



Saudi Cement Company's Internal News Bulletin
Volume - III, 2nd Edition 2012

SCC NEWSLETTER

Stronger than ever



Editorial Committee:

Editor in Chief:
Khalifah S. Al-Dakhil

Managing Editor:
Ishtiyaque S. Khan

Designer:
Abdullah Basurah

Members:
Mahesh Garg
Mohammed Azmathullah
Syed Attaur Rahman
Fouad Hussain
Jamal Zaid



www.saudicement.com.sa

MESSAGE FROM THE BM & CEO

Teamwork essential for organization's success:

High performing organizations use their successes and achievements as a driving power for better planning to achieve more excellence. Each one of us shall have a faithful belief in it. Through this way, it will be the power by which we can dismantle obstacles, enabling SCC to glide in the wide space of achievements.

First, I would like to alert not to allow our daily operational and administrative hurdles be road blocks detouring our growth and development. Let me remind again that, to be on the lead in our industry, Customer satisfaction and effectively responding to our customers' needs should be our prime focus. Further, to be in continuous success, we have to commit ourselves to high performance standards, team work, responsible behavior, continuous learning, and innovation.

We need to boost our self motivation and strengthen our determination to exert our best efforts in our own fields, to achieve our objectives. We have to focus on the priorities and insist on the seriousness and dedication in executing the work that each one of us is responsible for, and we do that with the highest possible quality and on time. To continue from where we are today and to take our Company to new heights, we should keep up our high spirit of team work in order to enjoy together our continuous growth and reap the fruits of our good efforts. Many challenges are lying ahead of us and I am confident that together we can maintain our highly esteemed stature in the industrial sector.

Finally, I congratulate and thank all of you for your sincere and dedicated efforts which contributed well for the Company's outstanding first quarter financial results of the year 2012.



Mohammed A. Al-Garni
BM & Chief Executive Officer

SCC REWARDED BY FORBES

Forbes magazine, one of the leading publishers worldwide, has recently awarded the top 100 companies in GCC & Saudi Arabia through its Middle East publication. Saudi Cement Company was feted as the 25th biggest company in Saudi Arabia through their matrix system.

In a special ceremony under the patronage of HRH Prince Sultan Bin Mohammed Bin Saud Al-Kabeer Al-Saud, held in hotel Ritz Carlton Riyadh, our BM&CEO received a special recognition plaque for the Company's prosperous growth and contribution to the Kingdom's infrastructure development. SCC is the 1st cement company in the region to receive this prestigious award. Our BM&CEO dedicated this award to all SCC employees for their valuable contribution towards the Company's continuous growth.

Further information from:
Abdulaziz Al-Nuaim – Executive Administrator,
BM&CEO's Office





OUR PORTRAIT:

Name:

Mr. Abdullah M. Al-Muhaisen

Title:

Mechanical Manager

Qualification:

Graduated from KFUPM with Bachelor's Degree in Mechanical Engineering Science in 1994 .

Career:

He started his career in 1993 as "Undergraduate Engineer" in the Pipelines Department of Saudi Aramco, mainly dealing with rigging oil wells, water injection and for designing and constructing test lines & trunk lines from oil well to gas oil separation plant (GOSP). In 1994, he was designated as a "Graduate Mechanical Engineer" in Saudi Aramco's Shedgum Shops which consists of repair shop, welding shop, machining shop, electrical shop, and sand- blasting & painting shop and packing shop.

Later that year, he joined Saudi Cement Company, and now he is part of the management team with an overall 18 years experience in SCC. He has been assigned to different positions starting with Inspection & Lubrication Engineer, Workshop Engineer, Field Repair Engineer, Deputy Chief Engineer, Chief Engineer and now as Mechanical Manager.

Hobbies:

Reading books especially those related to Engineering Science and Maintenance best practices, Hand sketching & writing, Watching TV especially sports, natural geography, wild life and adventure programs.

Opinion:

It is an excellent communication media between all SCC staff, irrespective of their positions or locations. Thanks to all members of the editorial team for their great efforts.



