	(4,989)	(10,965)
Increases	6,196	6,448	11,985	9,976	34,605
Decreases	(49,877)	(6)	(3,929)	(3,636)	(57,448)
Utilisation	(5)	(577)	(5,496)	(3,137)	(9,215)
Transfers	-	15	548	312	874
Balances at 31 December 2008	59,842	46,151	28,738	41,110	175,841

The decreases in provisions for tax risks includes 49,574 thousand euros regarding the write-off of the provision that was made to cover the additional assessments of the Corporate income tax for the years of 1997 and 1998, as a result of a decision of the 1st Chamber of the Supreme Administrative Court, in the first half of 2008, which has since been confirmed by the Section's plenary, granting the appeal brought by the Company in opposition to the orders by the Secretary of State for Treasury and Finance which rejected the requests for payment of those assessments.

The provisions for Environmental rehabilitation represents the Group's legal or implicit obligation to rehabilitate land used for quarries. Payment of this liability depends on the period of operation and the beginning of the related work.

The other provisions for risks and charges cover specific business risks resulting from the Group's normal operations. In the financial year ended on 31 December 2007, these provisions were increased with an amount of 5,762 thousand euros (15 million Brasilian reais), 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.

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The increases and decreases in the provisions in the years ended 31 December 2008 and 2007 were recorded by corresponding entry to the following accounts:

	2008	2007
Tangible assets:		
Land	4,425	406
Profit and loss for the year:		
Supplies and services	5	(171)
Payroll	(606)	2,449
Provisions	9,129	10,432
Financial expenses	5,568	2,409
Financial income	-	(716)
Share of results of associates	-	242
Income tax (Note 13)	(45,786)	4,760
Shareholders' equity:		
Adjustment in equity investments	-	4
Free reserves	4,421	(7,362)
	(22,843)	12,454

The caption financial expenses include the financial actualizations of the provision for environmental rehabilitation (Note 12).

The amounts recorded in free reserves correspond to the amount of actuarial gains and losses related to employee benefits.

36. Loans

Loans at 31 December 2008 and 2007 were made up as follows:

	2008	2007
Non-currents liabilities:		
Bonds	883,055	855,939
Bank loans	1,028,075	467,993
Other loans	-	315
	1,911,130	1,324,247
Currents liabilities:		
Bank loans	201,177	623,142
Other loans	324	340
	201,501	623,481
	2,112,631	1,947,729

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Bonds

Non-convertible bonds at 31 December 2008 and 2007 are made up as follows:

Issuer	Financial instrument	Issue date	Interest rate	Conditions / repayment	2008 Non-current	2007 Non-current
Cimpor Financial Operations B.V.	Eurobonds	27.May.04	4.50%	27.May.11	608,107	597,598
Cimpor Financial Operations B.V.	US Private Placement 10Y	27.June.03	4.75%	27.June.13	102,762	96,352
Cimpor Financial Operations B.V.	US Private Placement 12Y	27.June.03	4.90%	27.June.15	172,186	161,989
					883,055	855,939

The above US Private Placements are designated as fair value liabilities through profit and loss, as a result of applying the transitional provisions of IAS 39, in the year ended 31 December 2005.

The variations in fair value incorporated in the book value of the "US Private Placements" at 31 December 2008 amounted to 70,605 thousand euros (86,783 thousand euros in 31 December 2007).

Bank loans

Bank loans at 31 December 2008 and 2007 were made up as follows:

Type	Currency	Interest rate	Non-current 2008	Non-current 2007
Bilateral	EUR	Euribor + 0.275%	199,627	-
Bilateral	EUR	Euribor + 0.550%	299,526	-
Bilateral	EUR	Euribor + 0.750%	111,997	-
Bilateral	EUR	Euribor + 0.275%	280,000	280,000
EIB Loan	EUR	EIB basic rate	40,000	46,667
Bilaterals	BRL	Several	7,280	13,043
Bilaterals	EUR	Several	72,022	126,676
Bilaterals	CVE	Several	11	49
Bilaterals	CNY	Several	-	930
Bilateral	INR	10.50%	14,838	-
Bilateral	MAD	Several	1,667	-
Bilaterals	PEN	Several	1,107	628
			1,028,075	467,993

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Type	Currency	Interest rate	Current 2008	Current 2007
Bilateral	EUR	Euribor + 0.750%	112,409	-
EIB Loan	EUR	EIB Basic Rate	6,667	6,666
Bilateral	EUR	Several	7,616	-
Bilaterals	BRL	Several	2,626	3,215
Bilaterals	EUR	Euribor + 0.275%	-	392,500
Bilaterals	CVE	Several	19	-
Bilaterals	MAD	Several	385	6,458
Bilateral	ZAR	Several	-	43
Bilaterals	CNY	Several	3,138	20,756
Bilaterals	PEN	Several	232	7,203
Commercial paper	EUR	Several	25,000	160,000
Overdrafts	TRY	Several	30,283	648
Overdrafts	MAD	Several	3,533	-
Overdrafts	ZAR	Several	73	667
Overdrafts	EUR	Several	8,318	18,875
Overdrafts	CVE	Several	878	611
Overdrafts	MZM	Several	-	169
Other	EUR	Several	-	5,331
			201,177	623,142

The non-current portion of loans at 31 December 2008 and 2007 is repayable as follows:

Year	2008	2007
2009	-	74,902
2010	569,883	166,028
2011	839,304	700,263
2012	172,614	103,666
2013 and following years	329,330	279,388
	1,911,130	1,324,247

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The loans at 31 December 2008 and 2007 are stated in the following currencies:

	2008		2007	
Currency	Currency	Euros	Currency	Euros
EUR	-	1,756,268	-	1,618,871
USD	404,000	290,292	404,000	274,438
MZM	-	-	5,888	169
BRL	32,131	9,906	42,213	16,259
ZAR	952	73	7,125	710
MAD	62,936	5,586	73,654	6,458
CVE	100,109	908	72,637	659
TRY	65,074	30,283	1,112	648
INR	1,000,000	14,838	-	-
CNY	29,800	3,138	233,176	21,686
PEN	5,855	1,339	35,131	7,831
		2,112,631		1,947,729

The foreign currency loans bear interest at market rates and were translated to euros at the rates of exchange on the balance sheet date.

Rating

The larger bilateral loans (Euribor + spread) establish that the spread must be indexed to the Standard & Poor's rating, therefore reflecting the assessment of risk of these operations.

Control of the 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 comfort letters requested from the holding company, for purposes of contracting the loans, usually contain a commitment for it not to sell its direct or indirect control of these companies.

The comfort letters provided by the Parent company and other subsidiary companies at 31 December 2008 and 2007 totalled 140,700 and 331,753 thousand euros, respectively.

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
- EBITDA / (Financial expenses – Financial income)

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At 31 December 2008 and 2007 these ratios were within the commitments established (Note 39).

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.

37. Obligations under leases

Finance leases

The minimum lease payments as at 31 December 2008 and 2007, resulting from finance lease liabilities, are as follows:

	2008		2007	
	Present value	Future value	Present value	Future value
Up to 1 year	2,102	2,111	1,946	1,987
From 1 to 5 years	4,670	4,979	6,305	6,543

Operating leases

The Cimpor Group's 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):

	Future value	
	2008	2007
Up to 1 year	4,959	4,481
From 1 to 5 years	8,997	6,276
More than 5 years	10	61

Total operating lease costs recognised in the consolidated statement of profit and loss for the year ended 31 December 2008 amounted to 5,085 thousand euros (4,891 thousand euros in 2007).

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38. Derivative financial instruments

Under the risk management policy of the Cimpor Group, a range of derivative financial instruments have been contracted at 31 December 2008 and 2007 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 the 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 the statement of 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 the statement of 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 the statement of 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 "Currency translation adjustments" until the hedged investment is sold or liquidated.

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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 2008 and 2007 is as follows:

	Other assets (Note 23)				Other liabilities (Note 41)			
	Current asset		Non-current assets		Current asset		Non-current assets	
	2008	2007	2008	2007	2008	2007	2008	2007
Fair value hedges:								
Exchange and interest rate swaps	-	-	11,326	4,655	-	365	-	354
Interest rate swaps	2,281	-	4,888	-	-	-	-	-
Exchange rate forwards	7	-	-	-	110	-	-	-
Cash flow hedges:								
Interest rate swaps	-	-	-	-	2,365	2,610	4,092	10,954
Trading:								
Exchange and interest rate derivatives	219	-	-	-	1,447	6,833	38,542	86,414
Interest rate derivatives	1,985	840	313	-	10,042	715	65,785	64,371
	4,492	840	16,527	4,655	13,964	10,523	108,419	162,093

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.

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The following schedule shows the operations at 31 December 2008 and 2007 that qualify as fair value and cash flow hedging instruments:

Type of hedge	Notional	Type of Operation	Maturity	Financial purpose	Fair value 2008	Fair value 2007
Fair value	EUR 22,325,000	Cross-Currency Swap	Oct. 2012	Principal and interest hedge on Intercompany Loan from C. Inversiones to Natal Portland Cement	8,126	4,418
Fair value	EUR 7,000,000	Cross-Currency Swap	Oct. 2013	Principal and interest hedge on Intercompany Loan from C. Inversiones to Natal Portland Cement	1,877	151
Fair value	EUR 5,000,000	Cross-Currency Swap	Oct. 2013	Principal and interest hedge on Intercompany Loan from C. Finance to Natal Portland Cement	1,323	86
Fair value	EUR 75,000,000	Interest Rate Swap	May 2011	Hedge of 12.5% of the interests on Intercompany Loan from C. Inversiones to Cimpor BV regarding the Eurobond payment	1,226	(570)
Fair value	EUR 75,000,000	Interest Rate Swap	May 2011	Hedge of 12.5% of the interests on Intercompany Loan from C. Inversiones to Cimpor BV regarding the Eurobond payment	2,057	(149)
Fair value	EUR 50,000,000	Interest Rate Swap	May 2011	Hedge of 8.33% of the interests on Intercompany Loan from C. Inversiones to Cimpor BV regarding the Eurobond payment	1,128	-
Fair value	EUR 50,000,000	Interest Rate Swap	May 2011	Hedge of 8.33% of the interests on Intercompany Loan from C. Inversiones to Cimpor BV regarding the Eurobond payment	1,355	-
Fair value	EUR 50,000,000	Interest Rate Swap	May 2011	Hedge of 8.33% of the interests on Intercompany Loan from C. Inversiones to Cimpor BV regarding the Eurobond payment	1,403	-
Fair value	USD 2,220,000	Forwards	Jan. 2009	Currency hedge	(103)	-
Cash-Flow	BRL 388,586,800	Fixed Rate	Dec. 2011	Hedge of 100% of the interest on the note of Austria Republic on Cimpor Cimentos do Brasil	(6,455)	(13,564)
					11,935	(9,628)

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In addition, the portfolio of derivative financial instruments at 31 December 2008 and 2007 that do not qualify as hedging instruments is made up as follows:

Face Value	Type of Operation	Maturity	Economic purpose	Fair value 2008	Fair value 2007
USD 150,000,000	Cross-Currency Swap	Jun. 2013	Hedge of 100% of the principal and interest 10Y tranche of the US Private Placements	(13,158)	(30,146)
USD 254,000,000	Cross-Currency Swap	Jun. 2015	Hedge of 100% of the principal and interest 12Y tranche of the US Private Placements	(26,612)	(63,101)
EUR 100,000,000	IRS with conditioned receivable Leg	Dec. 2012	IRS with options sold on Euribor 6M and US Libor 6M	(11,485)	(13,721)
EUR 30,000,000	IRS with conditioned receivable and payable Leg	Jun. 2015	IRS with options sold on European swap curve and options bought on the slope of the European Swap Rate.	442	-
EUR 280,000,000	Basis Swap EUR	May 2009	Hedge Interests Club Deal 280M	(2,881)	-
EUR 200,000,000	Basis Swap EUR	Aug. 2009	Hedge Interests Club Deal 200M	(4,746)	-
EUR 50,000,000	IRS with only conditioned receivable Leg	Dec. 2009	IRS with options sold on US Libor 6M	(6)	(208)
EUR 216,723,549	IRS with conditioned receivable Leg	Jun. 2015	IRS with a set of options sold on which the main exposure is the slope of the European swap curve.	(54,891)	(49,048)
EUR 300,000,000	IRS with only conditioned Payable Leg	Jun. 2015			
Set of symmetrical Swaps	Set of Interest Rate Swaps	Dec. 2009	Swaps already closed or tottaly hedged at the end of the year. The Group doesn't have anymore any economic risk in these positions.	36	(1,269)
				(113,299)	(157,493)

39. Financial risk management

General principles

During its normal business activities, CIMPOR Group is exposed to a variety of financial risks likely to alter 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's performance.

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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.

Furthtermore, 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 Financial Operations Department of the holding's Corporate Centre 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 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.

The interest rate market was particularly volatile in 2008, undergoing extensive rate rises to the middle of the year followed by a reversal of that trend in the second half, as the rates for the different terms declined, closing the year at levels below those of December 2007.

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Growth of interest rates in the Euro zone

	December 2007	June 2008	December 2008
Interest rate Euro Swap 2Y	4.54%	5.34%	2.69%
Interest rate Euro Swap 5Y	4.56%	5.12%	3.24%
Interest rate Euro Swap 10Y	4.72%	5.05%	3.74%
Interest rate Euro Swap 30Y	4.89%	4.97%	3.54%

(Source:Bloomberg)

All new debt issued by the Group was contracted at a variable interest rate, untied to any swap operation, in accordance with forecasts that this downward trend in interest rates would extend into 2009. This fact, with the conversion of half the value of Eurobonds (issued at a fixed rate in 2004) to a variable rate, led to a slightly more skewed position than usual in respect of exposure to variable rate instruments – at the end of 2008, variable rate instruments accounted for close on 84% of the Group's total debt, whereas that proportion in December 2007 was only 57%.

Furthermore, contrary to the previous year, where all variable rate debt was index-linked to the 6-month Euribor rate, the Group has shifted preference, that allowed it, to the use of shorter terms (3 months and 1 month) in bank loans, as it seeks to take advantage of the referred to downward trend for interest rates in Europe.

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.

Change in the Exchange Rates (against the Euro) of the Group's Main Currencies

Country	Currency	December 2007	December 2008	Variation
South Africa	ZAR	10.0298	13.0667	30%
Turkey	TRY	1.7170	2.1488	25%
Brazil	BRL	2.5963	3.2436	25%
India	INR	58.03	67.3931	16%
Tunisia	TND	1.8030	1.8318	2%
Mozambique	MZM	34830	35250	1%
Morroco	MAD	11.4042	11.2665	-1%
Egypt	EGP	8.1072	7.6857	-5%
China	CNY	10.75	9.4956	-12%

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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.

The Group, with the exception of debt directly contracted by the different Business Areas to meet their day-to-day requirements, favours financing in the consolidation currency. Whenever financing is contracted in a currency other than the euro, it is hedged via cross currency swaps so that no exchange risk is taken on (unless this originates a situation of equilibrium with assets denominated in that other currency).

In the particular case of the US Private Placements issued in 2003, when the Group decided to use the US market to diversify its sources of financing and to benefit from the better conditions offered by that market at that time, two cross currency swaps were contracted, which converted the loans contracted in USD to loans in EUR. Both the loans contracted and the derivatives contracted are carried at their fair value, and they have a direct impact on the profit and loss account (Note 38).

The main debt instruments as at 31 December 2007 and 31 December 2008, not considering the abovementioned cross currency swaps, were denominated in the following currencies:

	December 2008	December 2007
EUR	83%	84%
USD	14%	13%
Other	3%	3%

Considering that impact, around 97% of the loans at both dates were in euros.

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.

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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.

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 MTN and commercial paper programmes up to date, ensure that it is equipped to act swiftly in the capital markets.

The cash surpluses of the different Business Areas 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.

As at 31 December 2008 and 31 December 2007, credit lines obtained but not used, excluding commercial paper that has not been underwritten, rose to close to 498 million euros and 285 million euros, respectively.

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.

Credit spreads have been growing since the second half of 2007, and irrespective of the issuer's level of risk:

Growth of Credit Spreads by Level of Risk (JP Morgan Maggie index)

	December 2007	March 2008	June 2008	September 2008	December 2008
JP Morgan Maggie AAA	(11)	(5)	(3)	7	34
JP Morgan Maggie AA	29	58	51	107	138
JP Morgan Maggie A	58	86	74	125	209
JP Morgan Maggie BBB	100	166	136	204	374

(Source: Bloomberg)

The area in which the CIMPOR Group operates and the difficult economic and financial climate have been chiefly responsible for the Group not escaping the downgrades that have hit practically all cement and construction materials companies. Even so, the Group maintained its Investment Grade rating, which many of its peers have lost.

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 preestablished for these two indicators is fundamental in ensuring compliance not only with the two debt instruments envisaging such but also, through the performance of the cross default provisions, compliance by all the remaining debt.

Both ratios at the end of 2008 were far from the established thresholds, despite worsening during the year:

Ratio	December 2007	December 2008	Limit
Leverage	2.07	2.97	< 3.5
Interest Coverage	9.60	6.89	> 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. In any case, as this portfolio consists mainly of swaps with sold options, it is the referred institution and not the Group that actually runs the counterparty risk.

The three swaps in the component of our interest-rate derivatives portfolio classified as hedge accounting have different counterparties, following the Group's concern with not increasing commercial involvement with that institution.

The live operations of the exchange-rate swaps portfolio are divided between two different counterparties: the exchange-risk hedge swaps for the financing obtained from the US market are contracted with the bank that led the operation; whereas the cross currency swaps hedging the financial risk of loans granted to NPC (South Africa) by Cimpor Inversiones were negotiated with a local bank.

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 2008 and 2007 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 10 million euros increase / decrease in financial expenses (before tax), for the financial years ended on 31 December 2008 and 2007 respectively.

This raised impact of a possible interest rate change on the Group's profit or loss is due to the growth of debt and also the change of the Group's debt profile, wherein variable rate instruments accounted for the larger weight of debt at the end of 2008.

