



CeMAP 2007

PRESIDENT'S MESSAGE



We reinvigorate our focus this year on the role of the local cement industry in the development of the country. Strategic to the attainment of progress in the Philippines, the cement industry through the Cement Manufacturers' Association of the Philippines, CeMAP, vows to commit itself to participate in the endeavor to attain progress. The vision of the association is "to become a partner in nation building" with the mission of "promoting the cement industry as a key partner in contributing to infrastructure development and economic growth."

CeMAP seeks to fulfill this mission through espousing the global campaign to pursue sustainable development.

Sustainable development is defined as "development which meets the needs of people living today without compromising the ability of future generations to meet their own needs. It requires a long-term vision of industrial progress, preserving the foundations upon which human quality of life depends: respect for basic human needs and local and global ecosystems."

We enjoin all the industries to also pursue sustainable development in their day to day operations. We are one with our international cement organizations in recognizing that global population is rising, placing increasing pressure on essential natural resources such as land and energy. This makes it imperative for us to find ways of using these resources more efficiently. This need for more environmentally and socially sustainable development has become a key agenda for governments, NGOs, businesses and CeMAP. Since we now hold the presidency of the ASEAN Federation of Cement Manufacturers (AFCM), we are also focusing on sustainable development as a main thrust of the programs of the ASEAN cement industry in the next two years.

Cement is an important material in the construction of the infrastructure needed to support that development. Government reports an increase of 10% in private construction and a notable 31% increase in public construction in 2007, a trend which we hope continues in 2008. The increased construction activity in 2007 gave the cement industry the long awaited rebound from a flat demand from 2000 to 2006, which had an annual average of 12.0 million tons. In 2007, cement demand increased by 11.1 percent, from 11.7 million tons in 2006 to 13.0 million tons in 2007.

Total operational (dry process) industry kiln capacity is 18.8 million tons per year. The domestic consumption of cement (domestic sales plus imports) for the year 2007 was 13.011 million tons. This is equivalent to 11.059 million tons of clinker (assumed at 85% of cement volume). Therefore, domestic demand in 2007 was only 57.8 per cent of our cement industry capacity. Imports increased by 24 per cent from 243,695 tons in 2006 to 302,003 tons in 2007, while exports decreased by 51 % from 724,551 tons in 2006 to 356,571 tons in 2007

We look forward to an exciting and productive year ahead for a cement industry that champions sustainable development.



ERNESTO M. ORDÓÑEZ
President

CONTENTS

□ Message from the President	1
□ Directory of CeMAP Members.....	3-6
Holcim Philippines, Inc.	3
Solid Cement Corporation/Apo Cement Corporation.....	3
Republic Cement Corporation	4
Iligan Cement/Mindanao Portland Cement Corporation	5
Taiheiyo Cement Philippines Inc.	5
Pacific Cement Philippines Inc.	6
Northern Cement Corporation.....	6
□ Tables and Figures.....	7-11
Table 1. Number of Plants and Capacity as of 2007	7
Figure 1. Pie Chart Capacity by Kiln Type as of 2007	7
Table 2. Production, Sales and Consumption (1997 to 2007)	7
Table 3. Production by Region	8
Figure 2. Stacked Bar Chart Cement Sales by Type.....	8
Table 4. Cement Sales by Type (2001 to 2007)	8
Figure 3 Stacked Bar Chart Cement Imports.....	9
Table 5. Cement Imports (1997 to 2007)	9
Figure 4. Stacked Bar Chart Cement Exports	10
Table 6. Cement Exports (1997 to 2007)	10
Figure 5. Line Chart Public vs Private Construction Growth Rate.....	11
Table 7. Annual Growth Rates of Construction (2002 to 2006)	11
Table 8. Gross Value of Construction Investments (2001 to 2007)	11

CEMAP MEMBERS DIRECTORY

Holcim Philippines, Inc.

