

Jakarta, April 30, 2015

PT Semen Indonesia (Persero) Tbk.

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

Market Capitalisation – as of April 30, 2015:
Rp79,961 billion (US\$5.9 billion)

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

Share Price (Closing)

1 April 2015 Rp13,600
As of 31 March 2015 Rp13,700
Hi/Lo (3 mo) Rp16,275/Rp12,650

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 31 March 2015

In Rpbn	3M15	3M14	Change
Revenue	6,340	6,178	2.6%
Cost revenue	3,781	3,503	7.9%
Gross profit	2,560	2,675	-4.3%
Operating expenses	(1,059)	(1,017)	4.1%
Pre-tax profit	1,501	1,658	-9.5%
EBITDA	1,858	1,968	-5.6%
Net profit after minority interest	1,190	1,303	-8.6%
EPS (Rp)	201	220	-8.6%

Ratio	Formula	3M15	3M14
EBITDA margin (%)	EBITDA/revenue	29	32
Interest coverage (x)	EBITDA/interest expense	25	25
Debt to equity (%)	Total debt/equity	16	20
Net debt to equity (%)	Total debt minus cash/equity	(6)	(4)
Debt to assets (%)	Total debt/total assets	3	4

Business Highlights

- Revenue was up by 2.6% YoY to Rp6,340 billion in 3M15 despite flat volume. Net Income after minority interest was down 8.6% YoY to Rp1,190 billion in 3M15 (EPS of Rp201/share).
- Semen Indonesia's total domestic sales volume in 3M15 was 6.05 million tonnes, down 1.8%, but export volume from the Indonesia operation was up to 0.11 million tonnes in 3M15, from only 0.01 million tonnes.
- Domestic cement consumption was down by 1.7% 13.84 million tonnes in 3M15, 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 5.6% YoY to Rp1,858 billion in 3M15. 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 Rp5,461 billion and total interest bearing debt of Rp4,063 billion as of as of 31 March 2015. This results in net cash of 6% to equity.

Contacts:

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SEMENT INDONESIA REPORTS UNAUDITED CONSOLIDATED 1Q2015 RESULTS

PT Semen Indonesia (Persero) Tbk. (“SMGR” or “the Company”) announced its consolidated March 31, 2015 financial statements. The Company recorded revenue and pre-tax profit of Rp6,340 billion and Rp1,501 billion, respectively, for the period of 3M15. Net income was recorded at Rp1,190 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 April 29, 2015.

PERFORMANCE REVIEW

Sales Volume

In the first three months of 2015 (3M15) Indonesia’ domestic cement consumption reached 13.84 million tonnes as reported by the Indonesian Cement Association, down by 1.7% YoY. The overall slow down in the economy has had impact on the domestic cement demand. A new government has recently been formed, which may have delayed project approval processes. Total export rose more than 6x YoY to 0.11 million tonnes in 3M15, to partially offset the low domestic demand. The total Indonesia’ cement output reached 13.95 million tonnes in 3M15, down by 1% YoY.

Semen Indonesia’ sales volume reached 6.16 million tonnes in 3M15, down 0.3% YoY, slightly better than the industry’s growth as we were able to increase our export volume. Domestic sales volume was down 1.8% YoY to 6.05 million tonnes in 3M15, lower than the industry’s growth. Export volume was up 631.5% YoY to 0.11 million tonnes in 3M15.

In million tonnes	3M15			3M14			Change (%)		
	Domestic	Export	Total	Domestic	Export	Total	Domestic	Export	Total
Semen Indonesia	3.27	0.00	3.27	3.29	0.00	3.29	-0.6	-	-0.6
Semen Padang	1.50	0.08	1.58	1.61	0.00	1.61	-6.8	100.0	-1.8
Semen Tonasa	1.28	0.03	1.30	1.26	0.01	1.28	1.2	91.9	2.3
Total Indonesia plants	6.05	0.11	6.16	6.16	0.01	6.18	-1.8	631.7	-0.3
Indonesia cement output	13.84	0.11	13.95	14.08	0.01	14.09	-1.7	631.7	-1.0

Source: Company data

Revenue

The Company’s total sales revenue in 3M15 reached Rp6,340 billion, up 2.6% YoY. With sales volume declined slightly by 0.3% YoY from our Indonesia plants, this suggests that the average selling price was up slightly YoY partly benefiting from the decline in IDR on our export sales volume (priced in USD).

Cost of Revenue

The cost of revenue increased by 5.9% YoY to Rp3,781 billion in 3M15 up from Rp3,503 billion in 3M14. 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 4.3% YoY to Rp2,560 billion in 3M15. Gross profit margin declined to 40% in 3M15, down from 43% in 3M14.

Operating Expenses

The Company's operating expenses increased by 4.1% to Rp1,059 billion in 3M15, up from Rp1,017 billion in 3M14. Selling expenses increased by 1.3% YoY to Rp629 billion in 3M15, from Rp621 billion in 3M14. However, general and administrative expenses rose 8.2% YoY to Rp449 billion in 3M15, from Rp416 billion in 3M14.

Pre-tax Profit

Pre-tax profit declined 9.5% YoY to Rp1,501 billion in 3M15, down from Rp1,658 billion in 3M14. EBITDA was also down by 5.6% YoY to Rp1,858 billion in 3M15.

Net Income

Net income after minority interest was down 8.6% YoY to Rp1,190 billion in 3M15, from Rp1,303 billion in 3M14.

Market Share 3M15

	Market share							
	SMGR	INTP	SMCB	SMBR	Bosowa	Andalas	Kupang	CG
Java	40.8%	37.8%	17.1%	-	1.7%	-	-	2.4%
Sumatra	43.6%	11.7%	13.9%	10.6%	3.3%	14.5%	-	2.6%
Kalimantan	53.0%	26.6%	10.2%	-	7.1%	-	-	3.1%
Sulawesi	65.5%	10.8%	1.4%	-	22.3%	-	-	-
Nusa Tenggara	38.0%	28.3%	6.5%	-	16.3%	-	5.1%	5.8%
East Indonesia	54.7%	22.4%	66.0%	-	22.3%	-	-	-
Total Indonesia	44.4%	28.5%	13.7%	2.2%	5.4%	3.0%	0.3%	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 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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