

# Vision and Values



## VISION

To more than double the 2006 value of the company for all stakeholders by 2010.

## ACHIEVEMENT

Through their dedication and efforts for more than a century, the people of PPC have built the leading cement and lime company in Africa. The group's products have also played a vital part in the development of southern Africa. It is a proud achievement.

## COMMITMENT

PPC is committed to excellence in satisfying customers' needs and strives for total quality in everything it does.

The company is also committed to the transformation, growth and diversification of the South African economy. As such, the group's human resources development strategy concentrates on the growth and development of its employees, including skills development and career path planning.

## OUR VALUES

- We believe in satisfying our customers' needs
- We supply quality products and services
- We respect the individual
- We provide a non-discriminatory, healthy, safe and challenging work environment
- We are committed to improving the quality of life for our people
- We strive for security
- We care for the environment and the communities in which we operate
- We act professionally

## OUR STRATEGY

The company's strategies remain to:

- Focus on core businesses;
- Generate superior cash flow returns;
- Achieve global competitiveness;
- Develop globally competitive people;
- Practise sound corporate, environmental and social governance; and
- Build on our strengths through synergistic growth.

Pretoria Portland Cement Company Limited

(Incorporated in the Republic of South Africa)

(Company registration number: 1892/000667/06) JSE code: PPC ISIN: ZAE000096475

**PPC**



# Financial Highlights



Revenues up 19% to

**R5,6 billion**

Operating profit increases by 17% to

**R2,2 billion**

HEPS up 16% to

**263 cents**

Cash generated from operations up 8% to

**R2,2 billion**

Dividends per share up 21% to

**265,5 cents per share**

Market capitalisation on JSE Limited increases by 37% to

**R24,4 billion**

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## Group Overview

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Some see a mere stretch of land.  
Others see a space to develop new  
opportunities. Whatever your view, PPC  
is building foundations for the future.



# 2010 FIFA World Cup stadium projects have commenced and are drawing increasing cement volumes



Group Overview

Management Review

Sustainability Review

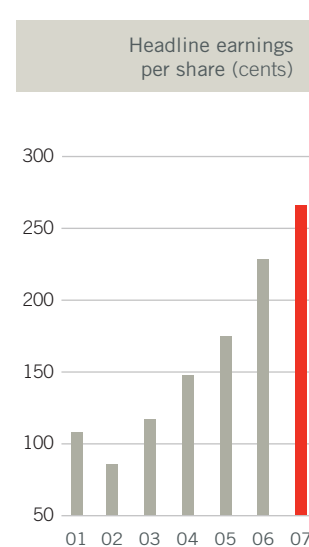
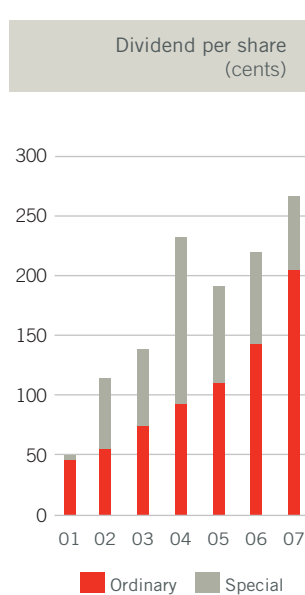
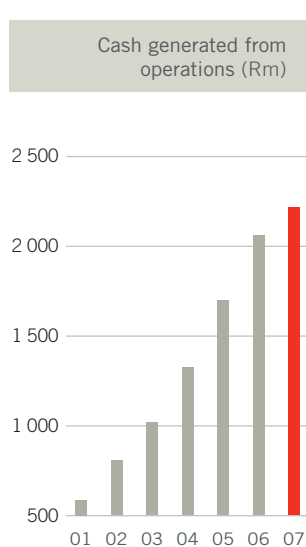
Financial Review