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, which provides an ongoing analysis of the portfolio's risk and also assesses the extent to which these risks may be lessened by contracting certain operations, produced the following results as at 31 December 2007 and 31 December 2008:

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Earnings-at-Risk Trimestral

(Amounts in EUR)	2008 Earnings at Risk (in mmEUR)	2007 Earnings at Risk (in mmEUR)
EaR not considering diversification	26.24	25.75
Benefits of the diversification	5.33	2.17
Earnings-at-Risk	20.91	23.58

The decline of around 2.7 million euros in Earnings-at-Risk in 2008 basically reflects the gains derived from the addition of some positions that, diversifying the portfolio, more than offset the additional risk that those new positions represented.

b) Exchange rates

In the debt and financial derivatives component, 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 2008, the exposure of profits to exchange rate fluctuations mainly derives from intragroup 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	8,889	(7,273)
TRY	(2,222)	1,818
CNY	(4,556)	3,727
	2,111	(1,727)

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40. Accounts payable - other

Accounts payable – other at 31 December 2008 and 2007 were made up as follows:

	2008		2007	
	Current	Non-current	Current	Non-current
Participated and participant companies	12	500	-	-
Other shareholders	1,866	787	7,708	519
Suppliers of fixed assets	28,533	18,228	42,486	18,997
Other creditors	28,575	-	23,142	1,299
	58,986	19,515	73,336	20,814

"Other creditors" include amounts payable to several entities on transactions not related to the Group's core operations.

41. Other current and non-current liabilities

These captions at 31 December 2008 and 2007 were made up as follows:

	2008		2007	
	Current	Non-current	Current	Non-current
Accrued interest	18,573	-	18,855	-
Increased tax assessment	425	-	-	-
Accrued payroll	19,856	-	18,339	-
Derivative financial instruments (Note 38)	13,964	108,419	10,523	162,093
Investment subsidies	-	6,746	-	7,054
Other accrued costs and deferred income	10,507	28	13,225	-
	63,325	115,193	60,942	169,147

42. Accounts payable - trade

The caption "Accounts payable - trade" at 31 December 2008 and 2007 was made up as follows:

	2008	2007
Trade payables	147,036	145,371
Suppliers - invoices for approval	13,535	11,422
Notes payable - trade	30,352	36,297
Advances from clients	16,264	3,153
	207,187	196,243

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43. 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 2005 to 2007 period and 2008 to 2012 have been approved by the Portuguese and Spanish governments.

Eight manufacturing plants of Group companies, four in Portugal (Fábrica de Cal Hidráulica do Cabo Mondego and Alhandra, Loulé and Souselas Production Centres) and four in Spain (Oural, Toral de los Vados, Córdoba and Niebla Production Centres) received licences corresponding to emissions rights of 4,015,279 tons and 1,773,890 tons of CO2, per annum (2005 to 2007) and 4,053,897 tons and 2,025,769 tons of CO2 (2008 to 2012), respectively.

The estimated emissions of these premises were 5,510,755 tons of CO2 during the financial year ended on 31 December 2008. 360,000 tons of the total licence of 6,079,666 tons of CO2 awarded were disposed of, generating a gain of 8,188 thousand euros, reported under Other operating income (Note 8). Notwithstanding, the Group held emission licences that exceeded the referred to estimates by a reasonable margin.

Furthermore, the Group exchanged 565,423 European Emission Allowances ("EUA") licences for Certified Emission Reductions ("CER") in the the financial year ended on 31 December 2008, resulting in a gain of 3,881 thousand euros (Note 8).

Financial commitments on CO2 licences have been made at 31 December 2008, as described in Note 47.

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44. Financial assets and liabilities according to IAS39

The accounting policies in accordance with IAS 39 to financial instruments were applied to following items:

2008	Loans granted and accounts receivable	Available-for-sale financial assets	Held to maturity investments	Other financial liabilities	Assets and liabilities at fair value through profit and loss	Total
Assets:						
Cash and cash equivalents	169,564	-	-	-	-	169,564
Accounts receivable-trade	313,443	-	-	-	-	313,443
Other investments	-	8,565	119,801	-	3,029	131,395
Other non-current accounts receivable	10,883	-	-	-	-	10,883
Other current accounts receivable	29,633	-	-	-	-	29,633
Other non-current assets	22,235	-	-	-	11,639	33,874
Other current assets	6,644	-	-	-	2,211	8,855
Current accrued income	1,897	-	-	-	-	1,897
Total assets	554,298	8,565	119,801	-	16,879	699,543
Liabilities:						
Non-current loans	-	-	-	1,636,182	274,948	1,911,130
Current loans	-	-	-	201,501	-	201,501
Current liabilities-trade	-	-	-	207,187	-	207,187
Other non-current accounts payable	-	-	-	19,515	-	19,515
Other current accounts payable	-	-	-	58,986	-	58,986
Other non-current liabilities	-	-	-	6,774	108,419	115,193
Other current liabilities	-	-	-	1,821	13,964	15,785
Current acrrued costs	-	-	-	47,539	-	47,539
Total liabilities	-	-	-	2,179,505	397,331	2,576,836

2007	Loans granted and accounts receivable	Available-for-sale financial assets	Held to maturity investments	Other financial liabilities	Assets and liabilities at fair value through profit and loss	Total
Assets:						
Cash and cash equivalents	540,250	-	-	-	-	540,250
Accounts receivable-trade	323,861	-	-	-	-	323,861
Other investments	-	14,644	149,669	-	-	164,314
Other non-current accounts receivable	11,880	-	-	-	-	11,880
Other current accounts receivable	22,800	-	-	-	-	22,800
Other non-current assets	-	-	-	-	4,655	4,655
Other current assets	3,916	-	-	-	840	4,756
Current accrued income	1,717	-	-	-	-	1,717
Total assets	904,425	14,644	149,669	-	5,495	1,074,234
Liabilities:						
Non-current loans	-	-	-	1,065,906	258,341	1,324,247
Current loans	-	-	-	623,481	-	623,481
Current liabilities-trade	-	-	-	196,243	-	196,243
Other non-current accounts payable	-	-	-	20,814	-	20,814
Other current accounts payable	-	-	-	73,336	-	73,336
Other non-current liabilities	-	-	-	7,409	161,739	169,147
Other current liabilities	-	-	-	3,971	10,158	14,129
Current accrued costs	-	-	-	46,813	-	46,813
Total liabilities	-	-	-	2,037,973	430,238	2,468,211

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45. Notes to the consolidated cash flow statements

Cash and cash equivalents

Cash and cash equivalents at 31 December 2008 and 2007 were made up as follows:

	2008	2007
Cash	285	444
Bank deposits	136,431	392,022
Marketable securities	32,848	147,783
	169,564	540,250
Bank overdrafts (Note 36)	(43,085)	(20,970)
	126,479	519,280

The caption "Cash and cash equivalents" comprises cash, deposits repayable on demand, treasury applications 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.

Receipts / Payments relating to loans

The most significant cash flows occurred in the year ended 31 December 2008, respects to commercial paper emission and repayment, in the amount of 284 millions of euros and 419 millions of euros, respectively, of two bilateral loans contracts amounting of 425 millions of euros and a repayment of other bilateral loan of 392.5 millions of euros, being the remaining cash flows essentially made by the use and repayment of several current credit lines.

Payments relating to investments

Payments related to financial investments, occurred in the year ended 31 December 2008, corresponds essentially to the minority investment acquisition in the share capital of participated companies and to the increase of investment in associates.

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46. 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.

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.

2008

	Receivables		Payables		Transactions			
Related Parties	Trade	Other debtors	Trade	Supply of fixed assets	Supply of fixed assets	External supplies and services	Inventories purchases	Sales and services rendered
Associates	3,407	20,156	807	10	10	3,670	1,622	8,299
Other related parties:								
Lafarge, S.A. and related	3,997	-	591	16,059	366	1,268	2,186	37,884
Teixeira Duarte, SGPS, S.A. and related	6,315	9	-	30	697	40	-	11,376
Manuel Fino, SGPS, S.A. and related	1,364	-	-	-	-	-	-	1,975
	15,084	20,165	1,398	16,099	1,073	4,978	3,809	59,534

2007

	Receivables		Payables		Transactions			
Related Parties	Trade	Other debtors	Trade	Supply of fixed assets	Supply of fixed assets	External supplies and services	Inventories purchases	Sales and services rendered
Associates	1,623	83	213	-	-	2,350	1,266	7,430
Other related parties:								
Lafarge, S.A. and related	7,189	58	806	18,760	9	1,386	2,012	51,927
Teixeira Duarte, SGPS, S.A. and related	2,434	9	11	123	599	3	-	7,629
Manuel Fino, SGPS, S.A. and related	151	-	-	-	-	-	-	353
	11,396	150	1,029	18,883	608	3,740	3,279	67,339

The caption “External supplies and services” include the costs with the Contract of Industrial and Technical Cooperation signed with Lafarge S.A., which invoices on the years ended 31 December 2008 and 2007 amounted to 1,150 thousand euros per year. This contract was signed, in 12 July 2002 and had two addendums, the last one in April 2005, and end on 31 March 2009.

Operations between related parties also include acquisitions of equity investments, namely:

- In the year ended 31 December 2008, the acquisitions of share capital and other assets in Portugal and Spain from associated companies (C+PA e Arenor) totalling around 62 millions of euros (Note 5);

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- In the year ended 31 December 2007, the acquisition of 50% of the financial investments on turkey's business area to Group Lafarge by the amount of approximately 266.5 millions of euros and the contract signed between Cimpor - Indústria de Cimento, S.A., and C+PA - Cimento e Produtos Associados, S.A., where the second part promised to sell and first part to acquired, or nominate who acquires, the total share capital of Teporset, by the amount of 500 thousand euros.

Benefits of the members of the Company's corporate boards and executive seniors

Benefits of the members of the Company's corporate boards and executive seniors in the years ended 31 December 2008 and 2007 were as follows:

	2008	2007
Board of directors	4,944	4,772
Senior executives	6,958	6,433
	11,902	11,205
Short-term benefits	10,376	9,795
Post employment benefits	252	275
Share based payments	1,274	1,135
	11,902	11,205

47. Contingent liabilities, guarantees and commitments

<u>Contingent liabilities</u>

In the normal course of its business the Group is involved in several legal processes and complaints relating to its products and services as well as of an environmental nature, labour processes and regulatory. Considering the nature of the legal processes and the provisions made up, the expected outcome is not expected to have a significant impact on the Group's operations, financial position or results of operations.

Of particular note is that tax assessments totalling approximately five million euros were made as the result of tax audits for the 2002 to 2004 financial years in Group companies headquartered in Spain, and tax audits that are still in progress have issued reports indicating potential adjustments of approximately one hundred and one million euros to the taxable income, though no assessments have yet been made in relation to such.

Those adjustments are basically focussed on the financial results and they primarily arise from interpretations that do not reflect the specific nature of certain transactions. The Board of Directors is certain that the administrative appeals and legal proceedings that the companies will file, contesting the referred adjustments, will not lead to the Group incurring significant costs. This certainty is backed up by the opinion of the Group's legal and tax consultants, considering that is remote the Group probability of losing the majority of such proceedings.

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Guarantees

At 31 December 2008 the Group companies had guarantees totalling 126,604 thousand euros given to third parties. Of these, 28,409 thousand euros correspond to guarantees given to the tax authorities to cover additional tax assessments for the years 1990 to 2003, the liability being provided for under the caption Provisions for tax risks (Note 35).

At 31 December 2008 and 2007 the companies included in the consolidation perimeter had the following bank guarantees given to third parties:

	2008	2007
Guarantees given:		
For tax processes in progress	28,409	28,319
Bank union	47,317	54,214
To suppliers	30,820	41,593
Other	20,058	14,349
	126,604	138,475

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 5,457 thousand 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, associated companies and subsidiaries.

Until 2008, 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, to the minority shareholder of Shandong Liuyuan New-type Cement Development Co., Ltd was provided the opportunity to raise 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 financial statements of the Company in the event that such option is taken up.

At 31 December 2008 the Group had commitments relating to contracts to purchase tangible fixed assets and inventories as well for operating on third parties installations, totalling 54,721 thousand euros, the more significant amounts being 20,981 thousand euros relating to the Portugal business area, 15,822 thousand euros relating to the Spain business area and 12,513 thousand euros relating to the Egypt business area.

Furthermore, the Group contracted the forward swap of 405,289 greenhouse gas emission licences – European Emission Allowances ("EUA") for the same number of Certified Emission Reduction ("CER") licences, with BNP Paribas for previously agreed prices. This contract will mature in December 2009. The CER can be used to meet the commitments made under the National Emissions Licence Award Plan, nevertheless their issue is restricted to 10% of the total licences awarded.

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.

48. Subsequent events

The most significant events that took place after the end of the 2008 financial year are, as follows:

- Acquisition by Cimpor Portugal, SGPS, S.A. of 10% of the share capital of Jomatel – Empresa de Materiais de Construção, S.A., giving the former 100% control of that company;

- Acquisition by Agrepor Agregados – Extracção de Inertes, S.A., of the shares corresponding to the remaining 5% of the share capital of Sogral – Sociedade de Granitos, S.A., after having acquired 95% do share capital of that company at the end of 2008;

- Acquisition by Corporación Noroeste de Hormigones y Áridos, S.L. of 10% of the share capital of Firmes y Hormigones Sani, S.L. (adding to the 80% shareholding already held in that company);

- Acquisition by Corporación Noroeste, S.A. of 25% of the share capital of Occidental de Áridos, S.L., for the sum of EUR 8.15 million giving the former 100% control of that company;

- Reduction of the share capital of Société Les Ciments de Jbel Oust (Tunísia) from TND 84,059,500 to TND 75,214,500 through the amortization of 88,450 shares held by Cimpor Inversiones, S.A.;

- Société Les Ciments de Jbel Oust (Tunisia) pays up the share capital in full of two new companies – Granulats Jbel Oust and Béton Jbel Oust – which are founded to commence the activity of marketing aggregates and ready-mix concrete in Tunisia, respectively;

- Renewal of the quality management system (ISO 9001:2000) and environmental management (ISO 14001:2004) certifications of AMCC and ACCC (Egypt);

- Founding of the company Cimpor Zaozhuang Cement Corporation Ltd. (China), which is intended to operate the new Shanting plant;

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- Acquisition by Sociedade de Investimento Cimpor Macau, S.A., of the shareholding (20%) held by Chengtong Group in Cimpor Chengtong Cement Corporation, Ltd., for the amount of HKD 58 million;

- Issue by Shree Digvijay Cement Company Limited (India) of preferred shares – convertible in the timeframe of 18 months and earning a priority dividend of 6%/year – in the total amount of INR 870 million, fully subscribed by Cimpor Inversiones S.A..

49. Financial statements approval

The financial statements for the year ended 31 December 2008 were approved by the Board of Directors on 24 April 2009. However, they are still subject to approval by the Shareholders' General Meeting in accordance with commercial legislation in force in Portugal, set to 13 May 2009.

50. 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.

Qualifying Shareholdings [1]
(Translated from the Portuguese original)

SHAREHOLDERS	No. of Shares	Share Capital % [2]
Teixeira Duarte, SGPS, S.A. [3]	**153,884,443**	**22.90%**
Through members of its board of directors and audit committee	251,000	0.04%
Through Teixeira Duarte – Engenharia e Construções, S.A., which it controls	153,469,370	22.84%
Through members of its board of directors and audit committee	4,495,140	0.67%
Directly	885,140	0.13%
Through Pasim, S.A.	1,000,000	0.15%
Through Pacim, S.A.	2,610,000	0.39%
Through Teixeira Duarte – Sociedade Gestora de Participações e Investimentos Imobiliários, S.A., which it fully controls	148,974,230	22.17%
Through Tedal, SGPS, S.A., which it fully controls	67,205,000	10.00%
Through TDCIM, SGPS, S.A., which it fully controls	81,769,230	12.17%
Through members of the board of directors and audit committee of TDG, SGPS, S.A., in which it has a direct shareholding	164,073	0.02%
Manuel Fino, SGPS, S.A.	**136,141,960**	**20.26%**
On its own account	500	0.00%
Through Limar, Limited and Jevon, Limited, which it fully controls	136,141,460	20.26%
Through Investifino – Investimentos e Participações, SGPS, S.A. [4], controled by Limar, Limited and participated by Jevon, Limited	136,141,460	20.26%
On its own account	136,140,000	20.26%
Through members of its board of directors and audit committee	1,460	0.00%
Lafarge, S.A.	**116,089,705**	**17.28%**
Through Société Financiére Immobiliére et Mobiliére, SAS (Sofimo), which it controls	116,089,705	17.28%
Through Lafarge Cementos, S.A., which it controls	81,407,705	12.11%
Through Ladelis, SGPS, Lda., which it controls	81,407,705	12.11%
Through Financiére Lafarge, SAS, which it controls	34,682,000	5.16%
Banco Comercial Português, S.A. (BCP) and BCP Pension Fund	**67,474,186**	**10.04%**
Banco Comercial Português, S.A. and entities related to it [5]	274,186	0.04%
Banco Comercial Português, S.A.	500	0.00%
Banco Millennium BCP Investimento, S.A.	261,586	0.04%
Fundação Banco Comercial Português	12,100	0.00%
Fundo de Pensões do Banco Comercial Português, S.A.	67,200,000	10.00%
Bipadosa, S.A.	**44,912,524**	**6.68%**
Through Metalúrgica Galaica, S.A., which it fully owns	44,912,524	6.68%
Through Atlansider, SGPS, S.A., 50% owned by LAF 98, S.L., which it fully owns	44,912,524	6.68%
On its own account	44,804,844	6.67%
Through members of its board of directors and audit committee	107,680	0.02%
Through Atlansider, SGPS, S.A., of which it owns 50% [6]	44,912,524	6.68%
On its own account	44,804,844	6.67%
Through members of its board of directors and audit committee	107,680	0.02%
Mr. Lieutenant Colonel Luís Augusto da Silva	**14,049,090**	**2.09%**
Through LSMS - Investimentos, SGPS, S.A. which he controls	14,049,090	2.09%
Through Cinveste, SGPS, S.A., which it controls	14,049,090	2.09%
On its own account	13,983,000	2.08%
Through members of its board of directors and audit committee	36,090	0.01%
Through Cinveste Finance - Gestão de Valores Mobiliários, Lda., which it controls	30,000	0.00%

(1) As per official qualifying shareholdings announcements and other information as at December 31, 2008, received by the company.
(2) With voting rights.
(3) Qualifying shareholding disclosed as officialy comunicated to the company (including shares owned by members of the board of directors and audit committee of Teixeira Duarte – Engenharia e Construções, SGPS, S.A., and TDG, SGPS, S.A. as considered by the Portuguese Securities and Exchange Commission (CMVM)).
(4) Company fully controlled by Manuel Fino, SGPS, S.A..
(5) As foreseen in article 20 of the Portuguese Securities Code.
(6) Shares only imputed once in the calculation of the position of Metalúrgica Galaica, S.A..

