A PAN AFRICAN CEMENT PRODUCER

A PRESENTATION BY

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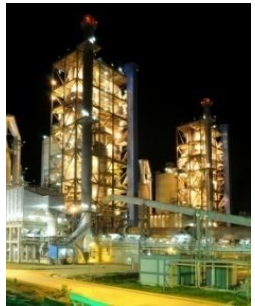

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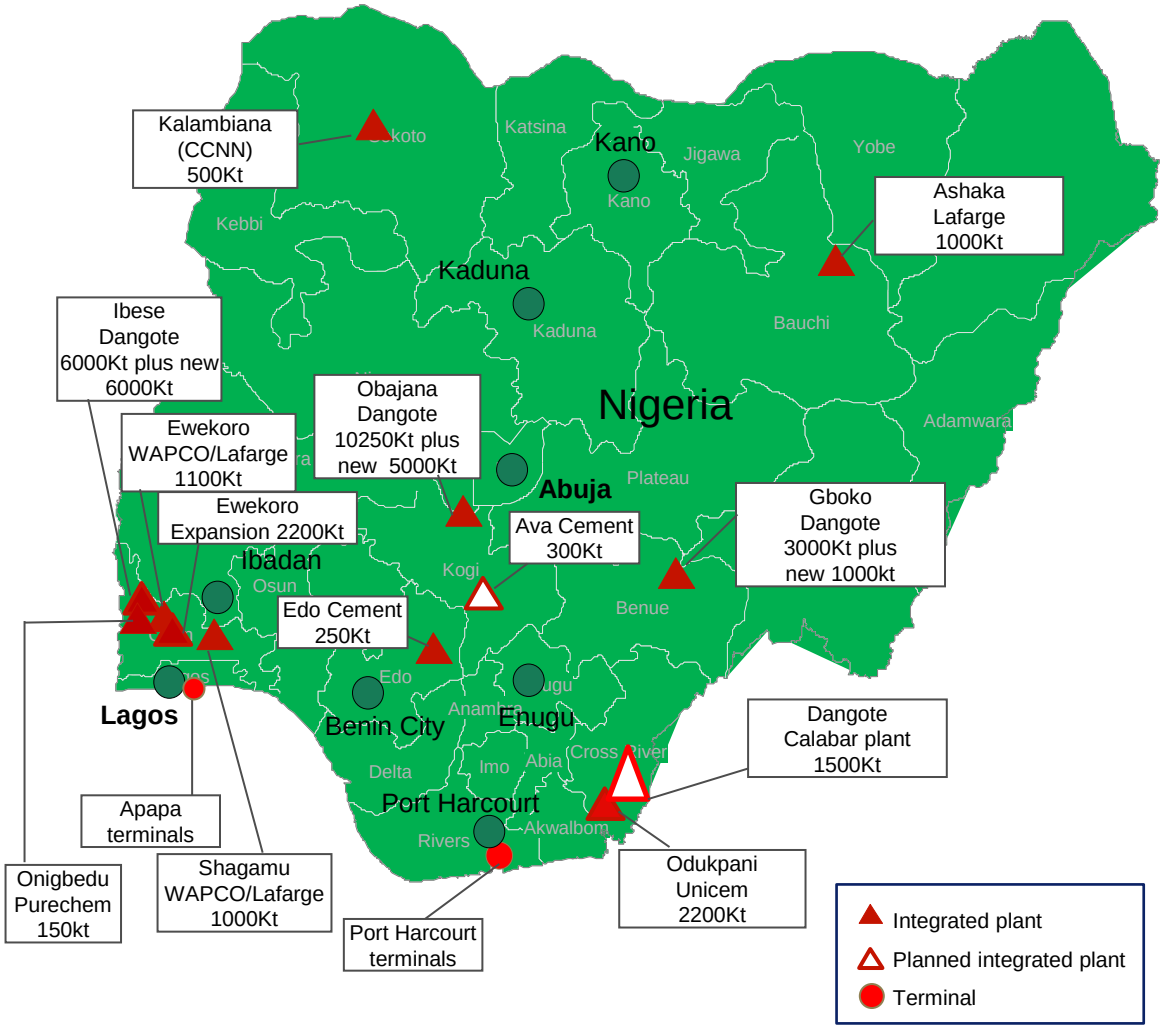
The Cement Industry in Nigeria

