



CeMAP

CEMENT MANUFACTURERS'S ASSOCIATION OF THE PHILIPPINES



2008 Industry Report

PRESIDENT'S MESSAGE



A country's steadfast commitment to infrastructure development is a sure and strong foundation for a sustainable future. Thus, the country's cement industry, which supplies a major component to the construction sector, plays a key role not only in infrastructure development but, also, in national development.

However, there is a sobering fact that stares us in the face as we look at 2008 figures, we note a general growth deceleration in both public and private construction activities. For example, the -0.4% growth in public construction and, similarly, the 8.2% hike in private construction in 2008 were lower than those of 2007. This slowdown in construction activity in 2008 explains the slide of demand for cement – from 11.1% demand growth in 2007 to a lackluster 1.6% demand in 2008.

Such low demand showed that the industry's capacity was under utilized in 2008. The 13.2 million tons in cement demand utilized only 57.4% of kiln capacity rated at 19.5 million tons (dry process) per year. If fully utilized, this kiln capacity can produce the equivalent of 23.0 million tons of cement.

Imports decreased by 62% -- from 302,003 tons in 2007 to 113,301 tons in 2007. On the other hand, exports increased by 54% -- up from 356,571 tons in 2007 to 548,254 tons in 2008.

On a qualitative basis, the year of 2008 focused on the industry's mission of "promoting the cement industry as a key partner in contributing to infrastructure development and economic growth." The Cement Manufacturers Association of the Philippines (CeMAP) initiated the adoption by the Federation of Philippine Industries (FPI) of a "**Commitment to Sustainable Development**" embodying the member-companies' shared concerns for environment protection, social welfare and poverty alleviation.

A sustainable future cannot be achieved by a single industry acting in isolation from other industry actors. It is only when industries work together with other environment stakeholders that we can achieve the sustainable future we want as a nation. We were successful in rallying the members of the FPI -- 36 industry associations and 43 corporate members -- to commit themselves to undertake initiatives for sustainable development. They signed a joint declaration -- which CeMAP initiated -- committing themselves to the following areas of concern:

1. Corporate Social Responsibility (CSR) projects to uplift the well being of communities where FPI members are located.
2. Waste and Emissions Management
3. Use of Alternative Raw Materials, Recycling of Wastes, Prudent use of Fuel, Water and Other Resources
4. Health and Safety

As the President of the ASEAN Federation of Cement Manufacturers (AFCM) and the Chairman of the Asian Cement Producers Amity Club (ACPAC) in 2008, I have also enjoined our partners in the ASEAN and Asian cement industry to focus on sustainable development projects.

The year 2009, marked by the global financial crisis, saw us at CEMAP rallying our local industries, as well as our ASEAN and Asian counterparts, to guard against the deterioration of our markets caused by undervalued and substandard imports. We called on local and international businessmen to continue to exercise fair trade and implement judicious and ethical transactions in the interest of a sustainable future for all.

In these times of crisis, we and the core committee of the Federation of Philippine Industries are uniting with the Philippine Chinese Chamber of Industries in the "Buy Pinoy – Buy Local" campaign where CeMAP is included in the Steering Committee.

More than ever, we need to join hands in these critical times. We call on the government, the business sector, the non-government organizations, and the consuming public to support our BUY LOCAL – BUY PINOY CAMPAIGN as we look forward to a sustainable tomorrow.



ERNESTO M. ORDÓÑEZ

President

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CEMAP MEMBERS DIRECTORY

CEMEX PHILIPPINES GROUP OF COMPANIES

Solid Cement Corporation

Office Address: 8th 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

Contact Person: Ms. Erlinda Lizardo
Public Relations Manager

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

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

Website: www.cemex.com.ph

E-mails: erlinda.lizardo@cemex.com
cemexphilippines@cemex.com

Products

Brand	Type
• Island	Type 1
• Apo	Type 1
• Rizal	Type 1P
• Apo Premium	Type 1P
• Apo Pozzolan	Type P
• Palitada King	Masonry



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.

Holcim Philippines, Inc.

Office Address: 7th Floor, Two World Square
Mckinley Hill, Fort Bonifacio
Taguig City

Contact Person: Ma. Socorro Prado
Vice President – Corporate Communications

Telephone No.: +63 2 459 3333

Fax No.: +63 2 459 3444

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

E-mail Address: masocorro.prado@holcim.com



Holcim Philippines, Inc.