As set forth in article 447º of the Portuguese Commercial Code and CMVM’s (Portuguese Securities Commission) Regulation no. 5/2008, follows the 2008 CIMPOR shares trade belonging to:

Members of Board of Directors and Audit Committee

Shareholders	No.of Shares 31-12-07	No.of Shares 31-12-08	2008 Trading Acquisitions	Disposals	Price	Date
Ricardo Manuel Simões Bayão Horta	104,360					
			2,190		4.565	13-May
		106,550				
Luis Eduardo da Silva Barbosa	3,440					
			380		4.565	13-May
		3,820				
Jacques Lefèvre	2,940					
			380		4.565	13-May
		3,320				
Jean Carlos Angulo	3,490					
			1,090		4.565	13-May
			2,500		4.250	27-May
		7,080				
Jorge Manuel Tavares Salavessa Moura	156,780					
			40,000		3.300	17-Mar
			40,000		4.050	17-Mar
			40,000		4.900	17-Mar
				8,590	5.620	26-Mar
				1,126	5.615	26-Mar
				10,284	5.600	26-Mar
				20,000	5.750	01-Apr
			1,970		4.565	13-May
			40,000		4.250	27-May
				278,500	3.340	17-Dec
		250				
Luís Filipe Sequeira Martins	80,000					
			31,000		3.300	17-Mar
			20,000		4.050	17-Mar
			20,000		4.900	17-Mar
			1,860		4.565	13-May
			20,000		4.250	27-May
		172,860				
Manuel Luis Barata de Faria Blanc	330,600					
			31,000		3.300	17-Mar
			25,000		4.050	17-Mar
			25,000		4.900	17-Mar
				17,600	5.990	07-May
				15,000	6.040	07-May
				9,000	6.150	12-May
			1,860		4.565	13-May
			25,000		4.250	27-May
		396,860				
Pedro Maria Calainho Teixeira Duarte	554,970					
			44,000		3.300	17-Mar
			40,000		4.050	17-Mar
			50,000		4.900	17-Mar
			2,020		4.565	13-May
			50,000		4.250	27-May
			2,775		5.665	29-May
			3,804		5.670	29-May
			3,421		5.670	29-May
			10,000		5.700	02-Jun
			30,000		5.705	02-Jun
			10,000		5.350	11-Jun
			5,633		4.000	21-Aug
			1,485		4.010	21-Aug
			26,322		4.020	21-Aug
			3,506		4.075	22-Aug
			23,054		4.080	22-Aug
		860,990				
Vicente Arias Mosquera	1,820					
			380		4.565	13-May
		2,200				
José Manuel Baptista Fino	670					
			380		4.565	13-May
		1,050				
José Enrique Freire Arteta	750					
			380		4.565	13-May
		1,130				
Jaime de Macedo Santos Bastos	26,650					
		26,650				

Persons discharging managerial responsibilities

Shareholders	No.of Shares 31-12-07	No.of Shares 31-12-08	2008 Trading Acquisitions	2008 Trading Disposals	2008 Trading Price	2008 Trading Date
Alexandre Roncon Garcez de Lencastre	44,590					
			2,400		3.300	17-Mar
			4,000		4.050	17-Mar
			3,300		4.900	17-Mar
			990		4.565	13-May
			4,200		4.250	27-May
		59,480				
Álvaro João Serra Nazaré	9,840					
			1,900		4.900	17-Mar
			2,400		3.300	17-Mar
			2,200		4.050	17-Mar
			1,130		4.565	13-May
			2,400		4.250	27-May
		19,870				
Álvaro Nunes Gomes	10,850					
			1,100		4.900	07-Mar
			350		3.300	17-Mar
			1,200		4.050	17-Mar
			650		4.565	13-May
			1,500		4.250	27-May
		15,650				
Angel Longarela Pena	15,760					
			1,100		3.300	17-Mar
			1,200		4.050	17-Mar
			1,300		4.900	17-Mar
			1,420		4.565	13-May
			1,900		4.250	27-May
		22,680				
Duarte Nuno Ferreira Marques da Silva	2,450					
			5,050		5.660	21-Feb
			2,500		5.725	25-Feb
			2,500		5.610	27-Feb
			2,500		5.580	27-Feb
			5,000		5.500	28-Feb
			1,500		3.300	17-Mar
			1,400		4.050	17-Mar
			1,300		4.900	17-Mar
				2,755	5.695	26-Mar
				1,445	5.695	27-Mar
			1,360		4.565	13-May
			1,800		4.250	27-May
		23,160				
Eduardo Guedes Duarte	21,770		3,800		4.250	27-May
		25,570				
Fernando Santos Plaza	22,900					
			1,900		4.900	17-Mar
			2,100		4.050	17-Mar
			3,900		3.300	17-Mar
			1,050		4.565	13-May
			2,300		4.250	27-May
		34,150				
João Sande e Castro Salgado	18,020					
			2,700		3.300	17-Mar
			2,300		4.050	17-Mar
			2,000		4.900	17-Mar
				5,700	5.900	17-Apr
			430		4.565	13-May
			2,500		4.250	27-May
				1,000	4.052	14-Oct
		21,250				
Jorge Manuel Afonso Esteves dos Reis	13,550					
			2,900		3.300	17-Mar
			2,500		4.050	17-Mar
			2,200		4.900	17-Mar
			990		4.565	13-May
			2,700		4.250	27-May
		24,840				
José Augusto Bras Chaves	75,000					
				5,000	5.462	10-Mar
			4,400		4.900	17-Mar
			4,900		4.050	17-Mar
			5,200		3.300	17-Mar
			1,410		4.565	13-May
			4,390		5.920	26-May
			5,200		4.250	27-May
		95,500				

Pedro Manuel de Freitas Pires Marques	11,010					
			2,100		3.300	17-Mar
			1,900		4.050	17-Mar
			1,600		4.900	17-Mar
				3,800	5.200	17-Mar
			890		4.565	13-May
			2,000		4.250	27-May
		15,700				
Sérgio José Alves de Almeida	15,141					
			1,500		4.900	17-Mar
			1,800		3.300	17-Mar
			1,600		4.050	17-Mar
			820		4.565	13-May
			1,800		4.250	27-May
			2,000		3.338	04-Dec
		24,661				
Valter Garbinatto de Albuquerque	3,230					
				1,000	5.750	01-Abr
				500	6.055	21-Abr
			1,270		4.565	13-May
			1,270		4.250	27-May
		4,270				

Companies under article 447, no. 2d) of the Portuguese Commercial Code

Acquisitions and Disposal of Shares

Shareholders	No.of Shares 31-12-07	No.of Shares 31-12-08	2008 Trading Acquisitions	Disposals	Average Price	Date
Teixeira Duarte Engenharia e Construções, S.A. (1)	35,988,245	0		35,988,245	6.076	Between 18 Mar and 30 Dec (7)
Pacim –SGPS, SA (2)	0	2,610,000	2,610,000		3.935	Between 30 Jul and 09 Oct (7)
Pasim – Sociedade Imobiliária, S.A. (2)	0	1,000,000	1,000,000		4.625	Between 20 Jun and 30 Jul (7)
Investifino – Investimentos e Participações, SGPS, S.A. (3)	136,140,000	136,140,000				
Atlansider, SGPS, S.A. (4)	31,453,576	44,804,844	13,350,968		4.890	Between 08 Jan and 10 Oct (7)
Megasa – Comércio de Produtos Siderúrgicos, Lda. (5)	312,300	0		31,300	3.200	10-Oct
Caxalp, SGPS, Lda. (6)	526,000	1,254,633	872,500		4.671	Between 16 Jan e 17 Dec (7)
				143,867	3.711	

Shares Encumbrance and Unencumbrance:

Shareholders	No.of Shares 31-12-07	No.of Shares 31-12-08	2008 Trading Encumbrance	Unencumbrance	Date
Teixeira Duarte Engenharia e Construções, S.A. (1)	33,042,230	0	1,900,000		27-Jul
			900,000		10-Oct
				35,842,230	30-Dec
Investifino – Investimentos e Participações, S.G.P.S (3)	136,140,000	136,140,000			

Notes:

(1) Pedro Maria Calaínho Teixeira Duarte, as member of the board of directors.
(2) Pedro Maria Calaínho Teixeira Duarte, as Chairman and controling shareholder
(3) José Manuel Baptista Fino, as member of the board of directors.
(4) Ricardo Bayão Horta and José Enrique Freire Arteta, as members of the board of directors.
(5) José Enrique Freire Arteta, as manager.
(6) Jorge Manuel Tavares Salavessa Moura, as managing partner.
(7) Detailed information regarding these transactions is disclosed in annex to these report

ANNEX – Detail of the acquisition and disposal of CIMPOR shares during 2008
(Companies under article 447, no. 2 d) of the Portuguese Commercial Code)

Teixeira Duarte, S.G.P.S., S.A. (Acquisitions)

Date	Price	No. of Shares
18-Mar	5.600	4,076
18-Mar	5.600	924
18-Mar	5.600	771
18-Mar	5.600	1,589
18-Mar	5.600	140
18-Mar	5.600	2,500
25-Mar	5.600	120
25-Mar	5.600	39
25-Mar	5.600	9,841
25-Mar	5.600	10,000
25-Mar	5.600	10,000
25-Mar	5.600	45
25-Mar	5.600	30,000
25-Mar	5.600	18,200
13-Jun	5.450	26,270
13-Jun	5.450	400
13-Jun	5.450	4,582
23-Dec	3.443	24,342
23-Dec	3.443	629
23-Dec	3.443	1,000
23-Dec	3.443	539
23-Dec	3.443	8
30-Dec	6.080	33,042,230
30-Dec	6.080	2,800,000

Pasim – Sociedade Imobiliária, S.A. (Acquisitions)

Date	Price	No. of Shares
20-Jun	5.000	500,000
29-Jul	4.250	630,373
30-Jul	4.250	1,000,000

Pacim – S.G.P.S., S.A. (Acquisitions)

Date	Price	No. of Shares
30-Jul	4.120	500,000
31-Jul	4.180	216,000
1-Aug	4.200	284,000
6-Aug	4.040	50,000
21-Aug	4.040	450,000
6-Oct	4.039	700
6-Oct	4.040	199,300
7-Oct	3.986	8,900
7-Oct	3.969	6,000
7-Oct	3.999	1,000
7-Oct	4.000	23,060
7-Oct	4.017	2,132
7-Oct	4.018	1,991
7-Oct	4.019	600
7-Oct	4.020	10,409
7-Oct	4.002	24,088
7-Oct	4.034	3,000
7-Oct	4.036	3,000
7-Oct	4.005	15,820
7-Oct	3.960	3,214
7-Oct	3.962	3,730
7-Oct	3.950	10,790
7-Oct	3.910	5,700
7-Oct	3.940	17,021
7-Oct	3.930	12,335
7-Oct	3.916	24,000
7-Oct	3.850	59,132
7-Oct	3.849	11,081
7-Oct	3.810	6,398
7-Oct	3.834	11,779
7-Oct	3.835	1,602
7-Oct	3.830	221
7-Oct	3.848	1,787
7-Oct	3.840	8,000
7-Oct	3.854	9,544
7-Oct	3.860	3,436
7-Oct	3.870	104
7-Oct	3.900	126
7-Oct	3.917	10,000
7-Oct	3.650	100,000
7-Oct	3.450	22,187
8-Oct	3.450	166,056
8-Oct	3.400	25,802
8-Oct	3.410	65,000
8-Oct	3.420	3,000
8-Oct	3.430	25,459
8-Oct	3.429	14,541
8-Oct	3.362	9,400
8-Oct	3.366	15,600
8-Oct	3.360	3,918

Date	Price	No. of Shares
8-Oct	3.367	174
8-Oct	3.370	5,997
8-Oct	3.375	6,716
8-Oct	3.399	198
8-Oct	3.440	4,195
8-Oct	3.500	37,759
8-Oct	3.240	37,459
9-Oct	3.450	56,539
9-Oct	3.334	10,000

Atlansider S.G.P.S., S.A. (Acquisitions)

Date	Price	No. of Shares
8-Jan	5.990	25,478
8-Jan	5.980	24,522
9-Jan	5.970	5,000
9-Jan	5.960	5,000
9-Jan	5.950	8,109
9-Jan	5.940	5,267
9-Jan	5.930	40,000
9-Jan	5.920	6,624
10-Jan	5.940	5,000
10-Jan	5.930	15,000
10-Jan	5.900	10,000
10-Jan	5.880	5,000
10-Jan	5.830	5,000
10-Jan	5.800	15,000
10-Jan	5.790	5,000
10-Jan	5.750	10,000
10-Jan	5.760	4,428
10-Jan	5.780	572
11-Jan	5.670	5,000
11-Jan	5.650	5,000
11-Jan	5.600	10,000
11-Jan	5.500	5,000
11-Jan	5.680	25,000
14-Jan	5.640	5,000
14-Jan	5.660	5,000
14-Jan	5.650	15,000
14-Jan	5.620	10,000
14-Jan	5.610	10,000
14-Jan	5.600	5,000
15-Jan	5.580	10,000
15-Jan	5.570	5,000
15-Jan	5.560	20,000
15-Jan	5.540	5,000
15-Jan	5.530	10,000
16-Jan	5.400	5,000
16-Jan	5.390	5,000
16-Jan	5.370	25,000
16-Jan	5.380	5,000
16-Jan	5.350	5,000
16-Jan	5.360	5,000
17-Jan	5.440	58,983
17-Jan	5.470	20,631
17-Jan	5.460	15,660
17-Jan	5.420	8,949
17-Jan	5.430	16,051
17-Jan	5.450	19,726
17-Jan	5.480	10,000
18-Jan	5.500	39,539
18-Jan	5.490	14,907
18-Jan	5.480	10,000

Date	Price	No. of Shares
18-Jan	5.530	1,224
18-Jan	5.540	21,626
18-Jan	5.550	20,000
18-Jan	5.570	7,150
18-Jan	5.560	5,000
18-Jan	5.520	10,000
18-Jan	5.510	15,000
18-Jan	5.470	5,554
21-Jan	5.280	5,000
21-Jan	5.300	15,000
21-Jan	5.290	60,000
21-Jan	5.270	5,000
21-Jan	5.250	5,000
21-Jan	5.410	12,759
21-Jan	5.220	7,241
21-Jan	5.330	15,000
21-Jan	5.370	10,000
21-Jan	5.340	10,000
21-Jan	5.230	5,000
22-Jan	4.750	2,500
22-Jan	4.830	2,500
22-Jan	4.810	1,000
22-Jan	4.900	5,000
22-Jan	5.030	5,503
22-Jan	5.100	6,000
22-Jan	5.260	13,000
22-Jan	5.250	10,090
22-Jan	5.220	9,500
22-Jan	5.170	5,000
22-Jan	5.290	10,859
22-Jan	5.370	16,554
22-Jan	5.360	12,494
23-Jan	5.400	5,000
23-Jan	5.350	10,000
23-Jan	5.300	10,000
23-Jan	5.250	10,750
23-Jan	5.310	5,000
23-Jan	5.200	19,259
23-Jan	5.150	10,000
23-Jan	5.180	5,000
23-Jan	5.490	2,500
23-Jan	5.420	2,500
23-Jan	5.410	5,000
23-Jan	5.360	2,500
23-Jan	5.260	2,500
23-Jan	5.330	14,345
23-Jan	5.270	35,813
23-Jan	5.210	19,362
23-Jan	5.220	10,008
23-Jan	5.190	463

Date	Price	No. of Shares
24-Jan	5.300	22,500
24-Jan	5.320	47,500
24-Jan	5.280	23,577
24-Jan	5.290	22,887
24-Jan	5.270	1,036
24-Jan	5.310	13,000
24-Jan	5.330	2,000
24-Jan	5.260	2,500
24-Jan	5.250	5,000
24-Jan	5.240	10,000
25-Jan	5.350	5,000
25-Jan	5.300	53,000
25-Jan	5.280	18,500
25-Jan	5.270	7,500
25-Jan	5.290	17,000
25-Jan	5.340	5,000
25-Jan	5.320	8,000
25-Jan	5.310	12,000
25-Jan	5.330	9,000
25-Jan	5.250	15,000
28-Jan	5.235	14,822
28-Jan	5.290	9,966
28-Jan	5.265	15,000
28-Jan	5.260	10,000
28-Jan	5.200	2,500
28-Jan	5.215	2,500
28-Jan	5.230	6,544
28-Jan	5.240	19,978
28-Jan	5.280	14,052
28-Jan	5.285	4,858
28-Jan	5.275	10,000
28-Jan	5.270	11,379
28-Jan	5.295	3,401
29-Jan	5.300	33,492
29-Jan	5.295	20,500
29-Jan	5.290	2,500
29-Jan	5.285	2,500
29-Jan	5.320	10,000
29-Jan	5.330	5,000
29-Jan	5.340	5,000
29-Jan	5.360	5,000
29-Jan	5.380	14,000
29-Jan	5.315	3,000
29-Jan	5.345	15,674
29-Jan	5.365	4,349
29-Jan	5.370	2,000
29-Jan	5.375	11,533
29-Jan	5.385	1,400
29-Jan	5.390	2,544
29-Jan	5.395	11,508

Date	Price	No. of Shares
30-Jan	5.300	25,000
30-Jan	5.310	23,000
30-Jan	5.290	9,500
30-Jan	5.260	30,000
30-Jan	5.250	17,500
30-Jan	5.270	14,167
30-Jan	5.360	3,000
30-Jan	5.350	5,000
30-Jan	5.330	5,000
30-Jan	5.320	3,000
30-Jan	5.295	6,000
30-Jan	5.235	10,000
30-Jan	5.275	8,833
30-Jan	5.265	5,000
30-Jan	5.255	10,000
31-Jan	5.300	36,500
31-Jan	5.285	8,113
31-Jan	5.290	5,000
31-Jan	5.270	16,000
31-Jan	5.250	13,000
31-Jan	5.255	15,000
31-Jan	5.275	2,500
31-Jan	5.280	2,500
31-Jan	5.320	12,000
31-Jan	5.295	13,500
31-Jan	5.260	21,927
31-Jan	5.265	3,960
1-Feb	5.340	5,000
1-Feb	5.475	10,000
1-Feb	5.450	5,000
1-Feb	5.490	5,000
1-Feb	5.505	5,000
1-Feb	5.510	5,000
1-Feb	5.500	25,119
1-Feb	5.470	12,957
1-Feb	5.530	14,306
1-Feb	5.345	9,000
1-Feb	5.360	3,000
1-Feb	5.355	11,800
1-Feb	5.350	7,000
1-Feb	5.480	5,000
1-Feb	5.495	14,081
1-Feb	5.460	8,621
1-Feb	5.485	7,000
4-Feb	5.650	5,000
4-Feb	5.605	22,500
4-Feb	5.610	7,500
4-Feb	5.615	5,000
4-Feb	5.625	10,000
5-Feb	5.585	5,000

