

Nghi Son Cement Corporation to add second production line

Taiheiyo Cement Corporation and Mitsubishi Materials Corporation announced today that they have decided to add a second production line at Nghi Son Cement Corporation, a joint venture between them and the Vietnam National Cement Corporation. The capacity expansion is intended to help them better meet booming cement demand in Vietnam, which is rising rapidly as the country's economic development progresses.

Nghi Son Cement Corporation launched operations in July 2000 and has been running at full capacity ever since. With Vietnam's robust economic development on course to continue moving forward, adding another 2.25 million-tons cement production line? essentially doubling the company's capacity? will allow Nghi Son Cement Corporation to meet the growing needs of its customers.

The plan for building the second production line includes the development of additional, nearby limestone mining operations to ensure supplies of the raw material and the construction of a new Central-Region distribution terminal to augment the existing one in Ho Chi Minh City and help Nghi Son Cement Corporation build out its sales network to give it nationwide coverage.

The Government of Vietnam has issued an investment permit for the second cement production line predicated on a planned investment of US\$240 million, which will make the undertaking the largest investment to date from Japan. Plans call for the new line to go live in 2008. Its completion will make Nghi Son Cement Corporation the country's largest cement manufacturer. The new line promises to at least double the company's sales and profits compared to current performance.

Corporate profile

Name:	Nghi Son Cement Corporation
Home office and plant:	Nghi Son District, Thanh Hóa Province, Socialist Republic of Vietnam (about 200 km south of Hanoi on the coast)
Capital:	US\$ 108.1 million
Stakeholders:	Vietnam National Cement Corporation (VNCC): 35%, NM Cement Co., Ltd.(Japanese holding company): 65%, of which: Taiheiyo Cement Corporation: 70%, Mitsubishi Materials Corporation: 30%
Representative:	General Director: Norio Mori
Employees:	450
Production capacity:	2.15 million tons /year
Distribution terminal:	Ho Chi Minh City, with two 17,000-tons silos
Offices:	Hanoi, Ho Chi Minh City

Capital investment

Second production line	Capacity of 2.25 million tons of cement annually; to be built next to the current production line
New limestone mine	A new ore bed will be opened
Central-Region cement terminal	One 15,000-ton silo, to be built in the outskirts of Nha Trang, Khanh Hoa Province

Location map