Office Address: L3 PHINMA Plaza 39 Plaza Drive,
Rockwell Center, Makati City 1211
Philippines

Telephone No.: +63 2 898 1980

Fax No.: +63 2 870 0300

Website: <http://www.holcim.com/ph>

E-mail Address: Sherryl.Yao@holcim.com

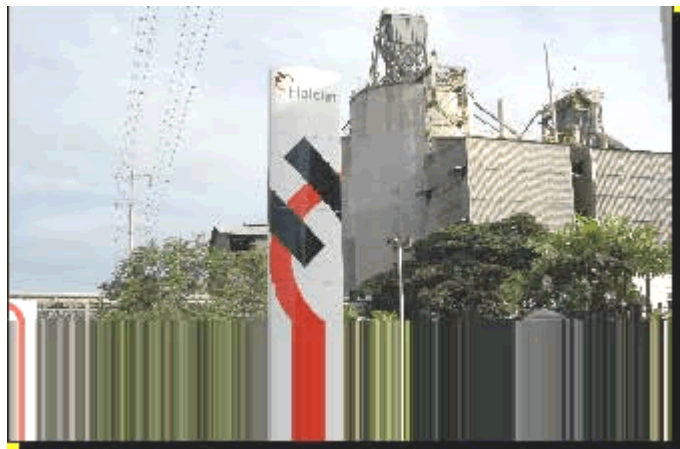
Contact Person: Sherryl Yao
Corporate Communication Officer

Plant Address:

- ♦ La Union Plant
Quirino, Bacnotan, La Union
- ♦ Bulacan Plant
Matictic, Norzagaray, Bulacan
- ♦ Lugait Plant
Lugait, Misamis Oriental
- ♦ Davao Plant
Bo. Ilang, Davao City

Products:

<u>Brand</u>	<u>Type</u>
♦ Holcim Premium Bulk	Type I
♦ Holcim Duracem	Type P
♦ Holcim Excel	Type 1P
♦ Holcim Wallright	Masonry



Holcim Philippines' cement plant in Barrio Ilang, Davao City has received international certifications, including ISO 9001, ISO 14001, and OHSAS 18001. Its three other plants in Bacnotan, La Union; Norzagaray, Bulacan; and Lugait, Misamis Oriental are internationally-certified as well, for Quality Management Systems, Environment Management Systems, and Occupational Health and Safety Management Systems.

Solid Cement Corporation

Office Address: 24th Floor, Petron Mega Plaza Sen.
Gil Puyat Ave., Makati City,
Philippines

Plant Locations : Antipolo City, Rizal
Binangonan, Rizal

Apo Cement Corporation

Office Address: APO Cement Plant Compound,
Tina-an, Naga City, Cebu

Telephone Nos. : +(63 2) 849-3600; 849-3700

Fax Nos.: +(63 2) 849-3619; 849-3679

Website: www.cemexphilippines.com

E-mails: darwin.mariano@cemex.com
cemexphilippines@cemex.com

Contact Person: Darwin Mariano
Public Affairs Director

Products:

<u>Brand</u>	<u>Type</u>
♦ Island	Type 1
♦ Apo	Type 1
♦ Rizal	Type 1P
♦ Apo Premium	Type 1P
♦ Apo Pozzolan	Type P
♦ Palitada King	Masonry



Apo Cement Plant



Solid Cement Plant

Cemex Philippines' APO cement plant in Naga, Cebu has received international certifications, including ISO 9002, ISO 14001, and OHSAS 180001. Its Solid Cement plant in Antipolo City is internationally-certified, as well, for Quality Management Systems, Environment Management Systems, and Occupational Health and Safety Assessment.