Date	Price	No. of Shares
5-Feb	5.590	5,000
5-Feb	5.575	7,563
5-Feb	5.570	12,437
5-Feb	5.365	945
5-Feb	5.400	2,000
5-Feb	5.425	3,455
5-Feb	5.410	1,909
5-Feb	5.415	2,091
5-Feb	5.405	6,000
5-Feb	5.440	1,000
5-Feb	5.420	600
5-Feb	5.395	2,000
6-Feb	5.360	9,079
6-Feb	5.410	46,160
6-Feb	5.370	21,705
6-Feb	5.365	2,500
6-Feb	5.350	11,365
6-Feb	5.385	13,421
6-Feb	5.375	10,298
6-Feb	5.395	182
6-Feb	5.390	12,813
6-Feb	5.380	13,986
6-Feb	5.420	1,886
6-Feb	5.405	5,000
6-Feb	5.355	1,605
7-Feb	5.415	6,000
7-Feb	5.405	5,000
7-Feb	5.385	2,500
7-Feb	5.380	13,500
7-Feb	5.370	28,648
7-Feb	5.350	5,000
7-Feb	5.355	13,500
7-Feb	5.375	12,289
7-Feb	5.390	9,211
7-Feb	5.365	8,500
7-Feb	5.360	3,643
7-Feb	5.430	11,000
7-Feb	5.425	9,209
7-Feb	5.410	14,000
7-Feb	5.400	8,000
8-Feb	5.445	10,000
8-Feb	5.400	17,323
8-Feb	5.405	1,050
8-Feb	5.420	2,480
8-Feb	5.410	26,000
8-Feb	5.380	2,247
8-Feb	5.395	3,784
8-Feb	5.385	10,000
8-Feb	5.450	37,500
8-Feb	5.475	5,000

Date	Price	No. of Shares
8-Feb	5.435	7,000
8-Feb	5.425	2,000
8-Feb	5.415	5,000
8-Feb	5.390	10,616
8-Feb	5.360	10,000
11-Feb	5.395	5,000
11-Feb	5.390	5,291
11-Feb	5.400	13,837
11-Feb	5.405	671
11-Feb	5.385	5,000
11-Feb	5.375	22,989
11-Feb	5.380	5,000
11-Feb	5.370	24,500
11-Feb	5.345	1,000
11-Feb	5.350	3,000
11-Feb	5.360	5,349
11-Feb	5.355	6,000
11-Feb	5.430	17,000
11-Feb	5.445	20,000
11-Feb	5.435	5,000
11-Feb	5.440	363
11-Feb	5.425	10,000
12-Feb	5.395	6,500
12-Feb	5.375	4,500
12-Feb	5.365	11,500
12-Feb	5.355	17,500
12-Feb	5.340	4,446
12-Feb	5.325	3,702
12-Feb	5.330	5,000
12-Feb	5.335	5,000
12-Feb	5.345	7,500
12-Feb	5.410	2,500
12-Feb	5.400	12,168
12-Feb	5.405	5,000
12-Feb	5.420	13,500
12-Feb	5.450	2,000
12-Feb	5.380	4,000
12-Feb	5.360	18,500
12-Feb	5.350	13,054
12-Feb	5.370	8,500
12-Feb	5.390	2,130
12-Feb	5.430	3,000
13-Feb	5.465	12,500
13-Feb	5.450	27,000
13-Feb	5.435	20,000
13-Feb	5.430	9,726
13-Feb	5.425	2,733
13-Feb	5.440	7,500
13-Feb	5.380	3,000
13-Feb	5.400	10,000

Date	Price	No. of Shares
13-Feb	5.410	4,767
13-Feb	5.455	3,250
13-Feb	5.475	99
13-Feb	5.480	24,901
13-Feb	5.495	7,626
13-Feb	5.470	5,120
13-Feb	5.490	4,278
14-Feb	5.480	9,225
14-Feb	5.470	30,455
14-Feb	5.445	2,500
14-Feb	5.450	19,500
14-Feb	5.465	5,000
14-Feb	5.495	10,000
14-Feb	5.490	15,000
14-Feb	5.500	27,500
14-Feb	5.460	8,000
14-Feb	5.455	3,320
14-Feb	5.485	19,500
15-Feb	5.460	20,000
15-Feb	5.480	16,000
15-Feb	5.465	15,000
15-Feb	5.470	15,033
15-Feb	5.455	17,967
15-Feb	5.490	8,574
15-Feb	5.495	7,362
15-Feb	5.500	30,000
15-Feb	5.475	15,064
15-Feb	5.450	5,000
18-Feb	5.500	26,970
18-Feb	5.490	4,244
19-Feb	5.500	10,000
19-Feb	5.490	4,006
28-Feb	5.500	116,946
28-Feb	5.470	2,017
28-Feb	5.485	15,537
28-Feb	5.490	15,500
29-Feb	5.500	101,103
29-Feb	5.490	30,000
29-Feb	5.495	4,282
29-Feb	5.480	4,916
29-Feb	5.485	6,152
3-Mar	5.430	5,000
3-Mar	5.440	5,000
3-Mar	5.480	25,000
3-Mar	5.500	59,296
3-Mar	5.470	10,500
3-Mar	5.485	5,000
3-Mar	5.450	11,714
3-Mar	5.460	2,500
3-Mar	5.475	10,000

Date	, Price	No. of Shares
3-Mar	5.465	990
3-Mar	5.495	10,000
3-Mar	5.490	5,000
4-Mar	5.500	54,994
4-Mar	5.460	80
4-Mar	5.495	12,016
4-Mar	5.485	6,635
4-Mar	5.490	40,000
4-Mar	5.475	20,052
4-Mar	5.480	16,223
5-Mar	5.470	5,000
5-Mar	5.500	65,000
5-Mar	5.485	10,000
5-Mar	5.480	10,000
5-Mar	5.450	21,743
5-Mar	5.430	5,010
5-Mar	5.415	792
5-Mar	5.420	5,015
5-Mar	5.475	5,000
5-Mar	5.465	5,000
5-Mar	5.455	2,500
5-Mar	5.445	10
5-Mar	5.460	10,000
5-Mar	5.410	3
5-Mar	5.440	4,927
6-Mar	5.420	4,091
6-Mar	5.455	7,500
6-Mar	5.460	5,000
6-Mar	5.500	13,000
6-Mar	5.470	23,972
6-Mar	5.450	12,997
6-Mar	5.425	11,022
6-Mar	5.400	3,290
6-Mar	5.475	3,000
6-Mar	5.440	17,743
6-Mar	5.465	12,824
6-Mar	5.480	15,000
6-Mar	5.495	304
6-Mar	5.485	5,000
6-Mar	5.490	10,000
6-Mar	5.430	5,257
7-Mar	5.415	975
7-Mar	5.425	3,314
7-Mar	5.440	15,000
7-Mar	5.450	5,000
7-Mar	5.435	15,191
7-Mar	5.490	7,622
7-Mar	5.495	11,256
7-Mar	5.500	62,500
7-Mar	5.400	1,348

Date	Price	No. of Shares
7-Mar	5.420	6,933
7-Mar	5.430	10,861
7-Mar	5.445	10,000
10-Mar	5.400	5,000
10-Mar	5.455	24,681
10-Mar	5.420	5,319
10-Mar	5.430	3,000
10-Mar	5.460	26,500
10-Mar	5.470	18,000
10-Mar	5.450	30,000
10-Mar	5.440	7,500
10-Mar	5.500	5,000
10-Mar	5.410	5,000
10-Mar	5.490	5,000
10-Mar	5.480	10,000
10-Mar	5.465	5,000
11-Mar	5.440	5,000
11-Mar	5.470	37,500
11-Mar	5.475	37,500
11-Mar	5.495	5,000
11-Mar	5.455	5,000
11-Mar	5.465	12,033
11-Mar	5.460	2,967
11-Mar	5.450	10,000
11-Mar	5.500	20,000
11-Mar	5.480	15,000
12-Mar	5.480	10,000
12-Mar	5.490	10,000
12-Mar	5.460	15,000
12-Mar	5.455	10,000
12-Mar	5.475	15,000
12-Mar	5.425	5,000
12-Mar	5.400	150
12-Mar	5.410	4,850
12-Mar	5.500	30,000
12-Mar	5.495	5,000
12-Mar	5.485	10,000
12-Mar	5.465	5,000
12-Mar	5.445	5,000
12-Mar	5.450	5,000
12-Mar	5.415	10,000
12-Mar	5.420	10,000
13-Mar	5.340	6,500
13-Mar	5.385	15,000
13-Mar	5.370	5,000
13-Mar	5.355	5,000
13-Mar	5.320	15,000
13-Mar	5.305	5,000
13-Mar	5.315	5,000
13-Mar	5.300	26,000

Date	Price	No. of Shares
13-Mar	5.380	15,000
13-Mar	5.400	2,000
13-Mar	5.360	3,500
13-Mar	5.395	12,000
13-Mar	5.345	2,000
13-Mar	5.365	5,000
13-Mar	5.375	7,500
13-Mar	5.390	10,000
13-Mar	5.350	2,500
13-Mar	5.330	8,000
14-Mar	5.360	20,000
14-Mar	5.335	10,000
14-Mar	5.340	15,000
14-Mar	5.330	12,500
14-Mar	5.315	5,000
14-Mar	5.300	13,644
14-Mar	5.250	5,000
14-Mar	5.270	10,000
14-Mar	5.355	2,500
14-Mar	5.370	15,000
14-Mar	5.375	5,000
14-Mar	5.365	7,500
14-Mar	5.320	5,000
14-Mar	5.325	2,500
14-Mar	5.290	1,456
14-Mar	5.275	7,477
14-Mar	5.280	562
14-Mar	5.285	3,961
14-Mar	5.265	5,000
14-Mar	5.260	2,900
17-Mar	5.200	16,000
17-Mar	5.100	5,239
17-Mar	5.175	5,000
17-Mar	5.140	15,000
17-Mar	5.150	8,138
17-Mar	5.180	21,237
17-Mar	5.170	9,362
17-Mar	5.160	7,500
17-Mar	5.145	17,000
17-Mar	5.230	2,500
17-Mar	5.155	5,000
17-Mar	5.190	6,000
17-Mar	5.195	3,000
17-Mar	5.205	3,474
17-Mar	5.210	6,550
17-Mar	5.215	2,500
17-Mar	5.220	3,000
17-Mar	5.245	1,000
17-Mar	5.165	2,000
17-Mar	5.135	5,500

Date	Price	No. of Shares
17-Mar	5.130	2,500
17-Mar	5.070	2,500
18-Mar	5.160	12,500
18-Mar	5.180	10,031
18-Mar	5.175	2,006
18-Mar	5.190	3,359
18-Mar	5.185	13,604
18-Mar	5.210	10,000
18-Mar	5.200	21,528
18-Mar	5.220	9,841
18-Mar	5.235	11,606
18-Mar	5.240	13,000
18-Mar	5.250	58,818
18-Mar	5.265	9,000
18-Mar	5.260	5,122
18-Mar	5.280	6,800
18-Mar	5.270	4,828
18-Mar	5.255	4,493
18-Mar	5.295	30,000
18-Mar	5.150	2,500
18-Mar	5.170	9,099
18-Mar	5.165	848
18-Mar	5.245	3,500
18-Mar	5.230	5,000
18-Mar	5.275	2,517
19-Mar	5.250	15,000
19-Mar	5.200	35,000
19-Mar	5.290	15,000
19-Mar	5.280	6,000
19-Mar	5.300	22,946
19-Mar	5.270	10,000
19-Mar	5.215	2,000
19-Mar	5.225	3,500
19-Mar	5.240	5,000
19-Mar	5.295	702
19-Mar	5.275	2,815
19-Mar	5.315	2,185
19-Mar	5.320	8,798
19-Mar	5.310	3,000
19-Mar	5.330	15,000
19-Mar	5.340	17,500
19-Mar	5.335	10,000
19-Mar	5.305	2,500
19-Mar	5.325	5,000
20-Mar	5.265	5,000
20-Mar	5.280	6,500
20-Mar	5.275	3,500
20-Mar	5.295	4,000
20-Mar	5.340	2,000
20-Mar	5.470	10,000

Date	Price	No. of Shares
20-Mar	5.400	10,000
20-Mar	5.385	5,000
20-Mar	5.495	4,000
20-Mar	5.500	10,000
20-Mar	5.570	5,000
20-Mar	5.270	4,000
20-Mar	5.415	21,000
20-Mar	5.460	15,000
20-Mar	5.390	5,000
20-Mar	5.380	2,500
20-Mar	5.450	5,000
20-Mar	5.490	10,000
28-May	5.960	150,000
9-Jun	5.400	32,000
9-Jun	5.395	10,000
9-Jun	5.390	9,000
9-Jun	5.385	14,000
9-Jun	5.380	14,000
9-Jun	5.375	6,000
9-Jun	5.365	5,000
9-Jun	5.360	5,000
9-Jun	5.370	5,000
10-Jun	5.400	9,000
10-Jun	5.385	5,400
10-Jun	5.390	23,051
10-Jun	5.395	1,008
10-Jun	5.380	30,551
10-Jun	5.375	15,912
10-Jun	5.370	4,303
10-Jun	5.365	2,775
10-Jun	5.360	1,000
10-Jun	5.355	1,000
10-Jun	5.350	6,000
11-Jun	5.360	38,000
11-Jun	5.375	2,000
11-Jun	5.370	4,926
11-Jun	5.355	21,448
11-Jun	5.350	6,000
11-Jun	5.345	4,445
11-Jun	5.365	3,181
11-Jun	5.335	5,000
11-Jun	5.315	15,000
12-Jun	5.320	1,000
12-Jun	5.315	3,000
12-Jun	5.300	38,000
12-Jun	5.310	2,000
12-Jun	5.305	2,000
12-Jun	5.295	26,000
12-Jun	5.290	11,000
12-Jun	5.285	1,000

Date	Price	No. of Shares
12-Jun	5.275	1,925
12-Jun	5.270	1,000
12-Jun	5.330	11,075
12-Jun	5.325	2,000
13-Jun	5.315	300
13-Jun	5.320	766
13-Jun	5.335	500
13-Jun	5.340	2,083
13-Jun	5.345	500
13-Jun	5.350	12,678
13-Jun	5.330	16,150
13-Jun	5.325	2,023
13-Jun	5.365	5,136
13-Jun	5.370	1,425
13-Jun	5.375	3,439
13-Jun	5.400	5,000
16-Jun	5.380	15,000
16-Jun	5.400	10,000
16-Jun	5.395	5,000
16-Jun	5.375	38,807
16-Jun	5.360	5,000
16-Jun	5.370	7,500
16-Jun	5.355	4,941
16-Jun	5.365	2,559
17-Jun	5.340	144
17-Jun	5.345	2,356
17-Jun	5.395	4,500
17-Jun	5.375	3,000
17-Jun	5.390	7,500
17-Jun	5.385	33,640
17-Jun	5.400	48,860
18-Jun	5.355	27,000
18-Jun	5.360	19,070
18-Jun	5.350	3,910
18-Jun	5.345	6,000
18-Jun	5.320	930
18-Jun	5.370	8,090
18-Jun	5.375	10,000
18-Jun	5.325	5,000
18-Jun	5.280	5,000
18-Jun	5.275	5,000
18-Jun	5.315	3,872
18-Jun	5.330	6,128
19-Jun	5.250	11,000
19-Jun	5.235	3,900
19-Jun	5.230	7,100
19-Jun	5.225	6,000
19-Jun	5.265	1,000
19-Jun	5.255	13,000
19-Jun	5.245	2,000

Date	Price	No. of Shares
19-Jun	5.240	2,000
19-Jun	5.210	5,000
19-Jun	5.205	4,000
19-Jun	5.200	3,000
19-Jun	5.195	4,000
19-Jun	5.180	18,000
19-Jun	5.175	2,000
19-Jun	5.155	1,430
19-Jun	5.160	16,570
19-Jun	5.260	234,000
20-Jun	5.060	4,000
20-Jun	5.070	5,000
20-Jun	5.080	1,000
20-Jun	5.075	3,000
20-Jun	5.065	2,000
20-Jun	5.055	2,000
20-Jun	5.050	3,000
20-Jun	5.030	1,000
20-Jun	5.015	3,000
20-Jun	5.005	36,611
20-Jun	5.010	8,000
20-Jun	5.000	9,889
20-Jun	4.980	1,500
20-Jun	4.950	20,000
23-Jun	4.970	4,000
23-Jun	4.960	2,000
23-Jun	4.955	2,000
23-Jun	4.945	2,000
23-Jun	4.940	2,000
23-Jun	4.935	2,000
23-Jun	4.925	2,000
23-Jun	4.915	2,000
23-Jun	4.910	14,000
23-Jun	4.900	28,363
23-Jun	4.890	23,625
23-Jun	4.880	17,238
23-Jun	4.860	3,000
23-Jun	4.840	6,000
23-Jun	4.850	3,000
23-Jun	4.845	1,150
23-Jun	4.855	2,371
23-Jun	4.870	17,702
23-Jun	4.865	1,300
23-Jun	4.875	8,000
23-Jun	4.885	5,909
23-Jun	4.895	4,892
24-Jun	4.895	10,000
24-Jun	4.890	6,000
24-Jun	4.885	7,000
24-Jun	4.880	11,000

