

August 15, 2013

## Media Reports Concerning an Overseas Subsidiary of Taiheiyo Cement

Our overseas subsidiary Jiangnan Onoda Cement Co., Ltd. (based in Jiangsu, China) featured in some media reports today.

The City of Nanjing where Jiangnan Onoda Cement is located has compiled a list of companies that will be affected by its policy to reduce total coal consumption by companies with high energy use as part of its program to combat air pollution. Jiangnan Onoda Cement has confirmed that it is on the list of companies to be closed.

Since opening for business in 1996, Jiangnan Onoda Cement has complied with local environmental standards and operated as a model energy-saving and environmentally sound plant.

Jiangnan Onoda Cement's joint venture agreement runs until 2026. The company is in talks with the competent authorities over its potential contribution to recycling and processing of waste materials that will be generated in the City of Nanjing during this period.

Jiangnan Onoda Cement's production capacity accounts for approximately 3% of the Taiheiyo Cement Group's total production capacity.