Republic Cement Corporation

Office Address: 25th Floor, Salcedo Tower, 169 H. V. Dela Costa Street, Salcedo Village, Makati City, Philippines

Telephone No.: +(63 2) 819-5506

Fax No.: +(63 2) 815-2668

Website: www.lafargecimento.com

Contact Person: Myle Macalam

E-mail: myle.macalam@ph.lafarge.com

Plant Addresses:

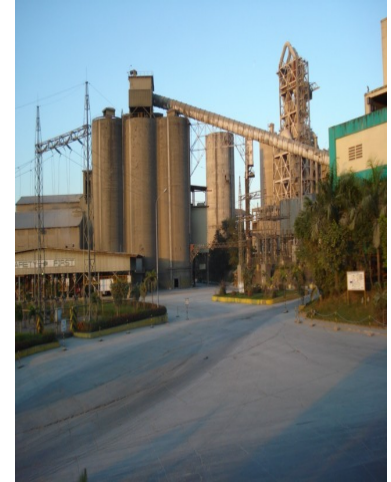
- Bulacan Plant
Barrio Minuyan, Norzagaray, Bulacan
- Norzagaray Plant
Barrio Bigte, Norzagaray, Bulacan
- Batangas Plant
Mapulo, Taysan, Batangas
- Teresa Plant
Barangay Dalumbayan, Teresa, Rizal

Products:

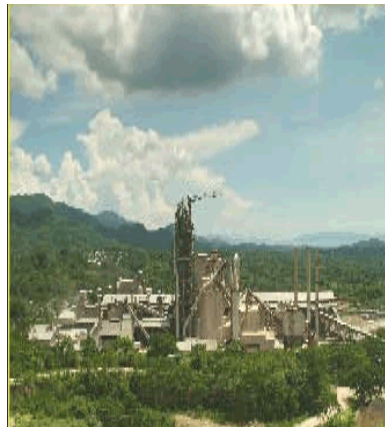
- | <u>Brand</u> | <u>Type</u> |
|--------------------------|---------------|
| • Republic | Type I, II, P |
| • Republic Portland Plus | Type IP |
| • Fortune Rapidset | Type I |
| • Fortune Portland Plus | Type IP |



Bulacan Plant



Norzagaray Plant



Batangas Plant



Teresa Plant

Republic's plants are all ISO and OHSAS certified.

Iligan Cement Corporation/ Mindanao Portland Cement Corporation

Office Address: 25th Floor, Salcedo Tower, 169 H. V.
Dela Costa Street, Salcedo Village,
Makati City, Philippines

Telephone No.: +(63 2) 819-5506 to 15

Fax No.: +(63 2) 815-2665

Website: www.lafargeamento.com

Contact Person: Myle Macalam

E-mail: myle.macalam@ph.lafarge.com

Plant Address:

- ♦ Barrio Kiwalan, Iligan City.

Products:

<u>Brand</u>	<u>Type</u>
♦ Mindanao	Type I
♦ Mindanao Portland Plus	Type IP
♦ Mindanao Pozzolan Premium	Type P



Iligan Cement plant has received international certifications ISO 9001, ISO 9002, ISO 14001, and OHSAS 180001.

Taiheiyo Cement Philippines, Inc.

Office Address: 6th Floor, Insular Life Building,
Gorordo corner Gen. Maxilom
Avenues, Cebu City
6000 Philippines

Telephone No.: +(63 32) 231-5333

Fax No.: +(63 32) 231-4825

Website: www.taiheiyophil.com.ph

E-mail: s_alvarez@taiheiyophil.com.ph

Contact Person: George L. Uy
Marketing Senior Manager

Plant Address:

- ♦ Taiheiyo Cement Plant, San Fernando, Cebu

Products:

<u>Brand</u>	<u>Type</u>
♦ New Grand Portland	Type I
♦ New Grand Pozzolan	Type P



Taiheiyo Cement Philippines, Inc.'s plant in San Fernando, Cebu has received international certifications, including ISO 9001, ISO 14001, and OHSAS 180001

Pacific Cement Philippines, Inc.