# Financial Summary

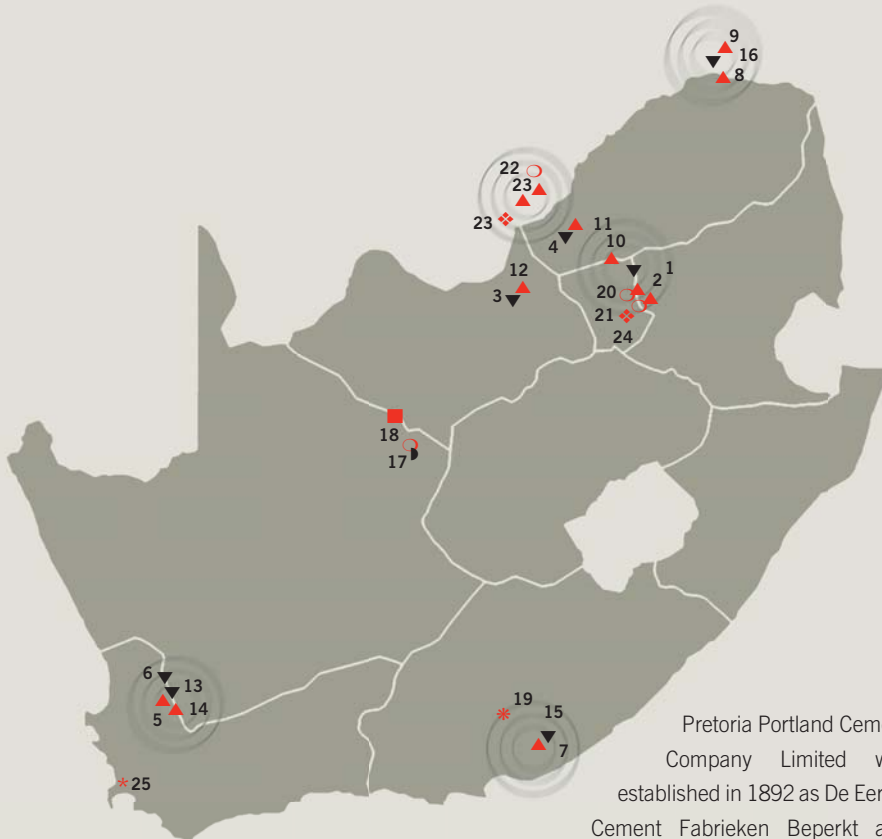
Audited group operating results for the year ended 30 September

	2007 Rm	2006 Rm	2005 Rm
Revenue	5 566	4 686	3 974
Operating profit	2 174	1 861	1 509
Operating margin (%)	39,1	39,7	38,0
Net assets	2 349	2 203	2 027
Operating cash flow	2 192	2 031	1 668
HEPS (cents)*	263	226	172
Dividends (cents)*			
Interim	39	33	26
Final	166	110	84
Special	61	77	80
Number of employees	3 097	3 025	3 010
Cement capacity (tons 000) SA operations only	6 000	5 700	5 500

\*Restated for effect of the 10:1 share subdivision



# Organisational Profile



Pretoria Portland Cement Company Limited was established in 1892 as De Eerste Cement Fabrieken Beperkt and listed on the JSE Securities Exchange South Africa in 1910 and Zimbabwe Stock Exchange in 2001. PPC was unbundled from Barloworld Limited on 16 July 2007.

The history of the company is closely linked to the growth and development of the country. PPC has produced cement for many of the country's most famous landmarks and construction projects. These include the Union Buildings, the Gariep Dam, Van Stadens River Bridge, the Huguenot Tunnel and much of the rest of southern Africa's infrastructure.

PPC Cement is the leading supplier of cement in southern Africa. Its nine manufacturing facilities in South Africa, Zimbabwe and

Botswana have capacity to produce 6,9 million tons of cementitious products per annum. The company's distribution network supplies quality branded cement to the building and construction industry, concrete product manufacturers and retail outlets such as builders merchants, hardware stores and DIY centres. The company's cementitious brands include the market-leading "Surebuild" brand in South Africa, "Botcem" in Botswana and "Unicem" in Zimbabwe. In addition to serving the southern African domestic markets, cement is exported to other African countries and the Indian Ocean islands.

