

Values and profiles

Values

Our values guide behaviour to sustain excellent performance

We will

- focus intensely on delivering service excellence to our customers
- operate ethically, with integrity and care for others
- operate safely and with care for the environment and the community
- encourage innovation, nimbleness, teamwork and openness among our employees, and
- pursue and reward performance excellence.

AECI is a specialty product and services Group of companies which provides value-adding solutions to customers through science, technology and industry knowledge. The focus is on serving the mining and manufacturing sectors and the Group is investing substantial sums in its future growth in these areas.

Construction is in progress on six significant projects, with capital expenditure totalling about R2 billion. The projects, most of which are scheduled for completion by the end of 2009, relate mainly to the mining sector but capital is also being invested to augment the Group's ability to service consumer-driven markets.

AECI's core businesses serve global and regional markets. They are characterised by application know-how and service delivery, operate in niche markets, and are supported by leading international technology alliances.

Principal manufacturing sites are located in South Africa, near Johannesburg (mining solutions, provided by African Explosives Limited, "AEL", and specialty chemicals provided by Chemical Services Limited, "Chemserve") and Durban (specialty chemicals). Chemserve also has a number of smaller sites and its mining chemicals thrust is anchored in Senmin, which operates at Sasolburg in the Free State.

AEL and Chemserve have expanded their presence throughout sub-Saharan Africa. Both businesses continue to explore opportunities to take their product and service packages to niche markets in countries beyond their traditional areas of activity. In mining solutions, AEL has established a hub in South East Asia and its Global Channel business utilises the company's excellent technology and product position in initiating and bulk explosives systems to enter into mutually beneficial channel partnerships with leading regional explosives players internationally. Furthermore, DetNet aims to be the international leader in the design, production and sale of specialised electronic detonators. Chemserve has established a stable presence in Brazil and more acquisitions continue to be sought using the existing investment as a platform for growth.

AECI will exit the manufacture of industrial nylon fibres and polyethylene terephthalate at SANS Fibres in Bellville, Western Cape, with operations ceasing on 31 March 2009. SANS Technical Fibers at Stoneville, USA, will now be run as a stand-alone and self-sustaining entity for the foreseeable future.

The Group is fortunate that, in addition to its core businesses, it has a most valuable land asset, the release of which it can control and influence. The realisation of land and the utilisation of built assets that have become surplus to AECI's requirements are managed in the property portfolio, led by Heartland Properties. These activities are significant and offer prime holdings near Johannesburg and Cape Town for commercial, residential and industrial development and leasing purposes. 2 180 hectares of excess land are available for redevelopment over the next 10 to 15 years.

AECI has a total employee complement of about 6 000, many of whom are engaged in the Group's extensive sales, technical service and distribution networks.

The Company is domiciled in South Africa and is listed on the JSE Limited. At 31 December 2008, its market capitalisation was R6,1 billion.

Businesses

AEL is South Africa's leading economically empowered producer and supplier of commercial explosives, initiating systems, and blasting services and solutions to the mining, quarrying and allied industries. It is also a leading supplier to customers in Africa, beyond South Africa and has established a hub in South East Asia.

Chemical Services Limited manages a portfolio of 21 specialty chemical businesses, each focused on defined markets, with common values of innovative customer service and bottom line delivery. The group grows by acquisition and by organic growth.

Heartland Properties and Heartland Leasing manage the realisation of land and the letting of assets that are surplus to AECI's requirements. Heartland Leasing also provides site services to tenants at the Umbogintwini Industrial Complex, south of Durban, and oversees remediation prior to land release.

SANS Technical Fibers at Stoneville, USA, manufactures and markets a range of high performance, specialty nylon industrial fibres for niche market applications.