Office Address: 4th Floor BMMC Building, 143 Dela Rosa corner Adelantado Sts., Legazpi Village, Makati City 1229, Philippines
Telephone No.: +(63 2) 887-1111; 887-1118
Fax No.: +(63 2) 887-1119
Website: www.pacemco.com
E-mail: pacemco@pltdsl.net
lasantos@pacemco.com
Contact Person: Jose Ramon V. Cortes
Chairman and CEO

Plant Address:

- ◆ Pacific Cement Plant, Km. 11, Surigao del Norte, Philippines

Products:

- | <u>Brand</u> | <u>Type</u> |
|-------------------------------|-------------|
| ◆ Pacific Extra Super | Type 1 |
| ◆ Pacific Pozzolan | Type P |
| ◆ Pacific Super Portland Plus | Type 1P |



Pacific Cement plant has received international certifications ISO 9001:2001 and ISO 14001:2004.

Northern Cement Corporation

Office Address: 5th Floor, ECJ Building, Real corner Arzobispo Sts. Intramuros, Manila City, Philippines
Telephone Nos.: +(63 2) 527-8281; 527-1924
Fax Nos.: +(63 2) 527-3931; 527-5422
E-mail: risebastian@ncc.com.ph
Contact Person: Richard Sebastian
Vice-President for Marketing

Plant Address:

- ◆ Northern Cement Plant, Barrio Labayug, Sison, Pangasinan

Products:

- | <u>Brand</u> | <u>Type</u> |
|--------------|-------------|
| ◆ Northern | Type I |



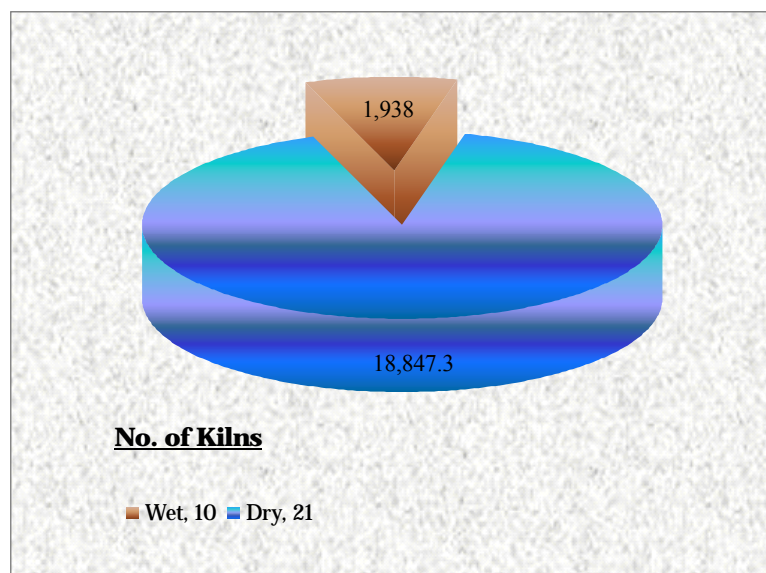
Northern Cement has received international certifications ISO 9002:1994, ISO 9001:2000, ISO 14001:2004 and OHSAS 18001:1999

Table 1. Number of Plants and Capacity as of 2007

Company	Number of Integrated Plants	Installed Kiln Capacity (million tons)
Republic Cement Corporation	4	4.30
Iligan Cement Corporation	1	0.500
Mindanao Cement Corporation	1	0.500
Holcim	4	7.238
Apo Cement Corporation	1	2.792
Solid Cement Corporation	1	2.102
Antipolo City Plant		
Rizal Cement Plant in Binangonan, Rizal	1	0.388
Taiheiyo Cement Philippines	1	0.840
Northern Cement Corporation	1	0.960
Pacific Cement Philippines, Inc.	1	0.270
Goodfound Cement *	1	0.350
TOTAL	17	21.04

* Non-CeMAP member

Figure 2. Capacity by Kiln Type as Of 2007



Note: Only Dry Process Kilns are operational

Table 2. Production, Sales, and Consumption

Year	Production	Sales	Consumption
1997	14,681	14,536	14,888
1998	12,888	12,800	12,894
1999	12,557	12,560	12,344
2000	11,959	11,821	12,057
2001	11,378	11,345	11,714
2002	13,397	13,298	12,601
2003	13,067	13,090	12,120
2004	13,057	12,991	12,184
2005	12,368	12,532	11,585
2006	12,033	12,195	11,714
2007	13,048	13,066	13,011