Related products sold include aggregates from the company's Gauteng quarries at Mooiplaas and Laezonia and in Botswana.

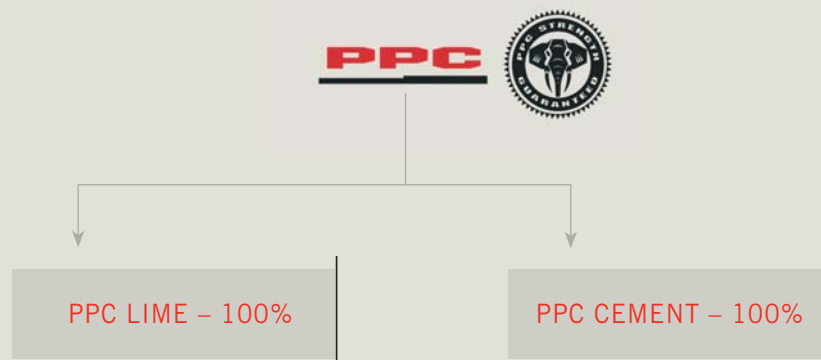
PPC Lime is the leading supplier of metallurgical grade lime, burnt dolomite, limestone and related products in southern Africa. It operates one of the largest lime plants in the world at Lime Acres in the Northern Cape province of South Africa.

Lime is one of the world's most widely used chemicals. Its major applications include its use as a flux in pyrometallurgical industries (e.g. steel making) and as a neutraliser, coagulant or chemical catalyst in gold extraction, water purification, effluent treatment, sugar refining and the manufacture of industrial chemicals. Hydrated lime is used primarily for water purification and soil stabilisation. Graded and crushed limestone products are sold to the water treatment and metallurgical industries.

Dolomite products are sold primarily to the metallurgical industries.

- Hercules..... 1
- Jupiter..... 2
- Slurry ..... 3
- Dwaalboom ..... 4
- Riebeeck ..... 5
- De Hoek ..... 6
- Port Elizabeth ..... 7
- Colleen Bawn ..... 8
- Bulawayo..... 9
- Beestekraal quarry..... 10
- Dwaalboom quarry..... 11
- Slurry quarry..... 12
- Zoutkloof quarry ..... 13
- Riebeeck quarry ..... 14
- Grassridge quarry ..... 15
- Colleen Bawn quarry..... 16
- Lime Acres ..... 17
- Lime Acres quarry ..... 18
- Mount Stewart quarry ..... 19
- Laezonia quarry ..... 20
- Mooiplaas quarry..... 21
- Kgale quarry ..... 22
- Gaborone Cement..... 23
- Head office (Sandton)..... 24
- Saldanha ..... 25

- ▲ Cement plants    ▼ Limestone quarries    ○ Aggregate quarries    ■ Lime quarries    ◆ Lime plant    \* Gypsum quarry    ◆ Head office
- \* Materials handling facility



**Mooiplaas Dolomite – 100%**

One of the main suppliers of quality construction materials and readymix concrete, Mooiplaas Dolomite is committed to the production of quality aggregates and sands to meet customers' requirements in the most cost effective manner.



**Porthold – 100%**

Registered in Zimbabwe, UNICEM is a cement made at the Bulawayo Factory from high quality raw materials. Clinker is interground with gypsum and an appropriate amount of extender.



**PPC Botswana – 100%**

The PPC Botswana operation has been open for over 50 years. Along with the cement blending operation, the sales office is situated in Gaborone and supplies cement throughout Botswana.



**Kgale Quarries – 100%**

Situated at Kgale Hills, is a granite quarry, where granite is processed into concrete aggregates and sands.



- Regional cement demand grows 10%.
- Cement demand supplemented with import of cement to meet customer needs.
- Strong cash generation allows change of dividend policy and payment of special dividend.
- A R604 million inland cement milling upgrade and expansion project in progress.
- Dwaalboom Batsweledi project within budget and on time with commissioning planned for 2nd calendar quarter 2008.