

Jakarta, July 31, 2015

## PT Semen Indonesia (Persero) Tbk.

JSX : SMGR  
Reuters : SMGR.JK  
Bloomberg : SMGR.IJ

Market Capitalisation – as of July 31, 2015:  
Rp58,870billion (US\$4.4billion)

Issued shares – as of August 07, 2007  
5,931,520,000 Shares

### Share Price (Closing)

1 July 2015 Rp12,100  
As of 30 June 2015 Rp12,000  
Hi/Lo (6 mo) Rp16,275/Rp12,000

### Major Shareholders

Government of Indonesia 51.01%  
Public 48.99%

### Board of Directors

President Director – Suparni  
Finance Director – Ahyanizzaman  
Production Director – Johan Samudra  
R&D and Operations – Suharto  
Commercial Director – Amat P. Dharma  
HRD Director – Gatot Kustiyadji  
Strategy & Bus Dev – Rizkan Chandra

### Consolidated Subsidiaries

PT Semen Padang (99.99%)  
PT Semen Tonasa (99.99%)  
PT Semen Gresik (99.23%)  
PT Thang Long Cement (70.00%)  
PT Kawasan Industri Gresik (65%)  
PT Industri Kemasan Semen Gresik (60%)  
PT United Tractors Semen Gresik (55%)  
PT SGG Energi Prima (97%)  
PT SGG Prima Beton (99,99%)  
PT Krakatau Semen Indonesia (50%)  
PT Sinergi Informatika Semen Ind (100%)

Website <http://www.semenindonesia.com>

## Financial Summary

For the period ended 30 June 2015

In Rpbn	6M15	6M14	Change
Revenue	12,640	12,885	-1.9%
Cost revenue	7,635	7,150	6.8%
Gross profit	5,006	5,736	-12.7%
Operating expenses	(2,208)	(2,190)	0.8%
Pre-tax profit	2,798	3,546	-21.1%
EBITDA	3,490	4,127	-15.4%
Net profit after minority interest	2,185	2,754	-20.6%
EPS (Rp)	368	464	-20.6%
Ratio	Formula	6M15	6M14
EBITDA margin (%)	EBITDA/revenue	28	32
Interest coverage (x)	EBITDA/interest expense	20	26
Debt to equity (%)	Total debt/equity	16	17
Net debt to equity (%)	Total debt minus cash/equity	4	(4)
Debt to assets (%)	Total debt/total assets	3	2

## Business Highlights

- Revenue was down by 1.9% YoY to Rp12,640 billion in 6M15 as sales volume also declined. Net Income after minority interest was down 20.6% YoY to Rp2,185 billion in 6M15 (EPS of Rp368/share).
- Semen Indonesia's total domestic sales volume in 6M15 was 11.99 million tonnes, down 5.9%. Export volume from the Indonesia operation was up to 0.24 million tonnes in 6M15, from only 0.06 million tonnes in 6M14.
- Domestic cement consumption was down by 2.9% 28.12 million tonnes in 6M15, reflecting slow down in the country's economy, which delays infrastructure and construction spending.
- Due to slow demand and increases in costs, primarily the electricity cost, our EBITDA was down 15.4% YoY to Rp3,490 billion in 6M15. We rely on PLN, the state owned electricity company, for our electricity supply, which gradually raised electricity tariff last year.
- We recorded cash and equivalents of Rp2,997 billion and total interest bearing debt of Rp3,957 billion as of as of 30 June 2015. This results in net debt to equity of 4.1%.

### Contacts:

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#### Investor Relation

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## SEMENT INDONESIA REPORTS UNAUDITED CONSOLIDATED 6M2015 RESULTS

PT Semen Indonesia (Persero) Tbk. (“SMGR” or “the Company”) announced its consolidated June 30, 2015 financial statements. The Company recorded revenue and pre-tax profit of Rp12,640 billion and Rp2,798 billion, respectively, for the period of 6M15. Net income was recorded at Rp2,185 billion.

The financial statements were prepared in accordance with the Indonesian Generally Accepted Accounting Principles. For more detailed information, please refer to the Company’s Consolidated Financial Statements as filed with Indonesia Financial Service Authority and the Indonesia Stock Exchange on July 30, 2015.

## PERFORMANCE REVIEW

### Sales Volume

In the first six months of 2015 (6M15) Indonesia’ domestic cement consumption reached 28.12 million tonnes as reported by the Indonesian Cement Association, down by 2.9% YoY. The overall slow down in the economy has had impact on the domestic cement demand. Total export rose more than 4x YoY to 0.35 million tonnes in 6M15, to partially offset the low domestic demand. The total Indonesia’ cement output reached 28.46 million tonnes in 6M15, down by 1.9% YoY.