Sales: Domestic Sales plus Exports
 Consumption: Domestic Sales plus Imports

Figure 2. Cement Consumption by Type

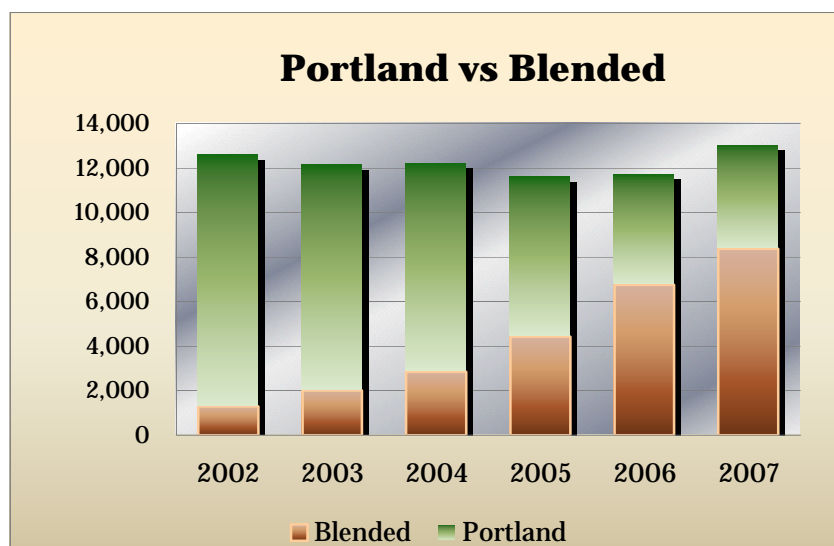


Table 3. 2007 Production by Region (in Thousand Tons)

Region	Production	
	Clinker	Cement
NCR	-	-
I	1,615	1,669
II	-	-
III	2,837	3,367
IV	2,533	3,051
V	-	-
VI	-	-
VII	2,516	2,099
VIII	-	-
IX	-	-
X	2,193	1,717
XI	652	905
XII	-	-
ARMM	-	-
CARAGA	177	240
TOTAL	12,523	13,048

Table 4. Cement Consumption by Type, per year from 2002-2006 (in Thousand tons)

Cement Type		2002	2003	2004	2005	2006	2007
Portland	Type 1	11,312	10,109	9,348	7,161	4,951	4,659
	Others	-	-	-	-	-	-
	Sub-Total	11,312	10,109	9,348	7,161	4,951	4,659
Blended Cement	Type P	1,289	2,011	950	697	694	811
	Type 1P	-	-	1,544	3,154	5,153	7,202
	Type S	-	-	342	400	691	184
	Masonry	-	-	-	173	225	155
	Sub-Total	1,289	2,011	2,836	4,424	6,763	8,352
TOTAL		12,601	12,120	12,184	11,585	11,714	13,011

Figure 3. Total Imports, 1998-2007 (in Metric Tons)