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 has 4 cement plants from Northern Luzon to Southern Mindanao, all of which have received international certifications including ISO 9001, ISO 14001, and OHSAS 18001. The company also operates 2 concrete plants in NCR

LAFARGE CEMENT SERVICES PHILIPPINES COMPANIES

Republic Cement Corp.-Bulacan Plant

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

Contact Person: Cirilo Pestaño
Vice President -Corporate Communications

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

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

Website: www.lafargesemento.com

E-mail: cirilo.pestano@ph.lafarge.com

Plant Address:

- Barrio Minuyan, Norzagaray, Bulacan

Products:

<u>Brand</u>	<u>Type</u>
• Republic	Type I (bag & bulk)
• Republic Portland Plus	Type IP
• Republic	Type P
• Republic	Type II



RCC Bulacan Plant has received international certifications. QMS: ISO 9001: 2000, EMS: ISO 14001: 2004, HSMS: OSHAS 18001: 2007

Republic Cement Corp.–Batangas Plant

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

Contact Person: Cirilo Pestaño
Vice President -Corporate Communications

Telephone No.: +(63 2) 819-5506 to 15
Fax No.: +(63 2) 815-2665
Website: www.lafargesemento.com
E-mail: cirilo.pestano@ph.lafarge.com

Plant Address:

- Bulacan Plant
Barrio Minuyan, Norzagaray, Bulacan
- Batangas Plant
Mapulo, Taysan, Batangas

Products:

- | Brand | Type |
|-----------------|---------------------|
| • Fortune | Type I (bag & bulk) |
| • Portland Plus | Type 1P |



RCC Batangas Plant has received international certifications. QMS: ISO 9001: 2000, EMS: ISO 14001: 2004, HSMS: OSHAS 18001: 2007

Republic Cement Corp. – Teresa Plant

Office Address: Barangay Dulumbayan, Teresa, Rizal

Contact Person: Cirilo Pestaño
Vice President -Corporate Communications

Telephone No.: +(63 2) 819-5506
Fax No.: +(63 2) 815-2668
Website: www.lafargesemento.com
E-mail: cirilo.pestano@ph.lafarge.com

Plant Address:

Barangay Dulumbayan, Teresa, Rizal

Products:

- | Brand | Type |
|------------------------|---------------|
| Republic Portland Plus | Type IP |
| Dragon | Type 1 (bulk) |



RCC Teresa Plant has received international certifications. QMS: ISO 9001: 2000, EMS: ISO 14001: 2004, HSMS: OSHAS 18001: 2007

Iligan Cement Corporation/ Mindanao Portland Cement Corporation

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

Contact Person: Cirilo Pestaño
Vice President -Corporate Communications

Telephone No.: +(63 2) 819-5506 to 15
Fax No.: +(63 2) 815-2665
Website: www.lafargesemento.com
E-mail: cirilo.pestano@ph.lafarge.com

Plant Address:

- Barrio Kiwalan, Iligan City.

Products:

- | Brand | Type |
|-----------------------------|-------------|
| • Mindanao | Type I |
| • Mindanao Portland Plus | Type IP |
| • Mindanao Pozzolan Premium | Type P |



Iligan Cement plant has received international certifications. QMS: ISO 9001: 2000, EMS: ISO 14001: 2004, HSMS: OSHAS 18001: 2007

Lloyds Richfield Industrial Corporation

Office Address: Barrio Dungo-an, Danao City, Cebu,
Philippines

Contact Person: Cirilo Pestaño
Vice President -Corporate Communications

Telephone No.: +(63 2) 819-5506
Fax No.: +(63 2) 815-2668
Website: www.lafargesemento.com
E-mail: cirilo.pestano@ph.lafarge.com

Plant Address:

- Barrio Dungo-an, Danao City, Cebu, Philippines

Products:

- | Brand | Type |
|--------------------------|---------------------|
| • Mindanao | Type I (bag & bulk) |
| • Mindanao Portland Plus | Type IP |
| • Mindanao | Type P |

Cement Manufacturers' Association of the Philippines

Northern Cement Corporation

Office Address: 5th Floor, ECJ Building, Real corner
Arzobispo Sts. Intramuros, Manila City,
Philippines

Contact Person: Richard Sebastian
Vice-President for Marketing

Telephone Nos.: +(63 2) 527-8281; 527-1924

Fax Nos.: +(63 2) 527-3931; 527-5422

E-mail: risebastian@ncc.com.ph

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

Pacific Cement Philippines, Inc.

Office Address: 4th Floor BMMC Building, 143 Dela Rosa
corner Adelantado Sts., Legazpi Village,
Makati City 1229, Philippines

Contact Person: Jose Ramon V. Cortes
Chairman and CEO

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

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.