SCC INCREASES TOTAL SALES

SCC has increased its cement sales during the first quarter of 2012 totaling to 2,548,998 tons due to the increase in demand for cement in the local market. The local sales quantity reported during the first quarter of 2012 was at 2,392,310 tons compared to 1,602,046 tons during the same period of previous year 2011 i.e. an increase of 790,264 tons equivalent to 49.33%. Further, SCC achieved the largest local market share of 17% out of 12 local cement companies during Jan-March, 2012.

Local demand for cement in Saudi Arabia has increased during the first quarter of 2012, as it reached to about 14 million tons compared to 12 million during the same period of previous year 2011 i.e. an increase of 2 million tons equivalent to 17% approximately.

Further information from:

Hussain Abu Taki – Sales Manager



ORACLE AWARD FOR SCC

Oracle Systems Inc. held an Oracle day event entitled "Transform your business through IT", where SCC was awarded with one of the best manufacturing "Oracle ERP implementation" award.

The Oracle day was full of events and news, the agenda included many items including, Cloud computing, Saudi Cement success story, Oracle value chain planning, & Data center innovations etc. During the event, SCC presented their success story, followed by an award ceremony for one of the best manufacturing "Oracle ERP t implementation". The award was received jointly by our IT Manager, Mr. Saeed Al-Zahrani and Oracle Project Manager, Mr. Ahmed Al-Quraihi.

Further information from:

Saeed S. Al-Zahrani – IT Manager



SCC AWARDED BY SAUDI RAILWAYS ORGANIZATION

In accordance with SCC's Corporate Social Responsibility (CSR) program, the Company contributed in the Annual Service Award event of Saudi Railways Organization (SRO) held in their premises in Dammam during April 2012. More than 75 long service employees of SRO were awarded in a special ceremony under the patronage of H.E. Eng. Abdulaziz Bin Mohammed Al-Huqail, Chairman SRO.

In recognition of SCC's contribution to the society, a special plaque was awarded to the Company by the SRO Chairman, which was received by Mr. Abdullah Al-Sunani, Controller, Relations Division, on behalf of our BM&CEO. The SRO management thanked SCC for its active participation in the event and for supporting their cause.

Further information from:

PR Correspondent – Public Relations



MECHANICAL TEAM AWARDED FOR OUTSTANDING PERFORMANCE

During the month of April 2012 Cement Mill # 9 Outlet Bucket Elevator suffered a breakdown and the normal time required for its maintenance and restoring was approx. 22 to 30 hours, which would have resulted to big losses for the Company. Our Mechanical

Department team at Hofuf Plant led by Mr. Abdullah Al-Muhaisen exerted their utmost efforts to complete the job in only 9 hours, which saved the Company from huge production losses.

The BM&CEO appreciated the outstanding performances of the Mechanical team and commended them for their dedicated hard-work. In a brief ceremony held at Hofuf Plant conference hall under the patronage of OMM, HRM, RSM and other plant management, 7 employees were awarded. On behalf of the BM&CEO, HRM congratulated the concerned employees and thanked them for their all-out efforts in restoring the activities at Cement Mill # 9.

Further information from:

PR Correspondent – Public Relations

GOODWILL VISIT TO HRM



During the 1st week of June 2012, our Human Resources Manager, Mr. Salah Hakim went through an operation for his knee in Pro-Care hospital in Dhahran. After the successful operation, our BM&CEO, along with BSA & RSM, paid a goodwill visit to HRM in order to inquire about his health condition.

On behalf of all SCC employees, the BM&CEO wished our HRM a speedy recovery and led the prayers to Allah Al-Mighty to give more strength to HRM & his family during this period. HRM thanked and appreciated all SCC employees for their kind gesture, especially to those who visited, called, or inquired about his health.

Further information from:

PR Correspondent – Public Relations

SCC HONORED IN AL-HASA EVENT



Under the patronage of the Governor of Al-Ahsa region, H.H. Prince Badr Bin Mohammed Bin Jalawi Al-Saud, an annual ceremony of the Charitable Society for the Memorization of the Holy Quran was held in Al-Ahsa to honor a group of Holy Quran keepers, teachers and supporters from government departments and private sectors in Al-Hida hall. Many

companies from the region were honored and Saudi Cement Company was one of them, for its support to the Association of Memorization of the Holy Quran programs and projects.