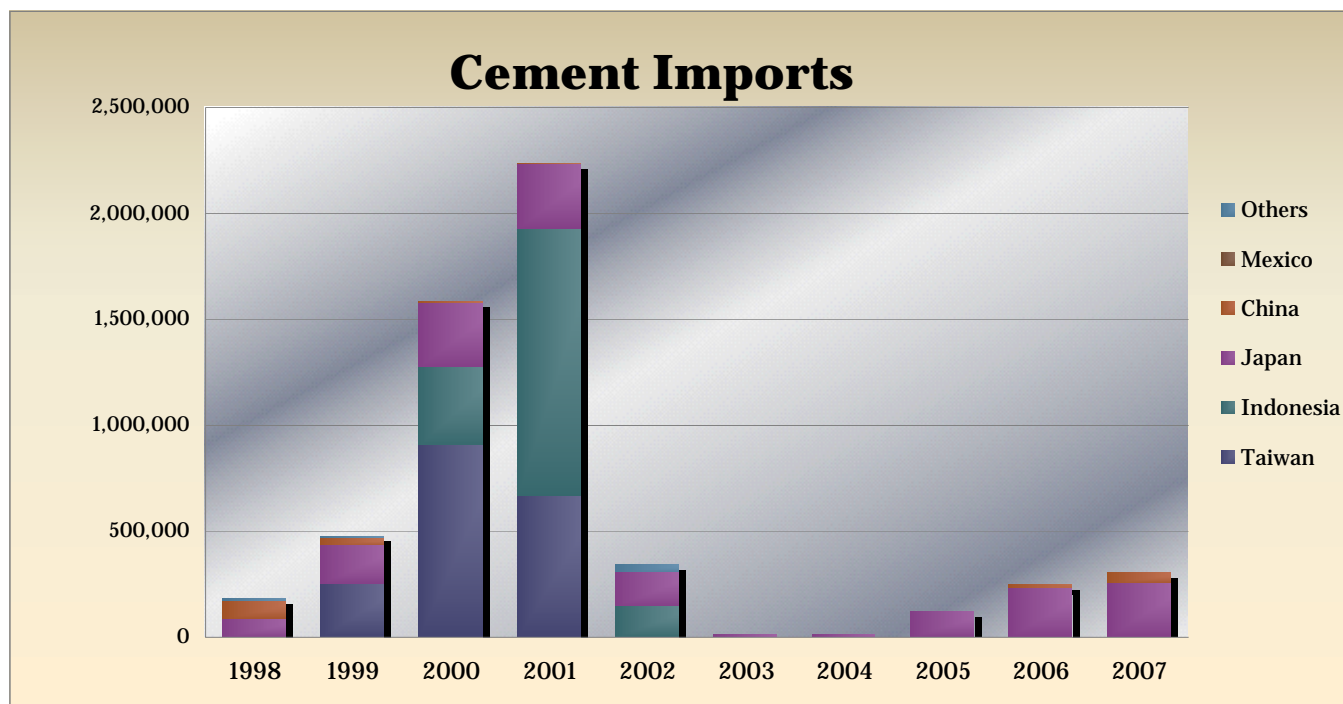


Table 5. Imports, 1998-2007 (in Metric Tons)

Origin	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Taiwan	-	247,580	901,590	662,200	-	-	-	-	-	-
Indonesia	-	-	369,437	1,260,080	144,000	-	-	-	-	-
Japan	81,263	184,850	302,600	305,900	161,600	9,700	12,705	116,302	230,750	254,800
China	88,272	33,400	5,400	5,000	-	-	-	-	12,945	47,203
Mexico	-	-	-	-	-	-	-	-	-	-
Others (6)	10,636	8,600	-	-	32,000	-	-	-	-	-
TOTAL	181,171	474,430	1,579,027	2,233,180	337,600	9,700	12,705	116,302	243,695	302,003

Figure 4. Total Exports, 1997-2006 (in Metric Tons)