Taiheiyo Cement Philippines, Inc.

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

Contact Person: Mr. Nilo Yap
Environment and Safety Dept.
Senior Manager

Telephone No.: +(63 32) 231-5333
Fax No.: +(63 32) 231-4825
Website: www.taiheiyophil.com.ph
E-mail: s_alvarez@taiheiyophil.com.ph
nryap@taiheiyophil.com.ph

Plant Address:

- Taiheiyo Cement Philippines Inc.,
South Poblacion, San Fernando
6018 Cebu

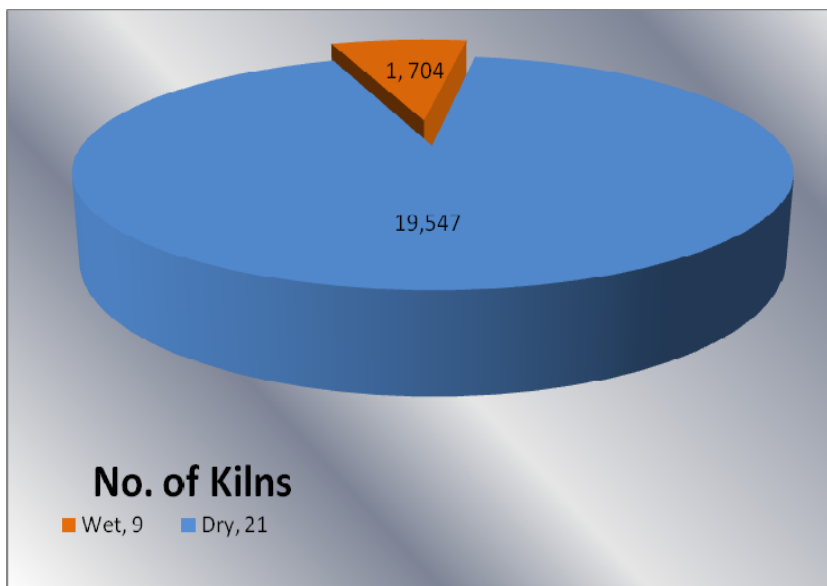
Products:

<u>Brand</u>	<u>Type</u>
• New Grand Portland	Type 1
• Grand Premium	Type 1P
• 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 18001

Figure 1 . Capacity by Kiln Type as Of 2008



Note: Only Dry Process Kilns are operational

Table 1. Production, Sales, and Consumption ('000 MT)

Year	Production	Sales	Consumption
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
2008	13,369	13,104	13,217

Sales: Domestic Sales plus Exports
 Consumption: Domestic Sales plus Imports
 Figure 3. Total Imports, 1998-2008 (in Metric Tons)