On behalf of the BM&CEO, Mr. Abdullah Bin Abdulaziz Al-Moosa, Controller - Relations, Communication & office Services in Plants, has received an honorary shield from the Governor of Al-Hasa. This support is part of several programs of Corporate Social Responsibility (CSR) undertaken by the Company to serve the community in Al-Ahsa region.

Further information from:

Abdullah Al-Moosa, Controller – Relations, Communications & Office Services

SCC ORGANIZED PAINTING COMPETITION IN AL-AHSA



As part of Saudi Cement Company's social responsibility to the community, a painting competition for kids was held at Al-Othaim Mall in Al-Ahsa during the month of April 2012. It was a theme-based painting competition held to inculcate the habit of obedience to

parents and seek their blessings like (helping father in running house, helping mother in kitchen, washing dishes), instilling discipline (like placing foot-wear in proper places, studying in home after school hours, using 'safety belts' while in car) & etiquettes of life (like uttering kind words & praying for parents, respecting them).

More than 450 children participated and those who did the best painting were awarded with various attractive prizes. Their parents expressed their heart-felt thanks to the management of SCC and appreciated the role of the Company to the community.

Further information from:

PR Correspondent – Public Relations

SCC PARTICIPATED IN CAREER DAY AT KFUPM



Under the patronage of HRH Prince Mohammed Bin Fahad, Governor of the Eastern Province, the 29th Career Day celebration was held at KFUPM from 6 – 9 May 2012. More than 119 leading companies from all over the Kingdom participated in this event. SCC joined the event with an exhibition booth which was visited by over 419 fresh engineers

from KFUPM and other universities and colleges. Electrical and Mechanical engineering graduates showed their interest in joining the cement sector and have submitted their resumes at the booth. Some have taken the requisite information for applying on line. SCC's stand was represented by Recruitment and PR personnel.

The KFUPM management thanked SCC for participating in the event and for supporting the Saudization drive. It was an overall success for SCC to participate in such prestigious events and for supporting the national cause.

Further information from:
Salem Bahasan – Recruitment Section

SCC AUCTIONED OBSOLETE, SCRAP & RETIRED ASSETS



SCC organized an auction for its used equipments, vehicles, machinery and scrap through M/s Mahroon Nasser Auctioneers. As pre-auction service, the auctioneer gave guidance on the site preparation, issued press releases and advertisements, prepared brochures, sales terms and conditions, buyers guide, contacted all perspective buyers and took photos for all auction materials.

The main auction was held during the 4th week of March 2012 at the Coral Hotel in Al-Khobar by screening pictures of all materials for each lot to be auctioned to the participants. The auction fetched a total amount of SR. 4,082,000 for SCC. The auction was held under the supervision of Relations & Support Services Department.

Further information from:
Mukhtar A. Khan – Risk Management Manager

FIRE DRILLS AT HOFUF PLANT



Health, Safety & Environment (HSE) department have conducted 3 fire drills since the beginning of 2012 at different locations of the Plant in order to evaluate the emergency preparedness, efficiency of fire truck in terms of pump discharge pressure at various heights and distances, and also the efficiency of fire fighters.

HSE has plans to conduct more drills on a monthly basis during the forthcoming period of the year in order to keep the Plant ready for all emergencies to safeguard the employees and Company assets.

Further information from:
Rafed Al-Najdi, Safety Inspector



NAJRAN CEMENT COMPANY DELEGATES VISITED SCC

A three-member delegation from Najran Cement Company visited SCC during the 1st week of June 2012. Their delegation consisted of their Senior HR Specialist, Personnel Section Head and IT Manager. The objective of their visit was to be familiarized with the Oracle systems and applications, which SCC has successfully implemented.

