

January 10, 2008

## **Taiheiyo Cement Acquires Ready-mixed Concrete and Aggregate Business in the U.S.**

Taiheiyo Cement Corporation announced that California Portland Cement (CPC), a wholly owned subsidiary of Taiheiyo Cement USA Inc., has acquired the business assets of IMIX Group, a Phoenix, Arizona-based producer and seller of ready-mixed concrete and aggregate.

### **Objective**

Arizona has tremendous upside potential for population and economic growth, and demand for ready-mixed concrete and aggregate appears poised to continue rising in and around Phoenix, the state's main population center.

Before the acquisition, CPC operated a cement plant in Rillito and ready-mixed concrete, aggregate and other downstream operations in southeast Arizona, mainly around Tuscon, but none in northern Arizona near Phoenix.

IMIX serves Phoenix and vicinity. Acquiring the IMIX assets gives CPC the capacity to enter the downstream market in the Phoenix area as well as secure a stable customer for cement manufactured at the Rillito plant.

### **Formalities**

CPC has acquired IMIX's business assets and will be using them to further develop its business.

### **Acquired Assets**

Plant: Seven ready-mixed concrete plants (2006 production: 450,000 m<sup>3</sup>)

Quarries: Two aggregate quarries (2006 production: 600,000 tons, most of which used in concrete production).

In fiscal 2006, these assets generated \$55 million in sales and consumed some 130,000 tons of cement.

### **Acquisition details**

Date: December 31, 2007

Price: Confidential