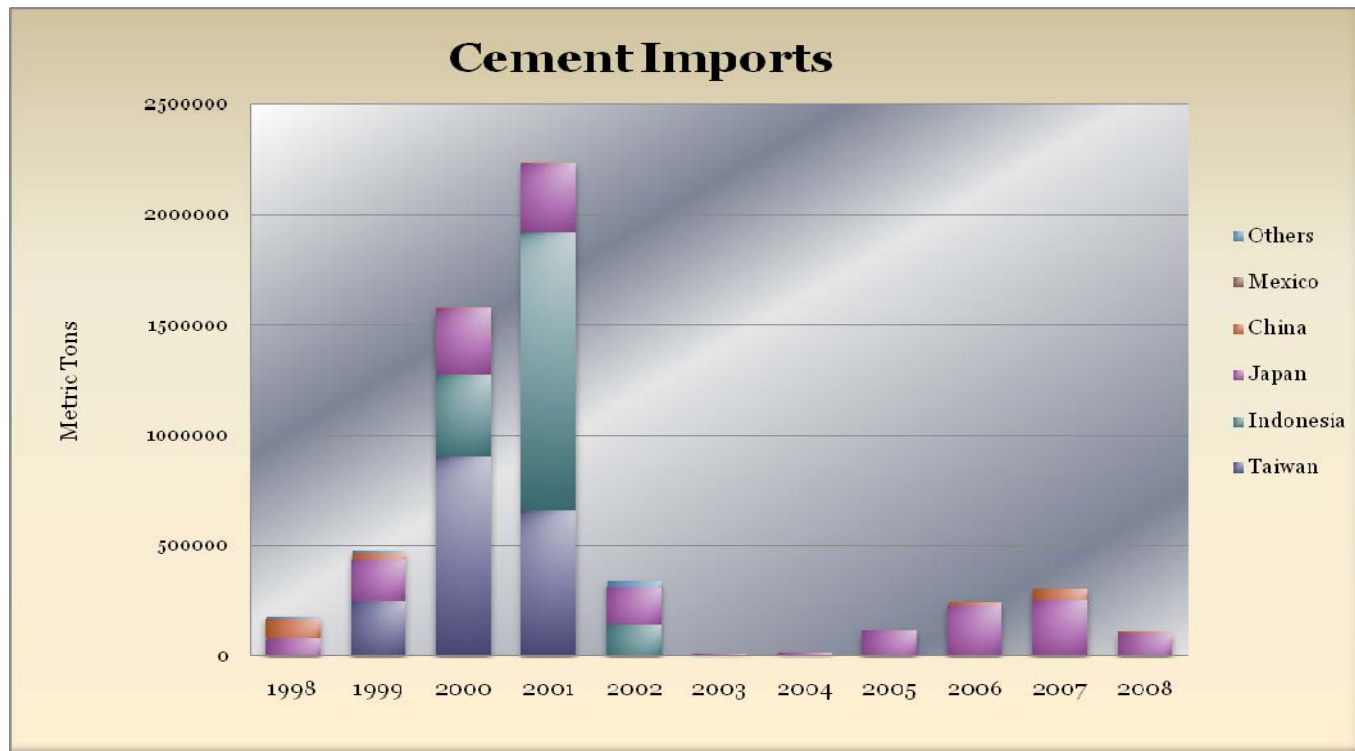


Table 5. Imports, 1998-2008 (in Metric Tons)

Origin	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
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	99,000
China	88,272	33,400	5,400	5,000	-	-	-	-	12,945	47,203	14,301
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	113,301

Figure 4. Total Exports, 1998-2008 (in Metric Tons)

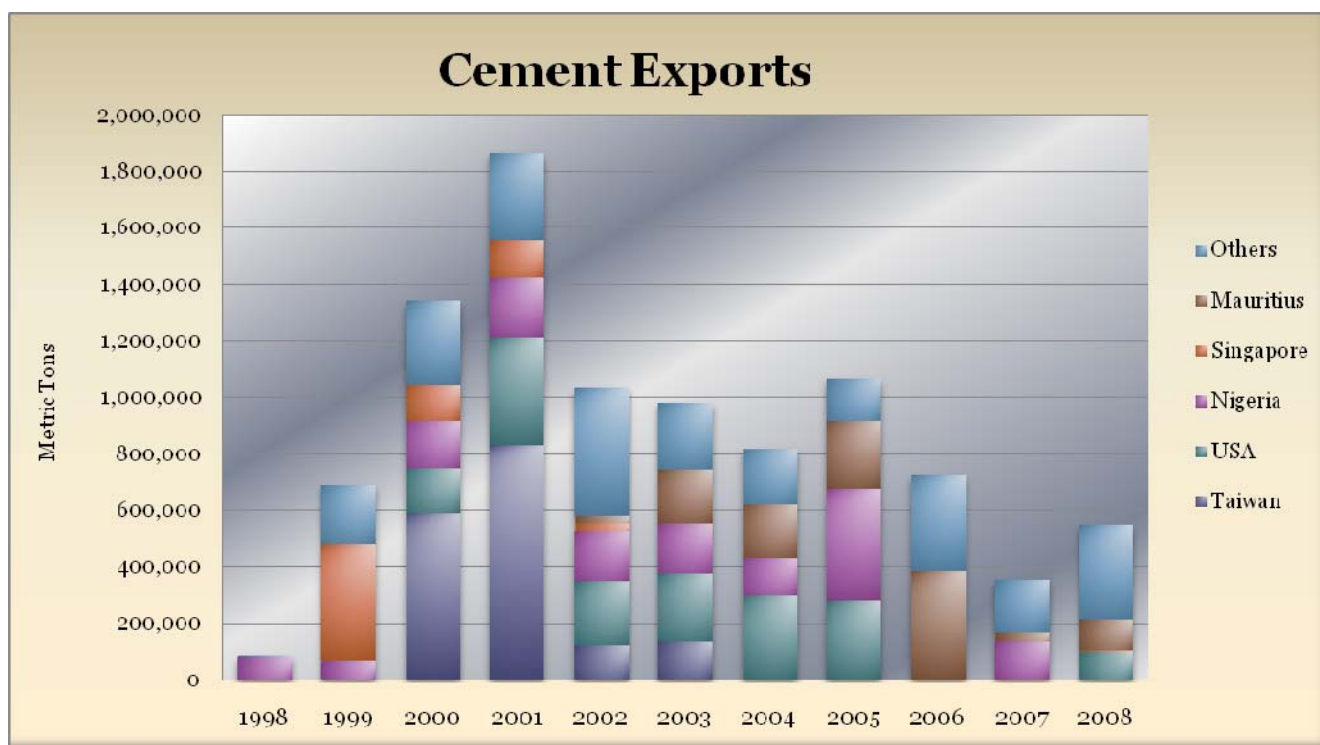


Table 6. Exports, 1998-2008 (in Metric Tons)

