



CARIBBEAN CEMENT

CARIBBEAN CEMENT COMPANY LIMITED

June 9, 2010

Dear Distributor,

We have had to adjust prices effective **Monday, June 14, 2010**. This adjustment will see our prices increase by an average 3.2%.

This adjustment was necessary because the increases in our operational costs were greater than the gains we made through our improved efficiencies. At this time we are not in a position to absorb these costs.

Changes in market conditions over the past several months, including a significant reduction in overall market demand, have contributed to mounting stockpiles of cement in silos and clinker. These factors have caused our operational costs to increase over the past few months and these costs are not covered by the reduced revenue generated as a result of the declining market conditions. For example, increases in electricity and fuel costs that contribute to a large portion of our overhead costs have had a negative impact on our ability to stabilize our input costs. These increases in costs are spread throughout all areas of our operation and you will agree that in order to cover fixed costs we must adjust prices.

We are committed to working to minimize the impact of increasing costs by continuous improvement in efficiencies, despite the challenging global and local environment in which we all operate. The new prices are outlined in the following table:-

Location	Carib Cement O.P.C.	Carib Cement O.P.C. (Wt. Co)	Carib Cement P.O.	Carib Cement P.O. (Wt. Co)
Kingston				
Bags (per bag)	\$578.00	\$679.15	\$568.00	\$667.40
Jumbo Bags (per jumbo bag)	\$18,400.00	\$21,620.00	\$17,100.00	\$20,092.50
Bulk (per MT)	\$10,969.00	\$12,888.58	\$9,990.00	\$11,738.25
Montego Bay				
Bags (per bag)	\$578.00	\$679.15	\$568.00	\$667.40
Jumbo Bags (per jumbo bag)	\$18,400.00	\$21,620.00	\$17,100.00	\$20,092.50
Mandeville				
Bags (per bag)	\$578.00	\$679.15	\$568.00	\$667.40
Jumbo Bags (per jumbo bag)	\$18,400.00	\$21,620.00	\$17,100.00	\$20,092.50
Spanish Town				
Bags (per bag)	\$578.00	\$679.15	\$568.00	\$667.40
Jumbo Bags (per bag)	\$18,400.00	\$21,620.00	\$17,100.00	\$20,092.50
Discovery Bay				
Bags (per bag)	\$578.00	\$679.15	\$568.00	\$667.40
Jumbo Bags (per bag)	\$18,400.00	\$21,620.00	\$17,100.00	\$20,092.50

Please be informed that we are willing to facilitate the collection of cement purchased at existing prices up until June 25, 2010. Unfortunately, purchases not collected by this time will attract the new prices. We thank you for your cooperation and continued support.

Yours sincerely,

 Orville Hill
 Finance Manager

P. O. Box 448

Kingston,

Jamaica, W.I.

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