



PROPOSED MERGER BETWEEN DANGOTE CEMENT PLC AND BENUE CEMENT COMPANY PLC

FREQUENTLY ASKED QUESTIONS ("FAQ")

Why did Dangote Cement and Benue Cement Plc decide to Merge?

The primary objective of the merger is to streamline the management and governance of both companies in order to create a bigger and more efficient company. It is also expected that significant costs and revenue synergies will accrue from the merger to create additional value to the shareholders of both companies.

What are the benefits of the Merger?

The Merger is expected to provide a number of strategic opportunities and benefits to the enlarged entity, shareholders, employees and customers as well as the larger economy including the following:

- Better Access to Financing for the Company
- Operational Efficiencies by consolidating the supply and distribution chain of the both companies
- Improved Organizational and Management Efficiencies
- Robust Shareholder Value Proposition
- Enlarged Cement Production Platform

What will be the name of the Enlarged Entity?

The enlarged entity will be called *Dangote Cement Plc*

What are the plans for Employees of both Companies?

There is no intention to disengage any employee as a result of the merger. All existing contracts of employment of all employees in Benue Cement shall be transferred to Dangote Cement and such employees shall become employees of Dangote Cement. Kindly refer to Page 18 of the Scheme Document under "Plans for Employees and Directors"

How realistic are the Forecast assumption in the Scheme Document in view of the identified risks?

Kindly refer to Page 21 of the Scheme Document which highlights the steps the company has taken to mitigate the identified risks.

What is the implication of the existing Judgment debt in respect of cases against BCC?

Please refer to Page 89 of the Scheme document. The Solicitors to the Scheme and the Directors of the Company are of the opinion that the cases referred to are not likely to have any material adverse effect on the company and or the merger.

Will the Enlarged Entity be listed on the Floor of the Nigerian Stock Exchange?

Yes it will.

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Has the Merger been approved by the Regulators?

The Securities and Exchange Commission (“The Commission”) has given its Pre-merger approval. It has also given its clearance of the Scheme Document to be issued to shareholders. Further to this, the Federal High Court has directed that separate meetings of the shareholders of the two companies be convened and the Scheme be presented for consideration and approval. The Commission’s final approval will be sought after the Court-Ordered Meetings.

The Nigerian Stock Exchange has also given its approval for the Quotation and Listing of the entire issued shares of Dangote Cement (including the Scheme shares to be issued) on the daily official list of the Nigerian Stock Exchange.

Has the Merger been approved by Shareholders?

The shareholders of Dangote Cement and Benue Cement all of whom the Scheme of merger document has been dispatched to, will be presented with the merger for consideration at separate Court-Ordered Meetings of the companies scheduled to hold on Tuesday, 28 September 2010 at Tahir Guest House, Kano at 10am and 11am respectively.

As a shareholder of Benue Cement how will the Merger affect me?

Upon the Scheme becoming effective, Benue Cement’s share certificates as well as Benue Cement Shares in CSCS Accounts will cease to be of value and the shares will be delisted from the daily official list of the NSE. BCC shareholders will receive new share certificates of Dangote Cement Plc in line with the Share Exchange Ratio. Shareholders whose shares are held in CSCS will have their accounts credited with the new Dangote Cement shares.

What is the share exchange ratio?

Shareholders of Benue Cement will be issued 1 new Ordinary Share in Dangote Cement for every 2 Ordinary shares held in Benue Cement

When will the new shares of the Enlarged Entity be issued to Benue Cement Shareholders?

New Dangote Cement shares will issued upon obtaining the Court Sanction of the Schme and the SEC letter registering the new shares. Within 21 days after obtaining the Court Sanction of the Scheme, the Registrars to Dangote Cement shall dispatch certificates to or credit CSCS accounts of BCC shareholders (as applicable) with Ordinary shares of Dangote Cement.

What will happen to the shares of BCC currently trading on the floor of the Nigerian Stock Exchange?

The Shares of BCC will cease to be of value and be delisted and replaced with Dangote Cement Plc.

Who are the registrars to the Enlarged Entity?

Afribank Registrars Limited, 2A, Gbagada Expressway, Anthony Village, Lagos State

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Who can I contact if I have addition questions regarding the merger

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