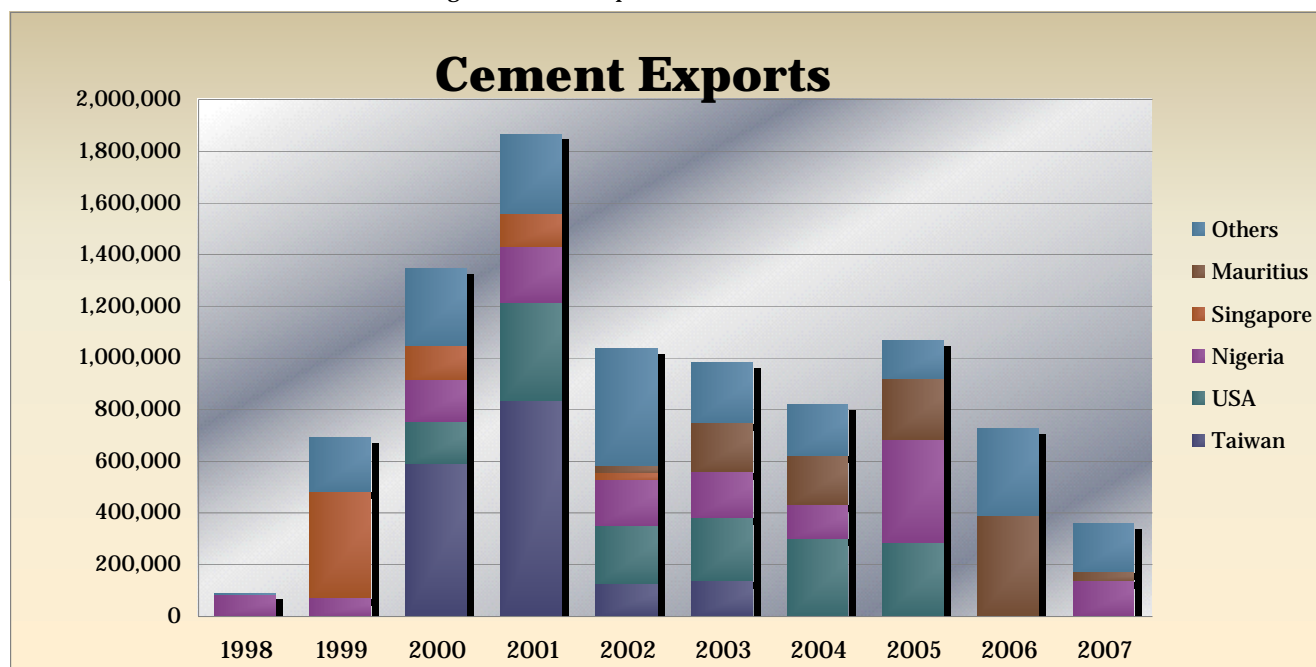


Table 6. Exports, 1997-2006 (in Metric Tons)

Origin	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Taiwan	-	-	587,474	830,048	122,946	134,031	-	-	-	-
USA	-	-	160,963	379,769	226,064	244,800	295,976	281,586	-	-
Nigeria	82,454	66,175	164,876	215,287	176,000	174,928	133,344	387,188	-	133,817
Singapore	-	414,582	131,915	129,902	27,000	-	-	-	-	-
Mauritius	-	-	-	-	27,500	190,772	189,045	236,074	385,187	35,559
Others (6)	3,398	210,598	297,704	308,981	455,131	235,902	201,209	149,136	339,364	187,195
TOTAL	85,862	691,355	1,342,932	1,863,987	1,034,641	980,433	819,574	1,053,984	724,551	356,571