Date	Price	No. of Shares
24-Jun	4.870	6,000
24-Jun	4.875	9,000
24-Jun	4.865	5,000
24-Jun	4.860	4,000
24-Jun	4.850	4,000
24-Jun	4.855	12,500
24-Jun	4.845	8,000
24-Jun	4.840	8,000
24-Jun	4.830	3,000
24-Jun	4.835	4,000
24-Jun	4.815	15,000
24-Jun	4.825	3,000
24-Jun	4.810	7,000
24-Jun	4.790	7,000
24-Jun	4.795	7,500
24-Jun	4.785	7,000
24-Jun	4.780	6,000
24-Jun	4.800	30,713
24-Jun	4.805	8,287
24-Jun	4.770	9,000
24-Jun	4.760	7,973
24-Jun	4.755	6,027
24-Jun	4.745	5,000
24-Jun	4.775	12,000
24-Jun	4.765	5,000
24-Jun	4.740	3,000
24-Jun	4.750	7,000
24-Jun	4.820	6,000
25-Jun	4.805	9,846
25-Jun	4.800	3,000
25-Jun	4.815	32,000
25-Jun	4.810	16,878
25-Jun	4.780	1,345
25-Jun	4.820	44,931
25-Jun	4.830	2,000
25-Jun	4.840	8,545
25-Jun	4.835	5,901
25-Jun	4.850	14,000
25-Jun	4.855	2,000
25-Jun	4.875	10,676
25-Jun	4.880	17,000
25-Jun	4.885	16,324
25-Jun	4.890	7,559
25-Jun	4.895	12,080
25-Jun	4.870	1,915
25-Jun	4.845	14,000
26-Jun	4.810	1,000
26-Jun	4.790	1,000
26-Jun	4.800	1,000
26-Jun	4.795	1,000

Date	Price	No. of Shares
26-Jun	4.765	1,000
26-Jun	4.780	1,000
26-Jun	4.770	1,000
26-Jun	4.760	1,000
26-Jun	4.745	1,000
26-Jun	4.735	1,000
26-Jun	4.725	10,000
26-Jun	4.720	5,000
26-Jun	4.700	28,149
26-Jun	4.650	44,285
26-Jun	4.665	10,000
26-Jun	4.690	16,580
26-Jun	4.680	6,295
26-Jun	4.670	8,972
26-Jun	4.675	3,000
26-Jun	4.655	13,147
26-Jun	4.685	1,572
26-Jun	4.660	5,000
26-Jun	4.640	17,305
26-Jun	4.645	5,000
26-Jun	4.635	11,946
26-Jun	4.620	13,261
26-Jun	4.600	25,000
26-Jun	4.585	500
26-Jun	4.595	5,000
26-Jun	4.615	4,911
26-Jun	4.630	4,872
26-Jun	4.625	205
27-Jun	4.585	2,500
27-Jun	4.570	5,000
27-Jun	4.500	35,559
27-Jun	4.480	10,000
27-Jun	4.510	33,405
27-Jun	4.495	3,132
27-Jun	4.520	7,000
27-Jun	4.525	8,000
27-Jun	4.515	4,500
27-Jun	4.540	7,095
27-Jun	4.530	16,889
27-Jun	4.505	1,843
27-Jun	4.535	1,063
27-Jun	4.550	5,000
27-Jun	4.490	18,809
27-Jun	4.400	5,000
27-Jun	4.435	5,205
27-Jun	4.440	5,000
27-Jun	4.470	65,000
27-Jun	4.460	10,000
30-Jun	4.400	6,000
30-Jun	4.380	8,000
30-Jun	4.390	8,866
30-Jun	4.375	5,134
30-Jun	4.370	12,000
30-Jun	4.365	5,000
30-Jun	4.350	2,015
30-Jun	4.355	1,100
30-Jun	4.345	2,985
30-Jun	4.335	2,000
30-Jun	4.330	3,000
30-Jun	4.320	6,900
30-Jun	4.325	2,000
30-Jun	4.315	5,000
30-Jun	4.290	41,400
30-Jun	4.295	24,600
30-Jun	4.285	5,375
30-Jun	4.280	21,000
30-Jun	4.300	25,625
30-Jun	4.305	7,000
30-Jun	4.275	11,040
30-Jun	4.270	5,000
30-Jun	4.250	15,000
30-Jun	4.240	3,679
30-Jun	4.265	10,000
30-Jun	4.260	8,960
30-Jun	4.255	1,321
1-Jul	4.180	1,000
1-Jul	4.150	5,000
1-Jul	4.125	2,500
1-Jul	4.075	2,500
1-Jul	4.050	5,000
1-Jul	3.990	2,500
1-Jul	4.010	1,000
1-Jul	4.000	2,500
1-Jul	3.980	403,000
2-Jul	3.915	250
2-Jul	3.925	5,000
2-Jul	4.000	5,000
2-Jul	4.020	5,000
2-Jul	4.050	10,000
2-Jul	4.025	3,002
2-Jul	4.070	7,500
2-Jul	4.065	2,500
2-Jul	4.040	6,748
2-Jul	4.075	15,000
3-Jul	4.120	10,000
3-Jul	4.175	5,000
3-Jul	4.195	13,300
3-Jul	4.210	5,000
3-Jul	4.160	2,500
3-Jul	4.200	5,000
3-Jul	4.225	12,500
3-Jul	4.180	1,700
4-Jul	4.250	23,000
4-Jul	4.200	5,000
4-Jul	4.230	5,000
4-Jul	4.260	84,279
4-Jul	4.245	22,000
4-Jul	4.290	15,000
4-Jul	4.300	15,000
4-Jul	4.285	15,000
4-Jul	4.270	5,432
4-Jul	4.255	6,876
4-Jul	4.280	10,000
4-Jul	4.265	28,413
4-Jul	4.310	5,000
4-Jul	4.315	8,222
4-Jul	4.320	1,778
7-Jul	4.275	636
7-Jul	4.295	19,924
7-Jul	4.300	10,000
7-Jul	4.370	5,000
7-Jul	4.340	76
7-Jul	4.420	5,000
7-Jul	4.445	41
7-Jul	4.450	9,323
7-Jul	4.430	15,000
7-Jul	4.435	7,446
7-Jul	4.455	2,554
7-Jul	4.465	5,000
7-Jul	4.460	10,000
7-Jul	4.470	5,000
7-Jul	4.425	5,000
8-Jul	4.380	70,494
8-Jul	4.440	5,000
8-Jul	4.500	5,000
8-Jul	4.485	5,000
8-Jul	4.425	5,000
8-Jul	4.395	7,486
8-Jul	4.400	22,595
8-Jul	4.375	51,983
8-Jul	4.355	5,000
8-Jul	4.340	15,000
8-Jul	4.385	25,000
8-Jul	4.370	7,442
8-Jul	4.390	10,000
8-Jul	4.365	10,000
8-Jul	4.360	5,000
9-Jul	4.430	5,000
9-Jul	4.415	8,277
9-Jul	4.490	5,000
9-Jul	4.480	5,000
9-Jul	4.495	5,000
9-Jul	4.485	5,000
10-Jul	4.400	5,000
10-Jul	4.485	10
10-Jul	4.500	139,559
10-Jul	4.490	61,108
10-Jul	4.495	35,935
10-Jul	4.480	5,000
10-Jul	4.475	3,388
11-Jul	4.500	155,127
11-Jul	4.490	10,000
11-Jul	4.495	24,873
11-Jul	4.485	5,000
11-Jul	4.480	5,000
11-Jul	4.470	5,000
14-Jul	4.500	25,000
15-Jul	4.400	10,000
15-Jul	4.405	5,000
15-Jul	4.415	6,453
15-Jul	4.410	5,000
15-Jul	4.375	5,000
15-Jul	4.380	13,000
15-Jul	4.390	5,000
15-Jul	4.355	5,000
15-Jul	4.350	10,000
15-Jul	4.345	5,547
15-Jul	4.330	240
15-Jul	4.325	5,000
15-Jul	4.320	2,000
15-Jul	4.285	22,760
16-Jul	4.350	1,000
16-Jul	4.345	9,737
16-Jul	4.340	3,000
16-Jul	4.330	20,187
16-Jul	4.320	15,813
16-Jul	4.300	3,000
16-Jul	4.315	7,809
16-Jul	4.325	15,263
16-Jul	4.310	4,191
16-Jul	4.335	4,000
16-Jul	4.360	16,000
17-Jul	4.450	4,000
17-Jul	4.410	1,000
17-Jul	4.460	3,000
17-Jul	4.470	3,000
17-Jul	4.465	3,000
17-Jul	4.455	1,000
17-Jul	4.495	1,391
17-Jul	4.500	3,609
17-Jul	4.475	4,000
17-Jul	4.490	4,000
24-Jul	4.500	19,113
25-Jul	4.340	1,016
25-Jul	4.360	6,984
25-Jul	4.385	5,000
25-Jul	4.390	16,079
25-Jul	4.380	2,921
25-Jul	4.330	1,000
25-Jul	4.370	5,000
25-Jul	4.355	5,000
25-Jul	4.350	4,000
25-Jul	4.375	3,000
25-Jul	4.425	1,000
25-Jul	4.430	5,420
25-Jul	4.445	2,173
25-Jul	4.450	6,407
25-Jul	4.470	2,898
25-Jul	4.480	4,102
25-Jul	4.490	8,000
25-Jul	4.500	6,000
28-Jul	4.500	5,000
28-Jul	4.450	5,000
28-Jul	4.440	15,854
28-Jul	4.480	10,000
28-Jul	4.470	5,000
28-Jul	4.460	5,000
28-Jul	4.455	3,146
28-Jul	4.445	6,000
28-Jul	4.430	14,370
28-Jul	4.425	630
28-Jul	4.420	8,000
28-Jul	4.410	7,000
28-Jul	4.400	9,000
28-Jul	4.375	1,000
28-Jul	4.380	4,000
28-Jul	4.390	1,000
29-Jul	4.275	2,000
29-Jul	4.260	26,000
29-Jul	4.220	6,816
29-Jul	4.210	1,184
29-Jul	4.230	8,000
29-Jul	4.245	2,000
29-Jul	4.270	10,000
29-Jul	4.255	24,000
29-Jul	4.300	4,000
29-Jul	4.295	6,000
29-Jul	4.305	5,000
29-Jul	4.330	5,000
30-Jul	4.330	1,000

Date	Price	No. of Shares
30-Jul	4.310	5,000
30-Jul	4.300	6,500
30-Jul	4.290	5,795
30-Jul	4.280	5,000
30-Jul	4.285	18,205
30-Jul	4.295	3,500
30-Jul	4.250	5,000
30-Jul	4.200	10,000
30-Jul	4.160	10,000
30-Jul	4.130	10,000
30-Jul	4.120	10,000
30-Jul	4.100	10,000
31-Jul	4.120	2,000
31-Jul	4.115	1,000
31-Jul	4.110	134
31-Jul	4.135	866
31-Jul	4.130	6,000
31-Jul	4.125	3,165
31-Jul	4.145	2,274
31-Jul	4.150	3,561
31-Jul	4.160	1,000
31-Jul	4.155	10,000
31-Jul	4.140	1,000
31-Jul	4.220	6,983
31-Jul	4.230	3,265
31-Jul	4.235	8,279
31-Jul	4.240	14,447
31-Jul	4.245	4,907
31-Jul	4.250	15,119
31-Jul	4.205	4,672
31-Jul	4.210	10,174
31-Jul	4.215	1,154
1-Aug	4.210	2,712
1-Aug	4.180	5,611
1-Aug	4.190	12,281
1-Aug	4.195	1,448
1-Aug	4.200	15,900
1-Aug	4.170	7,558
1-Aug	4.160	1,228
1-Aug	4.150	7,801
1-Aug	4.145	6,199
1-Aug	4.140	1,000
1-Aug	4.130	1,000
1-Aug	4.125	1,000
1-Aug	4.135	1,000
1-Aug	4.185	18,296
1-Aug	4.175	578
1-Aug	4.230	100
1-Aug	4.240	9,864
1-Aug	4.250	136

Date	Price	No. of Shares
1-Aug	4.215	4,659
1-Aug	4.225	1,629
4-Aug	4.170	10,000
4-Aug	4.165	38,019
4-Aug	4.160	23,771
4-Aug	4.180	17,812
4-Aug	4.155	284
4-Aug	4.175	114
4-Aug	4.195	10,000
5-Aug	4.165	96
5-Aug	4.200	49,904
5-Aug	4.075	3,682
5-Aug	4.080	6,318
5-Aug	4.090	5,000
5-Aug	4.060	5,000
5-Aug	4.065	5,000
5-Aug	4.050	10,000
5-Aug	4.055	15,000
6-Aug	4.100	10,000
6-Aug	4.075	20,000
6-Aug	4.080	10,000
6-Aug	4.065	15,000
6-Aug	4.055	5,000
6-Aug	4.060	4,217
6-Aug	4.090	783
6-Aug	4.070	33,980
6-Aug	4.040	1,020
7-Aug	4.115	45,095
7-Aug	4.120	24,905
7-Aug	4.130	6,000
7-Aug	4.110	24,000
8-Aug	4.140	24,920
8-Aug	4.165	10,500
8-Aug	4.145	9,908
8-Aug	4.150	172
8-Aug	4.160	4,500
8-Aug	4.135	5,000
8-Aug	4.120	5,000
8-Aug	4.125	10,000
8-Aug	4.100	10,000
8-Aug	4.085	8,924
8-Aug	4.110	11,076
11-Aug	4.130	1,554
11-Aug	4.140	10,000
11-Aug	4.135	12,000
11-Aug	4.180	6,446
11-Aug	4.190	5,000
11-Aug	4.200	2,000
14-Aug	4.200	21,622
14-Aug	4.195	43,378

Date	Price	No. of Shares
14-Aug	4.190	5,000
14-Aug	4.185	1,000
14-Aug	4.180	14,000
14-Aug	4.175	5,000
14-Aug	4.170	10,000
15-Aug	4.175	23,996
15-Aug	4.185	22,019
15-Aug	4.190	31,241
15-Aug	4.180	5,000
15-Aug	4.195	444
15-Aug	4.200	140
18-Aug	4.190	2,000
18-Aug	4.180	16,000
18-Aug	4.175	30,000
18-Aug	4.170	46,000
18-Aug	4.165	4,000
18-Aug	4.200	2,000
19-Aug	4.170	10,000
19-Aug	4.165	5,620
19-Aug	4.160	31,101
19-Aug	4.155	18,271
19-Aug	4.150	10,000
19-Aug	4.145	5,000
19-Aug	4.135	2,508
19-Aug	4.110	2,500
19-Aug	4.080	5,000
19-Aug	4.055	10,000
20-Aug	4.090	5,000
20-Aug	4.070	4,000
20-Aug	4.075	2,500
20-Aug	4.055	31,845
20-Aug	4.050	10,000
20-Aug	4.060	10,500
20-Aug	4.045	36,155
21-Aug	4.040	15,000
21-Aug	4.035	25,000
21-Aug	4.005	2,500
21-Aug	4.000	2,500
21-Aug	4.030	10,000
21-Aug	4.090	2,500
21-Aug	4.095	2,000
21-Aug	4.120	2,500
21-Aug	4.070	2,500
21-Aug	4.075	2,500
21-Aug	4.045	33,000
22-Aug	4.050	515
22-Aug	4.085	13,242
22-Aug	4.080	3,243
22-Aug	4.095	5,000
22-Aug	4.170	8,000

Date	Price	No. of Shares
25-Aug	4.140	3,972
25-Aug	4.120	2,028
25-Aug	4.150	31,423
25-Aug	4.145	15,500
25-Aug	4.160	4,000
25-Aug	4.165	2,500
26-Aug	4.135	2,000
26-Aug	4.130	2,500
26-Aug	4.160	4,000
26-Aug	4.155	2,194
26-Aug	4.200	30,000
27-Aug	4.170	11,500
27-Aug	4.190	2,500
27-Aug	4.180	5,000
27-Aug	4.175	6,500
27-Aug	4.165	22,000
27-Aug	4.160	5,000
27-Aug	4.150	12,500
27-Aug	4.155	12,500
27-Aug	4.140	2,500
27-Aug	4.135	7,500
27-Aug	4.130	10,500
27-Aug	4.125	19,500
27-Aug	4.120	2,500
27-Aug	4.115	5,000
28-Aug	4.045	2,500
28-Aug	4.050	2,500
28-Aug	4.040	2,500
28-Aug	4.090	679
28-Aug	4.095	1,821
28-Aug	4.125	35,000
28-Aug	4.100	35,025
28-Aug	4.105	10,000
28-Aug	4.110	2,975
28-Aug	4.085	7,000
29-Aug	4.110	1,619
29-Aug	4.130	7,000
29-Aug	4.175	1,627
29-Aug	4.195	5,000
29-Aug	4.165	15,000
29-Aug	4.160	2,791
29-Aug	4.185	209
29-Aug	4.155	1,508
29-Aug	4.170	2,622
29-Aug	4.190	870
29-Aug	4.200	5,000
1-Sep	4.180	25,000
1-Sep	4.195	4,500
1-Sep	4.200	7,000
1-Sep	4.185	2,500

Date	Price	No. of Shares
1-Sep	4.170	2,500
1-Sep	4.175	7,500
1-Sep	4.182	5,500
1-Sep	4.181	3,000
1-Sep	4.184	3,000
1-Sep	4.176	10,000
1-Sep	4.179	2,500
1-Sep	4.199	1,500
1-Sep	4.188	406
5-Sep	4.200	12,084
10-Sep	4.200	59,898
10-Sep	4.190	9,102
10-Sep	4.197	5,000
10-Sep	4.195	5,000
10-Sep	4.192	5,000
10-Sep	4.180	8,000
10-Sep	4.176	5,000
11-Sep	4.190	3,500
11-Sep	4.184	671
11-Sep	4.185	5,829
11-Sep	4.200	2,500
11-Sep	4.195	2,500
11-Sep	4.180	7,500
11-Sep	4.178	2,500
11-Sep	4.175	7,500
11-Sep	4.170	2,500
11-Sep	4.160	5,000
11-Sep	4.150	5,000
11-Sep	4.120	10,000
11-Sep	4.135	8,403
11-Sep	4.140	12,500
11-Sep	4.151	5,000
11-Sep	4.142	2,500
11-Sep	4.134	2,500
11-Sep	4.131	4,097
11-Sep	4.125	2,500
11-Sep	4.136	7,500
12-Sep	4.200	14,177
10-Oct	3.161	2,000
10-Oct	3.160	2,000
10-Oct	3.171	3,274
10-Oct	3.200	332,374

Caxalp, S.G.P.S., Lda. (Acquisitions)

Date	Price	No. of Shares
16-Jan	5.400	100,000
23-Jan	5.310	100,000
22-Feb	5.700	30,100
25-Feb	5.685	500
25-Feb	5.695	6,945
25-Feb	5.700	92,555
26-Feb	5.700	40,312
27-Feb	5.685	7,409
27-Feb	5.690	18,163
27-Feb	5.695	17,418
27-Feb	5.700	55,598
28-Feb	5.510	5,000
30-Jun	4.300	10,000
30-Jun	4.295	24,000
30-Jun	4.290	24,000
30-Jun	4.280	12,000
30-Jun	4.270	31,532
30-Jun	4.255	12,000
1-Jul	4.270	6,468
17-Dec	3.340	278,500

Caxalp, S.G.P.S., Lda. (Disposals)

Date	Price	No. of Shares
13-Oct	3.731	8,951
13-Oct	3.726	2,000
13-Oct	3.733	2,651
13-Oct	3.732	3,956
13-Oct	3.730	1,407
13-Oct	3.700	94,402
13-Oct	3.734	5,000
13-Oct	3.750	9,500
13-Oct	3.749	8,500
13-Oct	3.720	2,500
13-Oct	3.686	1,422
13-Oct	3.685	3,578

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REPORT AND OPINION OF THE AUDIT COMMITTEE ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR 2008

(Translation of a report originally issued in Portuguese)

To the Shareholders,

As required by law and the articles of association of CIMPOR – Cimentos de Portugal, SGPS, S.A. (the Company) and in accordance with our mandate, the Audit Committee hereby submits its report on activities and issues its opinion on the consolidated financial statements for 2008, which have been submitted to us for scrutiny by the Board of Directors.