Existing Cement Manufacturing Plants and On-going Projects



Plants	Current Capacity 2012	Planned Expansion	Expected Capacity 2015
DC Plc- Obajana	10,250	5,000	15,250
DC Plc- Gboko	3,000	1,000	4,000
DC Plc - Ibese	6,000	6,000	12,000
DC Plc- Calabar	-	1,500	1,500
CCNN	500	-	500
Lafarge Ashaka	1,000	-	1,000
Lafarge WAPCO- Ewekoro I	1,100	-	1,100
Lafarge WAPCO- Ewekoro II	2,200	-	2,200
Lafarge WASPCO -Shagamu	1,000	-	1,000
UNICEM	2,200	-	2,200
Edo Cement Ukpilla	250	-	250
Purchem	150	-	150
AVA	-	300	300
T O T A L	**27,650**	**13,800**	**41,450**

Notes:

1. All figures are stated in Kt
2. Source: DC Plc in-house data and CMAN

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Industry Goals/Projections

Fully meet National Demand

- As at 1st January 2012 Nigeria achieved self sufficiency in cement production
- Projected local production – over 27,000kt
- Demand Forecast – approx. 20,500kt (2012)
- Excess Cement – 7,500kt

Net Cement Exporting Nation by Q1 - 2012

- Nigeria has a comparative advantage in cement production (and should be a net exporter of cement by Q1 - 2012)
- Projected local production – about 36,000kt
- Demand Forecast – approx. 24,300 kt

Be a Recognized Nation in the Global Cement Market – Post 2012

(in much the same way as Nigeria is a recognized oil & gas exporter)

DANGOTE CEMENT *will play a major role in actualizing the above goals*

Dangote Cement

The Company

- A subsidiary of DANGOTE INDUSTRIES LTD– one of the largest conglomerates in Africa with a highly diversified product portfolio

Domestic (Nigeria) Cement Portfolio

Operational

- Three cement producing plants at Obajana (10,250kt), Ibese (6,000kt) and Gboko (3,000kt)
- Cement Terminals at Tin Can, Apapa, Abule Oshun, Onne and Port Harcourt with a combined capacity of 9,000kt
- We plan to close all cement terminals by the end of Q1-2012

On-going/Planned

- Ibese/Shagamu (6,000kt green field plant); Obajana (5,000kt expansion project); Gboko (1,000kt expansion project); Calabar (1,500kt green field plant)

…… *now looking beyond Nigeria*

Pan African Cement Projects

Project Location	Capacity (TPA)	Projected Completion
Manufacturing		
Senegal	1,500,000	Q1-2012
Zambia	1,500,000	Q3-2013
Tanzania	1,500,000	Q4-2013
South Africa	3,000,000	Q1-2013
Rep of Congo	1,500,000	Q4-2013
Ethiopia	3,000,000	Q3-2013
Cameroon	1,000,000	Q4-2012
Gabon*	1,500,000	See note below
Benin Rep.**	500,000	see note below
Total (A)	**15,000,000**	
Import Terminal		
Ghana ***	3,000,000	see note below
Sierre Leone	500,000	Q2-2012
Liberia	500,000	Q4-2012
Cote D'Ivoire	1,000,000	Q1-2013
Benin Rep.	500,000	Q4-2013
Togo	500,000	Q4-2013
Guinea (Conakry)	1,000,000	Q4-2013
Total (B)	**7,000,000**	
TOTAL (A+B)	**22,000,000**	

* Subject to agreement with the Govt. of Gabon
** Onigbolo Cement (Benin Rep) is operational

*** One terminal is operational in Ghana while the 2nd terminal will be completed in Q4-2012

- A strong portfolio of developing assets across Sub Saharan Africa (SSA)
- Projects are at different stages of progress and will be completed as indicated between 2012 and 2014

Dangote Cement.....cont'd

Key Drivers for Cross Border Cement Projects

- Diversify risk across geographical boundaries.
- Be the leading cement producer in Africa …….(the next logical step after achieving domestic dominance).
- Capture demand in the large commercial centers with high population and urbanization growth rates (as well as supply deficits for cement)
- Supply land-locked countries which pay a very high price for imported cement

Dangote Cement.....cont'd

Key Drivers for Cross Border Cement Projects.....cont'd

- Per capita cement consumption in sub Saharan Africa (SSA) is quite low – an average of 73kg as against 441kg in North America and 397kg in the BRIC countries

- CAGR (2004-2008) for cement consumption in many African countries has been good – Ethiopia (38%); Tanzania(16%), South Africa(13%) and Sierra Leone (16%). Others like Ghana, Gabon, Senegal, Zambia, Cameroon and Cote d'Ivoire have CAGR ranging between 6%-10%.

- The weight to price ratio makes cement transportation expensive and so production facilities closer to the market makes economic sense

DANGOTE CEMENT

Conclusion

- Dangote Cement Plc is undoubtedly the fastest growing cement company in Africa as it presses on with an impressive expansion drive in spite of the global financial climate.

- The ultimate aim is to become a leading international cement producer

- Our goal is to be ranked amongst the top 8 cement producer in the world by 2014

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Thank you for your attention