Semen Indonesia’ sales volume (Indonesia operation) reached 12.23 million tonnes in 6M15, down 4.5% YoY, lower than the industry’s growth as we were having some unplanned maintenance in some of our plants. Domestic sales volume was down 5.9% YoY to 11.99 million tonnes in 6M15, also lower than the industry’s growth. Export volume was up 304.2% YoY to 0.24 million tonnes in 6M15.

In million tonnes	6M15			6M14			Change (%)		
	Domestic	Export	Total	Domestic	Export	Total	Domestic	Export	Total
Semen Indonesia	6.55	0.00	6.55	6.89	0.00	6.89	-5.0	-	-5.0
Semen Padang	2.95	0.18	3.13	3.30	0.03	3.33	-10.4	439.3	-6.0
Semen Tonasa	2.48	0.06	2.54	2.55	0.03	2.57	-2.5	129.7	-1.2
<b>Total Indonesia plants</b>	<b>11.99</b>	<b>0.24</b>	<b>12.23</b>	<b>12.74</b>	<b>0.06</b>	<b>12.80</b>	<b>-5.9</b>	<b>304.2</b>	<b>-4.5</b>
<b>Indonesia cement output</b>	<b>28.12</b>	<b>0.35</b>	<b>28.46</b>	<b>28.94</b>	<b>0.07</b>	<b>29.01</b>	<b>-2.9</b>	<b>404.3</b>	<b>-1.9</b>

Source: Company data

### Revenue

The Company’s total sales revenue in 6M15 reached Rp12,640 billion, down 1.9% YoY, primarily due to lower sales volume, which declined by 4.5% YoY.

### Cost of Revenue

The cost of revenue increased by 6.8% YoY to Rp7,635 billion in 6M15 up from Rp7,150 billion in 6M14. This was primarily due to increases in electricity cost; and depletion, depreciation & amortisation on additional fixed assets such as packing plants in Balikpapan and Pontianak in Kalimantan.

## Gross Profit

As the results, gross profit was down 12.7% YoY to Rp5,006 billion in 6M15. Gross profit margin declined to 39.6% in 6M15, down from 44.5% in 6M14.

## Operating Expenses

The Company's operating expenses increased slightly by 0.8% to Rp2,208 billion in 6M15, up from Rp2,190 billion in 6M14. Selling expenses were down by 6% YoY to Rp1,241 billion in 6M15, from Rp1,320 billion in 6M14. However, general and administrative expenses rose 6.4% YoY to Rp975 billion in 6M15, from Rp916 billion in 6M14.

## Pre-tax Profit

Pre-tax profit declined 21.1% YoY to Rp2,798 billion in 6M15, down from Rp3,546 billion in 6M14. EBITDA was also down by 15.4% YoY to Rp3,490 billion in 6M15.

## Net Income

Net income after minority interest was down 20.6% YoY to Rp2,185 billion in 6M15, from Rp2,754 billion in 6M14.

## Market Share 6M15

	Market share							
	SMGR	INTP	SMCB	SMBR	Bosowa	Andalas	Kupang	CG
Java	39.6%	38.2%	17.8%	-	1.6%	-	-	2.7%
Sumatra	42.7%	11.6%	14.3%	11.4%	3.2%	14.5%	-	2.2%
Kalimantan	51.3%	28.6%	9.5%	-	7.1%	-	-	3.4%
Sulawesi	64.8%	12.1%	1.3%	-	21.8%	-	-	-
Nusa Tenggara	38.9%	30.2%	6.3%	-	14.7%	-	5.7%	4.2%
East Indonesia	54.3%	21.5%	0.9%	-	23.3%	-	-	-
Total Indonesia	43.3%	29.1%	14.2%	2.4%	5.1%	3.1%	0.4%	2.5%

Source: Indonesia Cement Association (ASI)

## PROGRESS OF STRATEGIC PROJECTS

The constructions of 2 (two) new cement plants in Rembang, Central Java and Indarung, West Sumatera, each with designed capacity of 3mtpa (million tonnes per annum), are still in progress. The constructions are expected to be completed by the end of this year and commercial operation to start in early 2017. These new plants will add our designed capacity to 38mtpa.

We are also progressing with the Waste Heat Recover Power Generator project (WHRPG) in Tuban to generate 30MW power, for cost saving purposes and reduce CO2 emissions.

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