1. Work of the Audit Committee

The Audit Committee accompanied the activity and business of the Company and its main subsidiaries by examining accounting documents and records, reading the minutes of meetings of the Board of Directors and its Executive Committee and viewing and analysing other documents in order to assess compliance with the law and articles of association. The Audit Committee also performed tests and other validation and checking procedures in as much detail as it saw fit.

As part of its work, the Audit Committee remained in regular contact with the Executive Committee of the Board of Directors, as well as with the Company's various departments, especially the Internal Audit Department. It analysed the activity of this Department and the improvement implemented, obtaining all necessary information and clarifications.

As required by the articles of association, the Audit Committee held monthly meetings, along with other occasional meetings whenever the circumstances imposed. These meetings were in addition to the work carried out by each one of the Committee's members as regards the analysis of the documents provided and the monitoring of the work of the Company and its subsidiaries concerning its financial situation and the progress of operations by geographical region and business area, comparing the management forecasting instruments to the performance achieved. It also sustained elucidative dialogue with the Statutory Auditor, which also acted in the role of External Auditor.

The Audit Committee also accompanied the preparation of the consolidated financial statements and checked the consolidation perimeter.

We examined the reports and opinions of the supervisory bodies of the companies located in Portugal falling within the consolidation perimeter, as required by law and the articles of association. For the companies based abroad, we examined the reports of their auditors describing how such audits were conducted and their conclusions.

2. Consolidated Annual Report

In its Annual Report, the Board of Directors describes the Cimpor Group's operations in 2008 and, in addition to this information, relates the most important recent events and highlights those constituting the company's main milestones last year.

Despite the fact that the Cimpor Group's Consolidated Turnover and the number of physical units sold were the highest ever, the Group's Operating Income fell 10.4% and Net Profits shrunk 27.8%, reflecting the inescapable economic and financial crisis profoundly affecting the world.

However, the Operating Cash Flow, it should be noted, only registered a decline of 3.4%, primarily due to the development of Cimpor's expansionist strategy and its balanced and growing internationalization, with important growth in Brazil, Egypt and Mozambique and also now with a very promising market footing in China, India and also South Africa, though, in this latter case, the position is partially countered by currency devaluation. The increase of EBITDA obtained in those countries enabled Cimpor to attenuate the slump in the Portuguese and particularly the Spanish markets. Turkey also fell short of achieving the expected results, for the reasons developed in detail in the Annual Report. The charts showing the business broken down by geographical segment clearly show these developments.

The Group's expansion, particularly its start up in India and the Canary Islands and important investment undertaken in Morocco, Turkey and China, forced a rise in Net Financial Debt, which was carefully managed in order to curb the increase to the respective costs, despite the heavy increase in the Euribor rates. Nonetheless, the narrowing of the differential between the published ratios and contractual finance limits, in the prevailing international economic environment, led Standard & Poor's to, at the start of the year, lower CIMPOR's rating, though still maintaining adequate solidity.

The Group's market capitalisation suffered the effects of enormous global financial instability during 2008, replicated through large-scale economic contraction - this being a situation that remains a source of great concern and it suggests a scenario of prolonged worldwide recession. Market capitalisation for the year as a whole fell 42%.

Naturally, the Board of Director's outlook for 2009 cannot be optimistic, for the reasons referred to. The investment effort undertaken in 2008 and continuing into 2009 will allow the Group to surpass, even without further acquisitions, a cement production capacity of 36 million tons/year. Nevertheless, the difficulties existing in practically the entire world economy lead Cimpor to coherently expect an income in the region of that achieved in 2007.

We would like to mention the ongoing improvement in the company's organisation, its growing rationalisation by geographical area and its pursuit of an active and ever more appropriate policy of sustainable development. The Cimpor Group continues to be characterised by harmonious corporate growth in a correct understanding of the true meaning of "globalisation".

Finally, we highlight the focus given to the chapter on Corporate Governance in the Annual Report.

3. Consolidated Financial Statements

As part of its duties, the Audit Committee analysed the consolidated financial statements, which consist of the consolidated balance sheet as at 31 December 2008, the consolidated profit and loss account, the consolidated statement of recognised income and expense, the consolidated cash flow statement and their respective notes, as prepared by the Board of Directors. In our analysis, we noted that the accounting standards used in their preparation were in compliance with the International Financial Reporting Standards as adopted by the European Union, in addition to complying with law and the articles of association.

4. Conclusions

The Audit Committee has viewed the Statutory Audit Certificate and Audit Report on the consolidated accounts issued by the statutory auditor and it agrees to said documents, which do not express any reservations or emphasis.

In the performance of our duties, we did not detect any aspects violating the law or the articles of association or significantly affecting a true, appropriate picture of the financial situation of the profits and cash flows of the companies included in the consolidation.

The Audit Committee wishes to thank the Board of Directors in general and its Executive Committee in particular, the different heads of department and other Company personnel with whom it has had the opportunity to come into contact.

In view of the above, the Audit Committee issues the following:

5. Opinion

The Consolidated Annual Report, the consolidated balance sheet, consolidated profit and loss accounts, by nature and function, the consolidated cash flow statement and their respective notes for the financial year of 2008 are in accordance with the applicable accounting standards and requirements of the law and articles of association and can therefore be approved at the General Meeting of Shareholders.

Lisbon, 27 April 2009

Ricardo José Minotti da Cruz-Filipe
Chairman

Luís Black Freire d'Andrade
Member

Jaime de Macedo Santos Bastos
Member

(Translated from the Portuguese Original)

DECLARATION

(pursuant to Article 245 no. 1 c) of the Portuguese Securities' Code)

As far as we aware: the information set forth in Article 245 no. 1) a) of the Portuguese Securities' Code was 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 (CIMPOR Group); the report of the directors faithfully provides an account of the evolution of the business, the performance and the position of the CIMPOR Group and it contains a description of the main risks and uncertainties that face it.

Lisbon, 27 April 2009

THE AUDIT BOARD

Ricardo José Minotti da Cruz Filipe

(Chairman)

Luís Black Freire d'Andrade

(Member)

Jaime de Macedo Santos Bastos

(Member)

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LEGAL CERTIFICATION OF ACCOUNTS AND AUDITORS' REPORT
CONSOLIDATED FINANCIAL STATEMENTS

(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 financial information contained in the Directors' Report and the accompanying consolidated financial statements of Cimpor – Cimentos de Portugal, SGPS, S.A. for the year ended 31 December 2008, which comprise the consolidated balance sheet as of 31 December 2008, that presents a total of 4.615.255 thousand Euros and shareholders' equity of 1.615.786 thousand Euros, including a net profit of 219.441 thousand Euros, the consolidated statements of profit and loss, of recognised income and expense and cash flows for the year then ended and the corresponding notes.

Responsibilities

2. The Board of Directors is responsible for: (i) the preparation of consolidated financial statements which present a true and fair view of the financial position of the companies included in the consolidation, the consolidated results of their operations and their consolidated 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 companies included in the consolidation, their financial position or results of operations.

3. Our responsibility is to audit the 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 that the audit be planned and performed with the objective of obtaining reasonable assurance about whether the consolidated financial statements are free of material misstatement. The audit included verifying, on a test basis, evidence supporting the amounts and disclosures in the 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 concept, assessing the adequacy of the overall presentation of the consolidated financial statements and assessing, in all material respects, the consolidated financial information is complete, true, timely, clear, objective and licit. Our examination also included verifying that the consolidated financial information included in the Directors' Report is consistent with the other consolidated accounting documents. We believe that our audit provides a reasonable basis for expressing our opinion.

Opinion

5. In our opinion, the consolidated financial statements referred to in paragraph 1 above, present fairly, in all material respects, the consolidated financial position of Cimpor – Cimentos de Portugal, SGPS, S.A. as of 31 December 2008 and the consolidated results of its operations and its consolidated cash flows for the year then ended, in conformity with International Financial Reporting Standards as adopted by the European Union and the information included therein is, in terms of the definitions contained in the auditing standards referred to in paragraph 4 above, complete, true, timely, clear, objective and licit.

Lisbon, 24 April 2009

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DELOITTE & ASSOCIADOS, SROC S.A.
Represented by João Luís Falua Costa da Silva

(INDIVIDUAL)
ANNUAL REPORT AND ACCOUNTS

2008 FINANCIAL YEAR

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I

DIRECTOR'S REPORT

The Directors' Report on the consolidated operations of CIMPOR – Cimentos de Portugal, SGPS, S.A., covers all aspects related to both the Governance of the Company and the development of the different business activities of the Group's companies. Shareholders are therefore advised to read this report for further information on these matters.

1. Summary of the Business

The Company's Turnover in individual terms is derived exclusively from providing management services to the Group companies. In 2008 this turnover was approximately 4.6 million euros (6% down from the previous year). Operating expenses before amortization and provisions also fell slightly to around EUR 12.2 million.

Gains in group companies and associates (reported through the equity method) are, given the nature of the Company's business operations, its main source of earnings. These gains were EUR 111.8 million in value in 2008 (55% down on the previous year).

That decline in gains was primarily responsible for the close on 39% fall in net profit in 2008, to around EUR 154 million.

2. Legal Information

The following information is provided in compliance with current legal requirements:

- No payments to Social Security are in arrears;
- CIMPOR held 4,002,209 own shares in portfolio at the start of 2008. It disposed of a total of 1,168,620 shares to its employees during the first half of the year, at an average price of 4.154 euros, under the stock purchase and stock option plans referred to in section III.5 of the Corporate Governance Report:

Date	No. Shares	Price (EUR)	Note
17 March	276,700	3.300	(1)
17 March	240,440	4.050	(1)
17 March	229,360	4.900	(1)
28 March	250	4.900	(1)
13 May	157,380	4.565	(2)
27 May	264,490	4.250	(3)

(1) Options Award Plans (2005, 2006 and 2007)
(2) Share Acquisition Plan (2008)
(3) Options Award Plan (2008)

A total of 5,643,243 shares were acquired during 2008 at an average unit price of 4.503 euros. These shares are intended to secure the ongoing nature of the Group's incentive policy and to meet commitments under the referred to stock purchase and option plans (see Annex II of the Corporate Governance Report). As a result, the number of own shares held in portfolio at the end of 2008 was 8,476,832, equivalent to 1.26% of the Company's share capital.

- No other business between the Company and its directors occurred in 2008, besides the disposal of own shares under the stock purchase and stock option plans referred to in sections II.4.2 and III.5 of the Corporate Governance Report.

3. Post Balance Sheet Events

No events of special significance took place after the end of 2008, other than those already described in the Directors' Report on the consolidated operations of the CIMPOR Group.

4. Outlook for 2009

The probable development of cement consumption in some of the different markets where the Group operates, combined with the decline in fuel costs and rise in production capacity that will occur over the year in the China, Brazil and Turkey Business Areas, allow us to tackle 2009 with some optimism, despite the international economic crisis. Especially when compared to the 2008 financial year, in which non-recurring losses heavily impacted on profits.

5. Proposed Allocation of Profits

As reflected in the Financial Statements, the net profit for 2008 amounted to EUR 153,978,720.99 in individual terms.

In accordance with the parameters defined in the Memorandum and Articles of Association and the Company's dividend distribution policy set forth in the Corporate Governance Report, it is proposed that net profits are appropriated as follows:

- The sum of EUR 7,700,000.00, amounting to 5% of the net profits, to strengthen the Legal Reserve;
- Payment of Bonuses to the directors and other employees who were in the employ of CIMPOR - Cimentos de Portugal, SGPS, S.A., at the end of December 2008, in the amount of no more than EUR 3,000,000;
- The payment of a gross dividend of 0.185 euros per share to shareholders;
- Transfer of the remaining balance to Retained Earnings.

Lisbon, 24 April 2009

THE BOARD OF DIRECTORS

Ricardo Manuel Simões Bayão Horta

Luís Eduardo da Silva Barbosa

Jacques Lefèvre

Jean Carlos Ângulo

Jorge Manuel Tavares Salavessa Moura

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Pedro Maria Calaínho Teixeira Duarte

Vicente Árias Mosquera

José Manuel Baptista Fino

José Enrique Freire Arteta

II

FINANCIAL STATEMENTS OF THE HOLDING COMPANY

CIMPOR - CIMENTOS DE PORTUGAL, SGPS, S.A.

BALANCE SHEETS FOR THE YEARS ENDED 31 DECEMBER 2008 AND 2007

(Amounts stated in thousands of euros)

(Translated and reformatted from the Portuguese original - Note 25)

	Notes	2008	2007
Non-current assets:			
Investments, net	5	1,097,041	1,407,219
Fixed assets, net	6	6,331	6,487
Intangible assets, net		540	720
Other non-current assets, net	4	2	7
Deferred tax	12	292	304
Total non-current assets		1,104,206	1,414,735
Current assets:			
Cash and cash equivalents		616	857
Accounts receivable-trade, net	3	24	24
Accounts receivable-other, net	3	12,939	23,829
Prepaid expenses and other current assets	9	325	500
Total current assets		13,903	25,209
Total assets		1,118,109	1,439,944
Non-current liabilities:			
Deferred tax	12	274	287
Total non-current liabilities		274	287
Current liabilities:			
Loans		-	5,000
Accounts payable-trade	7	749	692
Accounts payable-other	7	545	327
Accrued expenses	8	1,166	1,309
Taxes payable	10	2,003	3,522
Provision for other risks and charges	11	48,584	91,961
Total current liabilities		53,046	102,811
Total liabilities		53,320	103,098
Shareholders' equity:			
Share capital	15	672,000	672,000
Treasury shares	15	(41,640)	(19,927)
Revaluation reserve	15	1,769	1,811
Legal reserve	15	119,465	106,900
Adjustment in equity investments, other reserves and retained earnings	15	159,215	324,777
Net profit for the year	15	153,979	251,284
Total shareholders' equity		1,064,788	1,336,845
Total liabilities and shareholders' equity		1,118,109	1,439,944

The accompanying notes form an integral part of the financial statements for the year ended 31 December 2008.

The Board of Directors

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CIMPOR - CIMENTOS DE PORTUGAL, SGPS, S.A.

STATEMENTS OF PROFIT AND LOSS FOR THE FOR THE YEARS ENDED

31 DECEMBER 2008 AND 2007

(Amounts stated in thousands of euros)

(Translated and reformatted from the Portuguese original - Note 25)

	Notes	2008	2007
Operating income:			
Sales and services rendered	13 and 16	4,600	4,894
Other operating income	13	665	1,330
Reversal of amortisations and adjustments	14	48	298
Total operating income		5,314	6,522
Operating expenses:			
Outside supplies and services		(4,150)	(4,413)
Payroll costs	17	(7,986)	(7,828)
Depreciation and amortisation		(441)	(418)
Provisions	11	(2,408)	(1,700)
Other operating expenses		(84)	(81)
Total operating expenses		(15,069)	(14,440)
Operating loss		(9,755)	(7,918)
Financial income, net	18	112,471	251,386
Extraordinary items, net	20	(104)	3,888
Income before income tax		102,612	247,356
Income tax	12	51,366	3,928
Net profit for the year		153,979	251,284

The accompanying notes form an integral part of the financial statements for the year ended 31 December 2008.

The Board of Directors

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CIMPOR - CIMENTOS DE PORTUGAL, SGPS, S.A.

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEARS ENDED 31 DECEMBER 2008 AND 2007

(Amounts stated in thousands of euros)

(Translated and reformatted from the Portuguese original - Note 25)

	Share capital	Treasury shares	Revaluation reserve	Legal reserve	Adjustment in equity investments	Other reserves and retained earnings	Net income for the period	Total
Balances at 31 December 2006	672,000	(9,295)	1,853	95,200	210,914	(3,834)	233,171	1,200,010
Earnings allocated to reserves	-	-	-	11,700	-	73,991	(85,691)	-
Dividends	-	-	-	-	-	529	(144,480)	(143,951)
Distribution of profits to employees	-	-	-	-	-	-	(3,000)	(3,000)
Purchase/(sale) of treasury shares	-	(10,632)	-	-	-	476	-	(10,156)
Adjustments in equity investments	-	-	-	-	42,658	-	-	42,658
Other adjustments	-	-	(42)	-	56,569	(56,527)	-	-
Net profit for the year	-	-	-	-	-	-	251,284	251,284
Balances at 31 December 2007	672,000	(19,927)	1,811	106,900	310,142	14,635	251,284	1,336,845
Earnings allocated to reserves (Note 15)	-	-	-	12,565	-	81,159	(93,724)	-
Dividends (Note 15)	-	-	-	-	-	1,325	(154,560)	(153,235)
Distribution of profits to employees (Note 15)	-	-	-	-	-	-	(3,000)	(3,000)
Purchase/(sale) of treasury shares (Notes 15 and 22)	-	(21,713)	-	-	-	722	-	(20,991)
Adjustments in equity investments (Note 5)	-	-	-	-	(248,809)	-	-	(248,809)
Other adjustments	-	-	(42)	-	86,622	(86,580)	-	-
Net profit for the year	-	-	-	-	-	-	153,979	153,979
Balances at 31 December 2008	672,000	(41,640)	1,769	119,465	147,955	11,261	153,979	1,064,788

The accompanying notes form an integral part of the financial statements for the year ended 31 December 2008.

