

January 23, 1997

## **New organization for Cement International**

Since Scancem's Group structure was changed in October, 1996 Cement International has worked to adapt its organization to these changes. The consultancy SIAR Bossard has also been involved in this task.

The new organizational structure is now being launched. Today, the international cement operation is Scancem's biggest business area and one of the Group's most important sectors when it comes to growth and new investments.

- Scancem International is the business area's central company which we will profile externally, comments Business Area Manager Cato A. Holmsen. The aim has been to create an organization with a clear-cut operational distribution of roles and independent units, based on an international activity, with substantial growth. The new organization will be operational as of February 1, 1997.

### **Independent Business Units**

The operational activities will consist of seven Business Units (BU) reporting to the Business Area Manager Cato A. Holmsen and his deputy Lauri Ratia. Operations are divided into the following Business Units: Castle Cement (United Kingdom), Africa, U.S.A., Asia, Finland and Eastern Europe (The Baltics, Poland, Russia and Germany), Trading and Fuel (coal trading). Each Business Unit will be different as to markets, operations, size, organization and management.

### **Small central staff functions**

The structure of the staff functions will be somewhat changed. The new organization will have small, central staffs, its own service center and staff resources divided among the Business Units, when this is considered practical as to size and operations. The central staffs will be Strategic Business Control (SBC - strategy, business and control), Business Development, Human Resources/Information, and Technical Support. The service center will be responsible for functions such as accounting, finance, salaries, the head office, etc. Furthermore, a number of projects will be started concerning IT, purchasing and auditing. Both the service center and the projects will be independent units, but they will be coordinated with the staff functions.

A number of projects will be launched in the near future in order to adapt the new organization. One important project is to review the organization in Africa.

The operative tasks that Scancem's former head office in Oslo has had will be transferred to Scancem International in connection with the restructuring.