



# ASEC CEMENT COMPANY

Q4 – 2008

Message to Shareholders



## **Message to Shareholders**

Dear Shareholders,

2008 has come to an end but our efforts have not. More important results have been achieved in all our operations.

The entire team deserves credit for the consistency of the Company's performance. Their dedication and focus is a key element in our current and future success.

Let me brief you about the progress in all our subsidiaries; all bureaucratic steps for increasing capital were concluded. The increase involved 2 phases worth USD125 million and USD70 million, respectively, putting the total increase at approx. USD 195 million.

In Algeria, a new management team was formed after the resignation of Mr. Amr Hosny and the appointment of Mr. Khaled El Sebayie. The important approval of ANDI was achieved for Djelfa plant. Mobilization for the civil works has started; steel fabrication phase will soon follow and then the final stage of steel erection will take place according to schedule. An official inaugural ceremony was organized to highlight and stress our serious commitment to Algeria.

Regarding Zahana, the rehabilitation tender was approved to be re-launched while starting immediately on improving the plant's working conditions.

In Sudan, the gap between planned and actual schedules is getting closer as per the new reviewed schedule submitted by ARESKO. Concerning the plant's Power Station, work is steadily proceeding for obtaining the concerned regulatory authorities consent.

In Egypt, for economic reasons, advancement on our project in Minya will be slowed down to cope with the global recession while focusing on the core procedures that maintain the license validity.

Steady steps were taken to fully staff ASEC cement with the needed expertise. New Commercial Director is now on board and the CFO will join by beginning of 2009 in addition to a number of hand-picked calibers in the different departments. We believe that their added value will be noticeable and necessary to our Company at this growing stage.

In light of the recent world financial changes, our business plan has been revisited to accommodate such changes. We will focus on Algeria and Sudan projects in the plan's first wave. The second wave shall cover Egypt, Syria and Kurdistan. Finally, Ethiopia is under consideration.

In closing, I would like to thank ASEC Cement's shareholders for their loyalty. I look forward to reporting back to you on future material developments.

**Giorgio Bodo**

**Chief Executive Officer**