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CIMPOR – CIMENTOS DE PORTUGAL, SGPS, S.A.

CASH FLOW STATEMENTS FOR THE YEARS ENDED 31 DECEMBER 2008 AND 2007

(Amounts stated in thousands of euros)

(Translated and reformatted from the Portuguese original – Note 25)

	Notes	2008	2007
Operating activities:			
Receipts from clients		69	117
Payments to suppliers		(4,456)	(4,631)
Payments to employees		(9,751)	(10,505)
Cash flow generated by operations		(14,139)	(15,020)
Income tax recovered / (paid)		6,339	6,475
Other receipts relating to operating activities		5,461	7,215
Cash flow before extraordinary items		(2,338)	(1,330)
Receipts relating to extraordinary items		2	-
Payments relating to extraordinary items		(56)	(56)
Cash flow from operating activities (1)		(2,392)	(1,386)
Investing activities:			
Receipts relating to:			
Investments		-	7,900
Property, plant and equipment		27	-
Interest and similar income		1,239	2,990
Dividends	1	173,170	145,248
Loans to Group companies	2	65,500	112,000
		239,935	268,138
Payments relating to:			
Property, plant and equipment		(108)	(964)
Loans to Group companies	2	(58,500)	(109,500)
		(58,608)	(110,464)
Cash flow from investing activities (2)		181,327	157,673
Financing activities:			
Receipts relating to:			
Sale of treasury shares		4,856	4,227
Loans from Group companies	3	7,488	-
		12,344	4,227
Payments relating to:			
Loans obtained		(5,000)	(21,782)
Interest and similar costs		(304)	(1,892)
Dividends		(153,151)	(143,951)
Purchase of treasury shares		(25,586)	(14,371)
Loans from Group companies	3	(7,488)	(107,900)
		(191,528)	(289,895)
Cash flow from financing activities (3)		(179,184)	(285,668)
Change in cash and cash equivalents (4) = (1)+(2)+(3)		(250)	(129,381)
Cash and cash equivalents at the beginning of the year		857	130,252
Effect of currency translation		9	(14)
Cash and cash equivalents at the end of the year		616	857

The accompanying notes form an integral part of the financial statements for the year ended 31 December 2008.

The Board of Directors

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CIMPOR - CIMENTOS DE PORTUGAL, SGPS, S.A.

CASH FLOW STATEMENTS (continued)

(Amounts stated in thousands of euros)

(Translated and reformatted from the Portuguese original – Note 25)

1. Dividends received

	Amounts received
Cimpor Portugal, SGPS, S.A.	92,840
Cimpor Inversiones, S.L.	80,317
Cement Services Company, S.A.E.	13
	173,170

2. Loans to Group companies

	Amounts paid during the year	Amounts received during the year
Cimpor - Indústria de Cimentos, S.A.	58,500	65,500

3. Loans from Group companies

	Amounts paid during the year	Amounts received during the year
Cimpor Investimentos, SGPS, S. A.	7,488	7,488

4. Other information

a) The caption “Income tax recovered/ (paid)”, includes the receipts payments related to the special regime for taxation of group companies.

b) Cimpor – Cimentos de Portugal, SGPS, S.A. supports financially its subsidiary companies, being those effects reflected on the Company’s financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008
(Amounts stated in thousands of euros)
(Translated and reformatted from the Portuguese original – Note 25)

1. Introduction

Cimpor - Cimentos de Portugal, SGPS, S.A.("the Company" or "Cimpor") was incorporated on 26 March 1976, as a wholly owned Portuguese Government company. After several privatisation phases, Cimpor is now a public company listed on the Lisbon stock exchange. The Company operates in Portugal, Spain, Morocco, Tunisia, Egypt, Turkey, Brazil, Peru, Mozambique, South Africa, China, India and Cape Verde ("the Cimpor Group").

The Company's 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, ready mix concrete, concrete parts and related activities in Portugal; and (ii) Cimpor Inversiones, S.L., which holds the investments in companies with head offices abroad.

2. Summary of significant accounting policies

The accompanying financial statements were prepared as a going concern basis from the Company's accounting records.

These financial statements are stated in thousands of euros and were prepared in accordance with generally accepted accounting principles in Portugal ("Portuguese GAAP"), which may be different from generally accepted accounting principles in other countries. The accompanying financial statements also include certain reclassifications in order to conform more closely to the form and content of financial statements presented in international financial markets.

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenue and expenses during the report period. Actual results could differ from those estimates.

These financial statements refer to the company on an individual non-consolidated basis, investments being recorded in accordance with the equity method as described below. Under the article 4 of Regulation No.1606/2002 of the European Parliament and the Council of 19 July, the Company presents consolidated financial statements in accordance with International Financial Reporting Standards.

The principal accounting policies used in the preparation of the non-consolidated financial statements are:

Investments

Investments in group and associated companies are recorded using the equity method of accounting. Such investments being initially recorded at cost which is then increased or reduced to the amount corresponding to the proportion owned of the book value of the equity of these companies as of the date of acquisition of the investment or the date the equity method was first applied.

Whenever necessary in order to conform the financial statements of group and associated companies to the Group's accounting policies, adjustments and reclassifications are made to them.

In accordance with the equity method of accounting, investments are adjusted by the amount corresponding to the Company's share in the net results of the group companies, by corresponding entry to the statement of profit and loss for the year (Note 18), and by other changes in the equity of subsidiary companies, by corresponding entry to the caption "Adjustments in equity investments" (Note 15). In addition, dividends received from these companies are recorded as decreases in the value of the investments.

Other investments are stated at cost less, when applicable, adjustments for estimated losses on realisation, except quoted securities measured at fair value, in accordance with the requirements of IAS 39 – Financial instruments: Recognition and Measurement ("IAS 39").

Goodwill

Goodwill arises from the difference between the cost of the investments in subsidiary companies and the related fair value of the subsidiaries' net assets as of the date of acquisition. Goodwill resulting from increases in previous investments are amortised on a straight-line basis over the remaining useful live period defined on the first acquisition. Goodwill is capitalised and amortised on a straight-line basis over its estimated realisation period, which varies from five to twenty years.

Intangible assets

This caption consists in the acquired right of an aircraft fraction. Depreciation is provided on a straight-line basis over five years.

Property, plant and equipment

Property, plant and equipment is stated at cost, which includes acquisition expenses or, in the case of certain fixed assets acquired up to 31 December 1992, at restated value computed in accordance with the revaluation criteria established by the applicable Portuguese legislation.

Depreciation is provided on a straight-line basis over the estimated useful lives which correspond to the following estimated average useful lives:

	Years
Buildings and other constructions	10 - 50
Basic equipment	7 - 16
Transportation equipment	4 - 5
Administrative equipment	3 - 14

Provisions and adjustments

The provisions and adjustments are stated at the amount considered necessary to cover potential risks in the collection of overdue accounts receivable balances.

Other provisions and adjustments are recorded at the amounts considered necessary to cover estimated losses.

Foreign currency transactions and balances

Foreign currency assets and liabilities for which there is no fixed exchange rate agreement are translated to euros at the rates of exchange prevailing at the balance sheet date. Exchange differences are credited or charged to the statement of profit and loss in the year in which they arise, except for the following, which are recorded in the balance sheet in the caption "Adjustments in equity investments":

- Exchange differences arising from the translation of medium and long term foreign currency intra group balances which, in practice, correspond to an extension of investments;

- Exchange differences arising on financial operations hedging exchange risk on foreign currency investments, as established in IAS 21 – The effects of changes in foreign exchange rates, provided that they comply with the efficiency criteria established in IAS 39.

Cash and cash equivalents

Cash represents immediately available funds and cash equivalents include liquid investments readily convertible to cash with an original maturity of three months or less.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008
(Amounts stated in thousands of euros)
(Translated and reformatted from the Portuguese original – Note 25)

Retirement benefits

Certain subsidiary companies have assumed the responsibility for paying additional pensions to those paid by the Portuguese Social Security, under two different schemes: a defined benefit plan and a defined contribution plan. The related liabilities are recorded in accordance with Portuguese Accounting Directive 19.

In accordance with this directive, payments made to the defined contribution plan are expensed in the year to which they relate. In the case of the defined benefit plan, costs are expensed over the normal active service life of the employees.

An actuarial valuation is performed at the end of each period in order to calculate the present value of the past service liability and the cost to be recorded in the period. The present value of the past service liability is compared with the market value of the plan's assets in order to determine differences to be recorded in the balance sheet. The costs incurred in the year are recorded as payroll costs, based on the actuarial data.

Healthcare benefits

Certain subsidiary companies have supplementary healthcare benefits for their employees to those provided by the Public Social Security. The liabilities and costs resulting from these benefits are recorded in a similar manner to the retirement pension liabilities and costs referred to above.

Specific provisions to cover these liabilities are recorded in accordance with the criteria established by Portuguese Accounting Directive 19.

The actuarially determined cost of healthcare to be provided as from retirement age is recorded in the balance sheet caption "Provisions for risks and charges".

The effects of those accounting records on these subsidiary companies are reflected on the Company's financial statements by the application of the equity method.

The Company has at its service, employees with contractual bond with Cimpor – Indústria de Cimentos, S.A. ("Cimpor Indústria"), which are beneficiary of retirement and healthcare benefits. The corresponding costs are supported by the Company and recorded as Payroll costs.

Additionally, since 1st January 2008, the Company as assumed a compromise of establishing a post-employment benefit plan to its employees (Note 21).

Income tax

Tax on income for the period is calculated based on the taxable results and takes into consideration deferred taxation.

The Cimpor Group has adopted the tax consolidation regime presently in force in Portugal since 2001. In accordance with this regime the provision for income tax is determined based on the estimated consolidated taxable profit of all the companies covered by this regime (all the 90% or more owned subsidiaries located in Portugal). The remaining group companies not covered by the tax consolidation regime are taxed individually, based on their respective taxable profits, computed in accordance with the tax legislation, at the applicable tax rates.

Deferred tax assets and liabilities are calculated and assessed periodically attending to the temporary differences between the assets and liabilities book values and the corresponding values valid for tax purposes, using the 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 sufficient taxable profits will exist to use them. A reappraisal of the temporary differences underlying the deferred tax assets is made at the balance sheet date, so as to recognise or adjust them based on the current expectation of their future recovery.

Revaluation reserve

Amounts recorded in this caption, resulting from the net increase in property, plant and equipment through revaluations made in accordance with the defined criteria, are transferred to retained earnings when realised through sale, write-off or depreciation of the related items. In general these amounts are not available for distribution and can only be used to increase share capital or to cover losses incurred up to the end of the period to which the revaluation relates.

Accruals basis

The company records income and expenses on an accruals basis. Under this basis, income and expenses are recorded in the period to which they relate independently of when the corresponding amounts are received or paid. Differences between the amounts received and paid and the related income and expenses are recorded in accrual and deferral captions.

Current classification

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008
(Amounts stated in thousands of euros)
(Translated and reformatted from the Portuguese original – Note 25)

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 rates and exchange rates.

In this respect the Group does not contract derivative financial instruments for speculation purposes.

The Group contract 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 recognising this 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 of 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 in the caption 'Other reserves' as regards their effective component and in financial income or expense for the period as regards their non effective component. The amounts recorded under 'Other reserves' are transferred to the statement of profit and loss in the period in which the effect on the item covered is also reflected in the statement of profit and loss.

Changes in the value of derivative financial instruments hedging net investments in a foreign entity, are recorded in the caption Adjustment in equity investments as regards their effective component. The non effective component of such variations 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 included in the caption Adjustment in equity investments.

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008
(Amounts stated in thousands of euros)
(Translated and reformatted from the Portuguese original – Note 25)

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 profit and loss for the period in which they occur.

The effects of the recognition of these instruments in the Group companies that contract these instruments, are reflected under the heading of "Investments, net", by the application of the equity method.

3. Accounts receivable, net

This caption consists of:

	2008	2007
Accounts receivable from affiliated companies (Note 13)	11,462	22,342
Accounts receivable from public entities	1,363	1,365
Other receivables	138	145
	12,962	23,852

4. Other non-current assets, net

This caption consists of:

	2008	2007
Doubtful accounts receivable	3,145	3,214
Other receivables	611	615
	3,756	3,829
Adjustments for doubtful accounts receivable (Note 14)	(3,754)	(3,822)
	2	7

The Company classifies, as doubtful, specific overdue accounts receivable balances from customers. As these balances, together with other balances classified under the caption other receivables are not fully collectible, the Company records an adjustment for doubtful accounts receivable to cover the estimated loss on their realisation.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008
(Amounts stated in thousands of euros)
(Translated and reformatted from the Portuguese original – Note 25)

5. Investments, net

This caption consists of:

	2008	2007
Affiliated companies:		
Cimpor Inversiones, S.A.	641,444	820,531
Cimpor Portugal, SGPS, S.A.	438,480	571,413
Cimpor Reinsurance, S.A.	10,855	10,138
Cimpor Financial Operations, B.V.	4,473	3,725
Cimpor Tec - Engenharia e Serviços Técnicos de Apoio ao Grupo, S.A.	1,573	1,220
Cement Services Company, S.A.E.	137	114
Cimpor Egypt For Cement Company, S.A.E.	6	5
	1,096,967	1,407,145
Securities and other investments:		
Companhia de Cimentos de Moçambique, S.A.	4,050	4,050
Others	73	74
	4,123	4,124
Adjustments for investments	(4,051)	(4,051)
	1,097,041	1,407,219

The investments in affiliated companies are recorded in accordance with the equity method of accounting after any adjustment or reclassification to conform the affiliated companies financial statements with the Company's accounting policies. Other participations are stated at cost less, when applicable, adjustments for estimated losses on realisation.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008
(Amounts stated in thousands of euros)
(Translated and reformatted from the Portuguese original – Note 25)

The application of the equity method to investments in affiliated companies at 31 December 2008 had the following impact:

	Profit in group companies (Note 18)	Adjustment in equity investments (Note 15)	Dividends	Total
Cement Services Company, S.A.E.	29	7	(13)	23
Cimpor Egypt for Cement Company, S.A.E.	1	-	-	1
Cimpor Financial Operations, B.V.	748	-	-	748
Cimpor Inversiones, S.A.	101,672	(200,442)	(80,317)	(179,086)
Cimpor Portugal, SGPS, S.A.	8,281	(48,374)	(92,840)	(132,933)
Cimpor Reinsurance, S.A.	717	-	-	717
Cimpor Tec - Engenharia e Serviços Técnicos de Apoio ao Grupo, S.A.	353	-	-	353
	111,801	(248,809)	(173,170)	(310,178)

The adjustments in equity investments relating to Cimpor Inversiones include: (i) the effect of adopting the provisions of IAS 39 related to hedge accounting and derivative financial instruments recognition; and (ii) the effect of translating the foreign currency financial statements of affiliated companies.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008
(Amounts stated in thousands of euros)
(Translated and reformatted from the Portuguese original – Note 25)

6. Fixed assets

This caption comprises the following, at net book value:

Cost:	2008	2007
Land	2,409	2,409
Buildings and other constructions	8,950	8,947
Basic equipment	3,095	3,095
Transportation equipment	378	383
Administrative equipment	5,346	5,346
	20,178	20,181
Accumulated depreciation:		
Buildings and other constructions	(5,522)	(5,341)
Basic equipment	(3,068)	(3,064)
Transportation equipment	(226)	(262)
Administrative equipment	(5,031)	(5,027)
	(13,847)	(13,694)
Net book values:		
Land	2,409	2,409
Buildings and other constructions	3,428	3,606
Basic equipment	26	31
Transportation equipment	152	121
Administrative equipment	316	319
	6,331	6,487

Property, plant and equipment has been revaluated in accordance with Decree Laws 126/77, 219/82, 399-G/84, 118-B/86, 111/88, 49/91, 22/92 and 264/92, and Law 36/91, using price indices established by those legislations.

The effect of the revaluations on net book value is as follows:

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008
(Amounts stated in thousands of euros)
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	Historical cost	Revaluation	Revalued amounts
Land	359	2,050	2,409
Buildings and other constructions	862	2,566	3,428
Basic equipment	26	-	26
Transportation equipment	152	-	152
Administrative equipment	296	20	316
	1,695	4,636	6,331

A portion (40%) of the additional depreciation arising from the revaluations is not deductible for income tax purposes, originating a deferred tax liability of 274 thousand euros (Note 12).

7. Accounts payable

This caption consists of:

	2008	2007
Accounts payable to related companies (Note 13)	418	296
Accounts payable to suppliers	750	695
Other creditors	126	28
	1,294	1,019

8. Accrued expenses

This caption consists of:

	2008	2007
Vacation pay and vacation bonus	995	986
Derivative financial instruments (Note 23)	6	208
Defined contribution plan (Note 21)	17	-
Interest payable	-	8
Other	148	107
	1,166	1,309

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9. Prepaid expenses and other current assets

This caption consists of:

	2008	2007
Derivative financial instruments (Note 23)	6	208
Insurance	33	29
Interests receivable	-	3
Other	286	259
	325	500

10. Taxes payable

This caption consists of:

	2008	2007
Income tax	1,698	3,232
Withholding tax	111	108
Value added tax	91	87
Social Security contributions	103	94
	2,003	3,522

The income tax payable is the result of the special regime for taxation of groups of companies that Cimpor Group is subject.

11. Movement in the provisions

During the year ended 31 December 2008, the movement in the provision account balances, was as follows:

	Beginning balance	Increases	Decreases	Ending balance
Provisions for other risks and charges:				
Tax provisions (Note 12)	91,930	6,196	(49,574)	48,553
Other risks and charges	31	-	-	31
	91,961	6,196	(49,574)	48,584

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The increases and decreases in the provision for tax contingencies were recorded by corresponding entries to the following captions:

	Increases	Decreases
Provisions	2,408	-
Tax provisions (Note 12)	3,788	(49,574)
	6,196	(49,574)

12. Income tax

The Company is subject to Corporate Income Tax ("CIT") at the rate of 25%, and municipal surcharge up to 1,5%, which sums a total tax rate of 26,5%. Gains and losses in associated companies recorded under the equity method are not relevant for tax purposes. The same applies to dividends received from affiliated companies.

As from 2001, the Company and its over 90% held Portuguese subsidiaries are subject to the special regime for taxation of groups of companies (*RETGS*). This regime consists of applying the CIT rate to the consolidated taxable results of the companies included in the special regime plus the municipal surcharge, and excluding dividends distributed between those companies. The Company is also subject to autonomous taxation over certain expenses mentioned in article 81 of the CIT Code.

