



# TAIHEIYO CEMENT NEWS LETTER

9<sup>th</sup> March, 2021

## **Taiheiyo Cement sets up a project team for construction of the new production line at Taiheiyo Cement Philippines starting from 1<sup>st</sup> April.**

Taiheiyo Cement Corporation (Taiheiyo, President and Representative Director, Masafumi Fushihara) has set up a project team for the construction of the new production line at Taiheiyo Cement Philippines, Inc. (TCPI, a subsidiary of Taiheiyo).

Construction investment in the Philippines declined in 2020 due to the effects of the coronavirus pandemic. However, the Duterte government has increased the budget allocation for infrastructure investments in 2021 to US\$20.8 billion, accounting for 5.4% of the country's GDP. Cement demand is also expected to rise again along with the construction investment.

To contribute to meeting the strong demand expansion in the country, Taiheiyo has set up a project team to proceed with the construction plan of the new production line at TCPI as announced on 10<sup>th</sup> November 2020. The expansion of the production capacity in the Philippines is one of the most important steps in the company's growth strategy.

This will be TCC Group's first integrated cement production line construction since 2010, when the second line was completed at Nghi Son Cement Corporation, a subsidiary of Taiheiyo in Vietnam. This construction project is important because it provides a significant opportunity to incorporate Taiheiyo's technology that it has established through its 140 year of history, as well as to further develop their human resources. Taiheiyo is committed to the successful deployment of its technology and experience, fundamentals for 21<sup>st</sup> century cement manufacture, and to further develop their technology through growing human resources actively.

With this new production line, TCPI will increase production capacity at the San Fernando plant to 3 million tons per year and aims to potentially reach a capacity of 5 million tons per year to correspond with increases in demand, representing an estimated 10% market share. The new production line will adopt state-of-the-art technology for the efficient production of cement with lower CO<sub>2</sub> emissions than the existing line.

Taiheiyo group is committed to continue providing a sense of safety and security to societies in the Pacific Rim by contributing to social infrastructure development and the delivery of environmentally efficient solutions.

### **About TCPI**

Name of the company	Taiheiyo Cement Philippines, Inc.
Head office	San Fernando, Cebu, Republic of the Philippines
Representative	Kazuhiko Ichizawa, President and CEO
Scope of Business	Manufacture and sale of cement
Total share capital	2,180million Philippine pesos
Shareholder	Taiheiyo 100%

### **Information on the new production line**

Cement production capacity	3 million tons/year
Scheduled start of operation	May 2024

## Location of TCPI