The delegates were welcomed by Public Relations, followed by a detailed meeting with Mr. Ahmed Al-Qahtani – Controller, Personnel Division, who briefed them about the Personnel activities and how they are successfully developed in the Oracle system. Later, they visited our ITD where they were briefed by the IT Manager, Mr. Saeed Al-Zahrani and Oracle Project Manager, Mr. Ahmed Al-Quraihi about the Oracle project and SCC's experience with many challenges. SCC extended their full support to share the knowledge and the delegates appreciated SCC's hospitality and thanked the management for making their visit a success.

Further information from:

Abdullah Sunani – Controller, Relations Division



KFUPM ENGINEERING STUDENTS VISITED HOFUF PLANT

A delegation of KFUPM Civil Engineering Students visited our Hofuf Plant headed by Dr. Salah Al-Dulijan from Civil Engineering Faculty. They were welcomed by Mr. Abdullah A. Al-Moosa, Controller – Relations,

Communication & Office Services who accompanied them in a tour to our Plant's facilities.

The tour started from production lines where they noticed the advanced technologies being used by SCC in producing cement, which are beyond international standards for this field of industry, followed by a visit to Central Control Room (CCR) and Quality & Process Control Building. Students were pleased with the technology used in cement sector, which enhanced their theoretical knowledge. At the end of the tour, the KFUPM management thanked the SCC management for making their trip a success and for sharing the valuable experience with the students.

Further information from:

Abdullah Al-Moosa, Controller – Relations, Communications & Office Services



IN-HOUSE TRAINING ORGANIZED BY HRD

A two days in-house training workshop on Time & Work Management was organized by Human Resources Department for around 25 Saudi employees. The services of a professional consultant were engaged in order to boost the knowledge and motivate the Saudi

employees. HRM(A) Mr. Khalifah Al-Dakhil welcomed all the participants at the Golden Tulip Al-Hamra Hotel and briefed them about the importance of this training. The participants thanked the Company's efforts in providing them with this training and committed to carry the responsibilities with this experience.

Further information from:

PR Correspondent – Public Relations



ORACLE TIME & LABOR SYSTEM WENT LIVE

During the month of May 2012, Oracle Time & Labor which is an enterprise-wide time management application that efficiently automates time and attendance record keeping for all the employees of SCC went live.

Time & Attendance data (punch-in & punch-out) which is captured via the T&A device is transferred to Oracle Time and Labor system every day. Shift related data & necessary amendments are entered by the Time-keeping staff using Oracle OTL system, and at the end of the month the authenticated T&A data is being transferred to the Oracle payroll system. Oracle Time & Labor system is fully integrated with facility commander, Oracle HR self service, Core-HR & payroll systems.

Further information from:

Ahmed Al-Quraihi – Oracle Project Manager



SECURITY FACILITIES BOOSTED AT SCC

SCC has benchmarked the best practices of different giant organizations to boost its security facilities in all Company and accommodation premises. After successful research of the best practices where securities are advanced and intact at all time, SCC felt necessary to implement these advanced methods, and thus have trained and equipped its security personnel to carry the tasks efficiently and effectively.

Today, our personnel are well trained to protect the Company facilities, and we will continue to enhance their skills and abilities with continuous motivation. We are now in the process of putting-up proper plans and advanced systems to protect our facilities. Hence, we request all SCC employees to adhere with the security procedures and fully cooperate with the security personnel in the best interest of the Company.

Further information from:

Abdullah Al-Ghamdi, Head of Industrial Security



SPORTS COMMITTEE AWARDED

After the successful accomplishment of a month and a half-long sports event which were held in our Aindar Plant's Al-Bustan Housing Recreational Facilities, the BM&CEO awarded the Various Sports Tournament Committee members headed by Mr. Ali Bu Khamseen.

In a special ceremony to honor the efforts exerted by the committee members to make the tournaments a success, Relations & Support Services Manager, Mr. Khalifah Al-Dakhil recalled their dedications and briefed the management of their hectic participation to make the event a success. The BM&CEO, in his honorary appreciation remarks, recognized the good efforts and presented them with special plaques and gifts for their dedicated services. He emphasized the need to create a harmonious social and sporting environment within the Company and assured every one of his full support.

Further information from:

PR Correspondent – Public Relations