In accordance with current legislation, the Company's tax returns are subject to reviews performed by the tax authorities for a period of four years (for Social Security purposes ten years, until 2000, and five years from 2001), 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 2005, and the tax audit for 2006 is in course.

As a result of the reviews performed by the tax authorities to the CIT returns for the years of 1996 to 2005, additional adjustments were made to the assessment basis and to tax, determined under the tax consolidation regimes, being the most significant adjustments from the increase of depreciations resulting from the revaluation of property, plant and equipment. 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.

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 Government body, "Fundo de Regularização da Dívida Pública".

(Amounts stated in thousands of euros)

For the years 1997 and 1998 this subject was sanctioned by the 1st Ruling Section of the Supreme Administrative Court, which consequences are the recognition, as always has been defended by Cimpor, 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". The provisions for legal and tax risks, previously created to cover additional tax assessments for those years, were cancelled (Note 11).

The Board of Directors believes that the recorded provisions (Note 11) reflect, prudently, the potential risks associated with the probability that the adjustments may result in future payments, including an estimate for the years not yet audited.

Temporary differences between the recognition of income and expenses for accounting and tax purpose are considered in computing the income tax charge for the year.

Reconciliation of the provision for income tax at the statutory Portuguese income tax rate, for the year ended 31 December 2008 and the effective income tax rate, was as follows:

	Tax base	Income tax
Income before income tax	102,612	
Temporary differences	37	
Permanent differences	(111,308)	
	(8,659)	
Normal charge		(2,165)
Tax deductions		(63)
Tax adjustments		1
Autonomous taxation		36
		(2,190)
Deferred tax on temporary differences reversed in the period		(2)
Tax provisions (Note 11)		(45,786)
Prior year adjustments		331
Adjustments to the consolidated Group's tax and others		(3,720)
		(51,366)

Permanent differences include mainly elimination of the effect of applying the equity method (Notes 5 and 18).

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The movement in deferred taxes in the year ended 31 December 2008 is as follows:

	Beginning balance	Reversal	Ending balance
Deferred tax assets:			
Adjustments for doubtful debts	293	(9)	284
Provision for other risks and charges (Note 11)	11	(3)	8
	304	(11)	292
Deferred tax liabilities:			
Revaluation of tangible fixed assets (Note 6)	287	(13)	274

13. Related parties

The principal balances and transactions in the year ended 31 December 2008 with Group companies are as follows:

	Balances				Transactions				
	Group companies, accounts receivable (Note 3)	Accounts payable	Deferal and accruals	Group companies, accounts payable (Note 7)	Interest expenses (Note 18)	Interest income (Note 18)	Services rendered (Note 16)	Other operations income	Outside supplies and serviçes
Agrepor Agregados, S.A.	5	-	-	10	-	-	-	4	4
Betão Liz, S.A.		-	-	9	-	-	-	-	-
Cecisa - Comércio Internacional, S.A.	1	-	-	-	-	-	-	1	-
Cimpor - Indústria Cimentos, S.A.	2,487	-	12	280	-	848	4,515	-	11
Cimpor Betão -Indústria Betão Pronto, S.A.	150	-	-	9	-	-	-	150	-
Cimpor Imobiliária, S.A.	9	-	18	-	-	-	-	1	-
Cimpor Internacional, SGPS, S.A.	24	-	-	-	-	-	60	-	-
Cimpor Investimentos, SGPS, S.A.		-	-	-	64	-	25	-	-
Cimpor Portugal, SGPS, S.A.	8,579	-	-	100	-	-	-	-	-
Cimpor - Serviços Apoio à Gestão Empresas, S.A.	154	503	-	10	-	-	-	506	1,686
Cimpor Tec - Engenharia e Serviços Técnicos de Apoio ao Grupo, S.A.	3	-	-	-	-	-	-	3	1
Imopar, SARL	9	-	-	-	-	-	-	-	-
Jomatel - Emp. Mat. Construção, S.A.	40	-	-	-	-	-	-	-	-
	11,462	503	30	418	64	848	4,600	665	1,702

The balance receivable from Cimpor Portugal, SGPS, S.A. is due to tax income according to the special regime for taxation of groups of companies (Note 12).

The balance receivable from Cimpor Indústria de Cimentos, S.A. includes 2,000 thousand euros relating to treasury support, which earns interest at normal market rates.

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14. Movements occurred in the caption of accounts receivable adjustments

During the year ended 31 December 2008, the movement in accounts receivable adjustments was as follows:

	Beginning balance	Utilisation	Reversal	Ending balance
Adjustments for:				
Doubtful accounts receivable	3,212	(20)	(48)	3,143
Other debtors/ shareholders	611	-	-	611
	3,822	(20)	(48)	3,754

15. Share capital and reserves

At 31 December 2008, Cimpor's fully subscribed and paid up share capital consisted of 672 million shares with a nominal value of one euro each.

The last known capital structure of the Company, as per notifications of official qualifying shareholders received by the company until 31 December 2008, was as follows (includes shares owned by its related companies and its corporate board members):

	%	Number of shares
Teixeira Duarte, SGPS, S.A.	22.90	153,884,443
Manuel Fino, SGPS, S.A.	20.26	136,141,960
Lafarge, S.A.	17.28	116,089,705
Banco Comercial Português, S.A. (BCP) and BCP Pension Fund	10.04	67,474,186
Bipadosa, S.A.	6.68	44,912,524
Sr. Ten-Cor. Luís Augusto da Silva	2.09	14,049,090
Others	20.75	139,448,092
	100.00	672,000,000

Revaluation reserve

This caption results from the revaluation of property, plant and equipment in accordance with the applicable legislation (Note 6). In accordance with current legislation this reserve can only be used to cover losses or to increase share capital.

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Legal reserve

In accordance with current legislation the Company must appropriate, to the legal reserve, at least 5% of its annual net profit until the reserve equals a minimum of 20% of capital. This reserve cannot be distributed to the shareholders but can be used to absorb losses once all the other reserves have been used, up or to increase capital.

Adjustments in equity investments

This caption, in the year ended 31 December 2008, relate mainly to: (i) transfer from "Retained earnings" to "Adjustments in equity investments" of the results not distributed by subsidiary companies recorded in accordance with the equity method; (ii) adjustment of investments resulting from changes in the equity of subsidiary companies (Note 5).

Net income application

The net profit for the year ended 31 December 2007, in accordance with a decision of the Shareholders' Annual General Meeting held on 9 May 2008, was appropriated as follows:

Dividends	154,560
Employees' bonus	3,000
Retained earnings	81,159
Legal reserve	12,565
	251,284

Undistributed dividends attributed to own shares, in the amount of 1,325 thousand euros, are included on the caption "Other reserves and retained earnings".

Treasury shares

Commercial legislation relating to treasury shares requires the existence of a free reserve equal to the amount of the cost of such shares, which is not available for distribution while the shares are not sold. In addition, the applicable accounting rules require gains and losses on the sale of own shares to be recorded in reserves.

The movement in treasury shares, in the year ended 31 December 2008, corresponds to: (i) the sale of 1,168,620 shares to several employees of the Group (Note 22) for a total of 4,855 thousand euros, which resulted in an increase of 722 thousand euros in Other reserves and retained earnings; (ii) the acquisition of 5,643,243 shares in several market operations, in the year ended 31 December 2008, by a total amount of 25,586 thousand euros.

At 31 December 2008 Cimpor held 8,476,832 treasury shares (Note 22).

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Other reserves

Other reserves are available to be distributed, except what concerns to the reserve became unavailable, according to the commercial law applicable to treasury shares, in the amount of 41,640 thousand euros.

16. Services rendered

Services rendered for the year ended 31 December 2008 result from contracts to render management and administrative services entered into with affiliated companies (Note 14).

17. Payroll costs

This caption consists of:

	2008	2007
Salaries	5,900	5,781
Social charges:		
Pensions	150	133
Others	1,936	1,914
	7,986	7,828

In the year ended 31 December 2008, the Company´s corporate board remuneration was as follows:

	Fixed remuneration	Variable remuneration	Total
Executive directors	1,292	2,697	3,988
Non-executive directors	537	-	537
	1,828	2,697	4,525

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18. Financial income, net

This caption consists of:

	2008	2007
Income:		
Interest income	1,157	10,221
Gains in Group companies (Note 5)	111,801	250,054
Foreign exchange gains	13	4
	112,971	260,279
Expenses:		
Interest expenses	391	8,780
Foreign exchange losses	4	21
Other financial expenses	104	92
	500	8,893
Financial income, net	112,471	251,386

19. Extraordinary items, net

This caption consists of:

	2008	2007
Extraordinary income:		
Debt recovery	1	16
Gains on the sale of fixed assets	23	609
Provision decreases	-	3,641
Prior year adjustments	-	35
Other extraordinary income	38	31
	62	4,331
Extraordinary expenses:		
Donations	60	62
Uncollectible debts	-	199
Fines and penalties	6	-
Prior year adjustments	86	-
Other extraordinary expenses	14	182
	166	443
Extraordinary items, net	(104)	3,888

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20. Guarantees

At 31 December 2008 the Company had guarantees given to third parties totalling 75,686 thousand of euros. These guarantees were given to the tax authorities, to cover the additional tax assessments received, which responsibility is considered on the caption of tax contingencies on Provisions for other risks and charges (Note 11), and to bank entities.

21. Commitments

Retirement pension benefits and medical benefits

As explained in Note 2, some Group companies have supplementary retirement and healthcare plans for their employees. The liability under these plans is reflected in the financial statements as of 31 December 2008 in accordance with the applicable accounting standards.

In the year ended 31 December 2008, Group liabilities with active and retired employees past services, ascend to 90,907 thousand euros, of which 69,807 thousand euros are financed by pension funds, being the remaining in the amount of 21,100 thousand euros, registered in liabilities of the correspondent affiliated companies.

As a result of applying the equity method of accounting, the effect of these plans is reflected in the Company's financial statements in the captions Financial income, and Investments.

As explained in Note 2, the Company additionally supported 564 thousand euros related to retirement and healthcare benefits given to employees with contractual bond with Cimpor Indústria.

Additionally, since 1st January 2008, the Company assumed a compromise of establishing a post-employment benefit plan to its employees. This plan is characterized by giving a retirement benefit, being the annual contribution of 4% of the base remuneration, plus seniority bonus.

Are beneficiaries of this contribution plan, all employees with contractual bond with the Company in 1st January 2008 or hired since that date, as long as have or will have a contractual bond with the Company equal or exceeding five years, or those having a shorter contractual bond but reaching the legal retirement age for oldness in the service of the Company.

In the year ended 31 December 2008, the Company has recorded an accrued expense of 17 thousand euros (Note 8), concerning to the responsibility of the contribution to the fund to be constituted.

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Other commitments – investments and services

At 31 December 2008 some of the Group companies had commitments relating to contracts to purchase tangible fixed assets and inventories as well for operating on third parties installations of 54,721 thousand euros, the most significant amounts being 20,981 thousand euros relating to the Portugal business area, 15,822 thousand euros relating to the Spain business area, 12,513 thousand euros relating to the Egypt business area, 2,151 thousand euros relating to the India business area and 1,935 thousand euros relating to the Morocco business area.

On 1 February 2005 a contract to render administrative, financial, accounting and human resources services was entered into between the Company and Cimpor – Serviços de Apoio à Gestão de Empresas, S.A.. The contract involves an annual commitment of 1,678 thousand euros.

In accordance with Portuguese Commercial Company Code ("Código das Sociedades Comerciais"), the company Cimpor – Cimentos de Portugal, SGPS, S.A. is jointly responsible for the obligations of its subsidiaries.

Other commitments – comfort letters

Comfort letters relating to group companies, given to third parties, are as follows:

Corporacion Noroeste, S.A.	49,898
Cimpor Cimentos do Brasil, LTDA.	2,056
Cimentos de Moçambique, S.A.R.L.	1,352
	53,305

22. Stock option plans

At the Shareholders' General Meeting held on 9 May 2008 an *Employee Stock Acquisition Plan* and a *Cimpor Shares Stock Option Plan* were approved.

The Board of Directors of CIMPOR – Cimentos de Portugal, SGPS, S.A., is responsible for granting the benefits under these plans, other than to its own members, in which case the benefits are granted by the Remuneration Committee.

The beneficiaries of *Employee Stock Acquisition Plan* are granted with the right to acquire shares at a price equal to seventy-five percent of the closing price on the day the transaction is carried out, up to the amount that does not exceed half of his/her monthly gross base remuneration.

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The beneficiaries of the *Cimpor Shares Stock Option Plan* are granted with the right to acquire Cimpor shares (initial options), at a price not lower than seventy-five percent of the average of the closing prices on the sixty stock market sessions preceding that date. For each option exercised, the beneficiary is granted the option to acquire one new share (derivative options), at the same price, in each of the following three years.

The options exercised and the shares bought during the year ended 31 December 2008 were as follows:

Plan	Number of shares	Unit price	Date
Stock Option Plan - derivative options - series 2005	276,700	3.30	17 March
Stock Option Plan - derivative options - series 2006	240,440	4.05	17 March
Stock Option Plan - derivative options - series 2007	229,610	4.90	17 March
Stock Option Plan - initial options - series 2008	264,490	4.25	27 May
Employee Stock Acquisition Plan - year 2008	157,380	4.57	13 May
	1,168,620		

As at 31 December 2008, the Company held sufficient treasury stock to face the responsibilities inherent to the above mentioned stock options plans.

23. Financial instruments

In the year ended 31 December 2008, the Company remains the formal part in an interest rate derivative contract, designated as a trading instrument since it does not comply with all the requirements of IAS 39 to qualify for hedge accounting, which fair value at that date was negative in 6 thousand euros.

24. Subsequent events

The most significant events that occurred after 31 December 2008 are described in the Directors' Report.

25. Note added for translation

The accompanying financial statements are a reformatted translation of financial statements originally issued in Portuguese in accordance with generally accepted accounting principles in Portugal and the disclosures required by the Portuguese Official Chart of Accounts, some of which may not conform with or be required by generally accepted accounting principles in other countries. In the event of discrepancies the Portuguese language version prevails.

REPORT AND OPINION OF THE AUDIT BOARD ON THE NON-CONSOLIDATED FINANCIAL STATEMENTS FOR 2008

(Translation of a report originally issued in Portuguese)

To the Shareholders,

As required by law and the articles of association of CIMPOR – Cimentos de Portugal, SGPS, S.A. (the Company) and in accordance with our mandate, the Audit Board hereby submits its opinion on the financial statements for 2008, which had been submitted to us for scrutiny by the Board of Directors.

The Audit Board accompanied the activity and business of the Company by examining documents and accounting records, review the minutes of meetings of the Board of Directors and Executive Committee and analysing other documents in order to assess compliance with the law and articles of association. The Audit Board also performed tests and other procedures in as much detail as it saw fit. The Audit Board remained in contact with the Board of Directors and with other directors and obtained all necessary information and clarifications whenever requested.

As part of our duties, we examined the Annual Report of the Board of Directors and concluded that it is in compliance with legal requirements. We also analysed the accounts of the financial year ended on 31 December 2008, which consists of the balance sheet, profit and loss accounts by nature and function, cash flow statement and their respective notes, as prepared by the Board of Directors, with regard to the accounting standards used in their preparation and respect for the law and articles of association.

The proposal for the appropriation of profit submitted by the Board of Directors complies with applicable legislation and the articles of association.

The Audit Board has viewed the Legal Certification of Accounts and Audit Report issued by the statutory auditor, with which it agrees.

We are therefore of the opinion that the above accounting documents and the proposal for the appropriation of results are in accordance with the applicable accounting standards and requirements of the law and articles of association and can therefore be approved by the shareholders.

The Audit Board wishes to thank the Board of Directors and other personnel of CIMPOR – Cimentos de Portugal, SGPS, S.A., for their cooperation.

Lisbon, 27 April 2009

Ricardo José Minotti da Cruz-Filipe
Chairman

Luís Black Freire d'Andrade
Member

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 financial information contained in the Directors' Report and the accompanying financial statements of Cimpor – Cimentos de Portugal, SGPS, S.A. ("the Company") for the year ended 31 December 2008, which comprise the balance sheet as of 31 December 2008, that presents a total of 1.118.109 thousand Euros and shareholders' equity of 1.064.788 thousand Euros, including a net profit of 153.979 thousand Euros, the statements of profit and loss by nature and by functions and the statement of 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 financial statements which present a true and fair view of the financial position of the Company, the results of its operations and its cash flows; (ii) the preparation of historical financial information in accordance with generally accepted accounting principles 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 maintenance of an appropriate system of internal control; and (iv) the disclosure of any significant facts that have influenced the Company's operations, financial position or results of operations.

3. Our responsibility is to examine the 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 examination.

Scope

4. Our examination 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 that the examination be planned and performed with the objective of obtaining reasonable assurance about whether the financial statements are free of material misstatement. The examination included verifying, on a test basis, evidence supporting the amounts and disclosures in the financial statements and assessing the significant estimates, based on judgements and criteria defined by the Board of Directors, used in their preparation. The examination also included assessing the adequacy of the accounting policies used and their disclosure, taking into consideration the circumstances, verifying the applicability of the going concern concept; assessing the adequacy of the overall presentation of the financial statements, and assessing if, in all material respects, the information is complete, true, timely, clear, objective and licit. Our examination also included verifying that the information included in the Directors' Report is consistent with the other accounting documents. We believe that our examination provides a reasonable basis for expressing our opinion.

Opinion

5. In our opinion, the financial statements referred to in paragraph 1 above, present fairly, in all material respects, for the purposes referred to in paragraph 6 below, the financial position of Cimpor – Cimentos de Portugal, SGPS, S.A as of 31 December 2008 and the results of its operations and its cash flows for the year then ended, in conformity with generally accepted accounting principles in Portugal and the financial information contained therein is, in terms of the definitions included in the auditing standards referred to in paragraph 4 above, complete, true, timely, clear, objective and licit.

Emphasis

6. The financial statements mentioned in paragraph 1 above relate to the Company's separate operations and have been prepared in accordance with generally accepted accounting principles in Portugal for approval and publication according to the legislation in force. As mentioned in Note 3 to the financial statements, equity holdings in subsidiaries and associates are accounted for by the equity method. As required by law, the Company has prepared for separate publication consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union.

Lisbon, 24 April 2009

DELOITTE & ASSOCIADOS, SROC S.A.
Represented by João Luís Falua Costa da Silva