Figure 5. Growth Rates: Public versus Private Construction

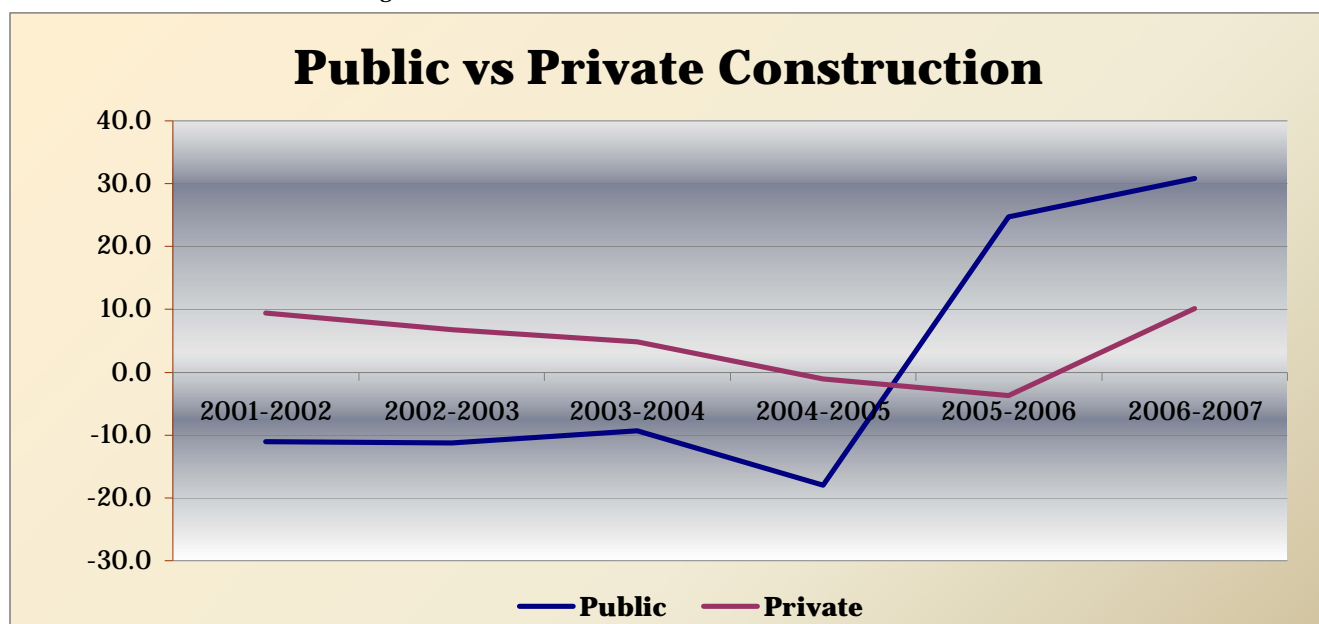


Table 7. Annual Growth Rates of Construction Investments

Industry Group	2001 - 2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007
Public	-11.0%	-11.3%	-9.3%	-18.0%	24.7%	30.8%
Private	9.4%	6.8%	4.8%	-1.1%	-3.7%	10.16%

Table 8. Gross Value of Construction (Construction Investments)
(in Million Pesos at Constant 1985 Prices)

Industry/ Industry Group	2001	2002	2003	2004	2005	2006	2007
Public	48,132	42,859	38,016	34,498	28,274	35,262	46,129
Private	48,887	53,478	57,138	59,904	59,227	57,046	62,840
Gross Value	97,019	96,337	95,154	94,402	87,501	92,308	108,969

Source: National Statistical Coordination Board (NCSB)

Our Vision

To be an organization which will help make the cement industry a growing and competitive model for investment and partner in nation building

Our Mission

To promote the cement industry as a key partner in contributing to infrastructure development and economic growth.

- To be an effective advocate for all members of the Philippine cement industry;
- To be an effective organization for the management of strategic issues affecting the cement industry;
- To lay the foundation for stronger, more stable relationships among all stakeholders of the Philippine cement industry

Goals

To make the cement industry a leader in the Philippine industry in three areas:

- World Class, Environment-friendly Technology.
- Management Systems
- Corporate Social Responsibility

CeMAP Office

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Telefax Nos.: +(63 2) 671-7585, 671-75-86

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Website: www.cemap.org.ph



Board of Directors 2007

- Chairman: Renato C. Sunico
 President: Ernesto M. Ordoñez
 Corporate Secretary: Jannette V. Sevilla
 Treasurer: Magdaleno B. Albarracin
 Board Members: Robert F. Malilin
 Toshio Komatsu
 Samir Cairae
 Jaime Ruiz de Haro
 Cirilo Pestaño
 Ian Thackwray
 Eduardo Sahagun
 Maria Grace de Jesus

Cemap Committees

Committees	Chairperson
Core Group:	Ernesto Ordonez
Growth:	Myle Macalam
Sustainable Development:	Rosario Chan
Technical Standards:	Hernani Pasion
External Relations:	Erlinda Lizardo
Planning and Information:	Enrico Bautista