Origin	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Taiwan	-	-	587,474	830,048	122,946	134,031	-	-	-	-	-
USA	-	-	160,963	379,769	226,064	244,800	295,976	281,586	-	-	100,956
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	-	-	-	-	-	1,208
Mauritius	-	-	-	-	27,500	190,772	189,045	236,074	385,187	35,559	113,111
Others (6)	3,398	210,598	297,704	308,981	455,131	235,902	201,209	149,136	339,364	187,195	332,979
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	548,254

Figure 5. Growth Rates: Public versus Private Construction

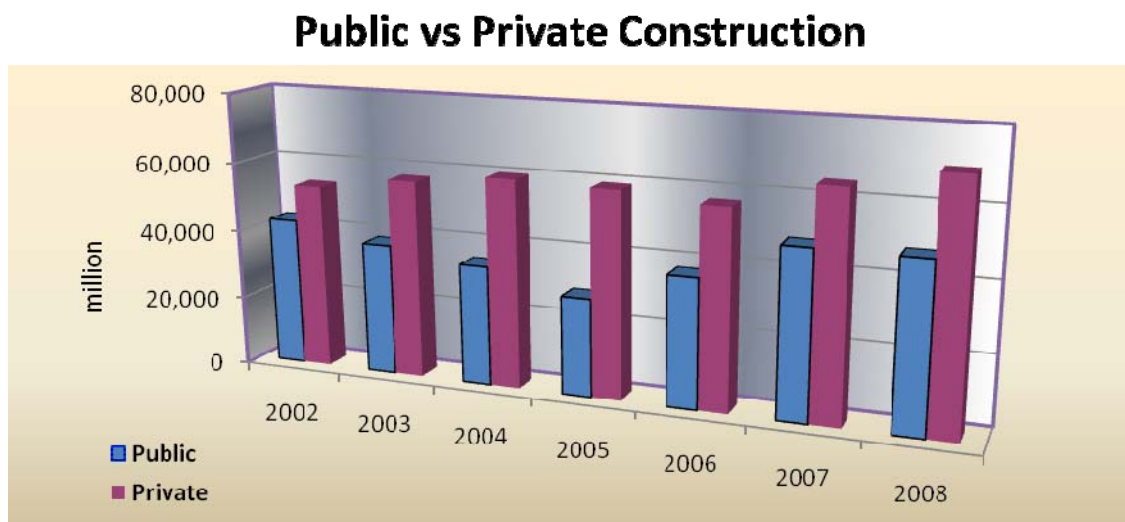


Table 7. Gross Value of Construction
(in Million Pesos at Constant 1985 Prices)

Industry/ Industry Group	2001	2002	2003	2004	2005	2006	2007	2008
Public	48,132	42,859	38,016	34,498	28,274	37,141	47,978	47,796
Private	48,887	53,478	57,138	59,904	59,227	57,047	64,442	69,755
Gross Value	97,019	96,337	95,154	94,402	87,501	94,188	112,420	117,551

Table 8. Annual Growth Rates of Construction

Industry Group	2002	2003	2004	2005	2006	2007	2008
Public	-11.0%	-11.3%	-9.3%	-18.0%	24.7%	29.2%	-0.4%
Private	9.4%	6.8%	4.8%	-1.1%	-3.7%	13.0%	8.2%

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 in addressing industry wide issues;
- 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 four areas:

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

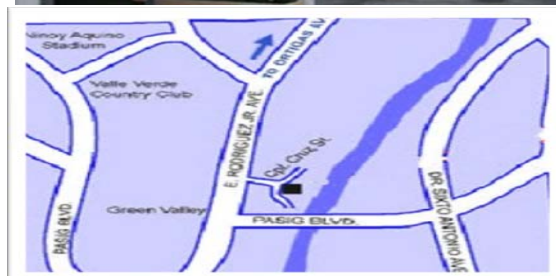
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Cemap Committees

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Public Policy and Legislative Sub-Committee:	Myle Macalam
External Relations Sub-Committee:	Erlinda Lizardo
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