

Jakarta, July 29, 2016

PT Semen Indonesia (Persero) Tbk.

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

Market Capitalisation – as of July 29, 2016:
Rp55,608 billion (US\$4.2 billion)

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

Share Price
29 July 2016 Rp9,375
As of 4 January 2016 Rp11,125
Hi/Lo (6 mo) Rp11,450/Rp8,700

Major Shareholders
Government of Indonesia 51.01%
Public 48.99%

Board of Directors
President Director – Rizkan Chandra
Finance Director – Darmawan Junaidi
Production and R&D – Johan Samudra
Commercial Director – Aunur Rosyidi
HRD & Legal Director – Ahyanzaman
Strategy & Bus Dev – Budi Siswoyo
Engineering & Projects – Gatot Kustiyadi

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>

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Financial Summary

For the 6 month period ended 30 June 2016

In Rpbn	6M16	6M15	Change
Revenue	12,470	12,640	-1.3%
Cost revenue	7,483	7,635	-2.0%
Gross profit	4,988	5,006	-0.4%
Operating expenses	(2,414)	(2,208)	9.3%
Pre-tax profit	2,574	2,798	-8.0%
EBITDA	3,405	3,515	-3.1%
Net profit after minority interest	1,965	2,185	-10.1%
EPS (Rp)	331	368	-10.1%

Ratio	Formula	6M16	6M15
EBITDA margin (%)	EBITDA/revenue	27	28
Interest coverage (x)	EBITDA/interest expense	21	20
Debt to equity (%)	Total debt/equity	18	16
Net debt to equity (%)	Total debt minus cash/equity	9	4
Debt to assets (%)	Total debt/total assets	5	3

Business Highlights

- Revenue was down 1.3% YoY to Rp12,470 billion in 6M16 primarily due to the decline in price. Net Income after minority interest was down 10.1% YoY to Rp1,965 billion in 6M16 (EPS of Rp331/share).
- Semen Indonesia's total sales volume in 6M16 including Thang Long Cement in Vietnam reached 13.6 million tonnes (mt) of cement in 6M16, up by 1.6% YoY.
- Indonesia' domestic sales volume was 12.2 million tonnes 6M16, up 1.2% YoY, reflecting stronger sales volume in 2Q16.
- Cost of revenue was down 2% YoY to Rp7,483 billion, due to low energy costs and improving the overall efficiency.
- We recorded cash and equivalents of Rp2,151 billion and total interest bearing debt of Rp4,648 billion as of as of 30 June 2016, suggesting net debt to equity of 9%. Debt to EBITDA level was 0.68x as of 30 June 2016.

SEMENT INDONESIA REPORTS UNAUDITED CONSOLIDATED 1H2016 RESULTS

PT Semen Indonesia (Persero) Tbk. ("SMGR" or "the Company") announced its unaudited first half results for the period of six months ended in June 2016. The Company recorded revenue and pre-tax profit of Rp12,470 billion and Rp2,574 billion, respectively, for the period of 6M16. Net income before minority interests was recorded at Rp1,991 billion.

The unaudited 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 29, 2016.

PERFORMANCE REVIEW

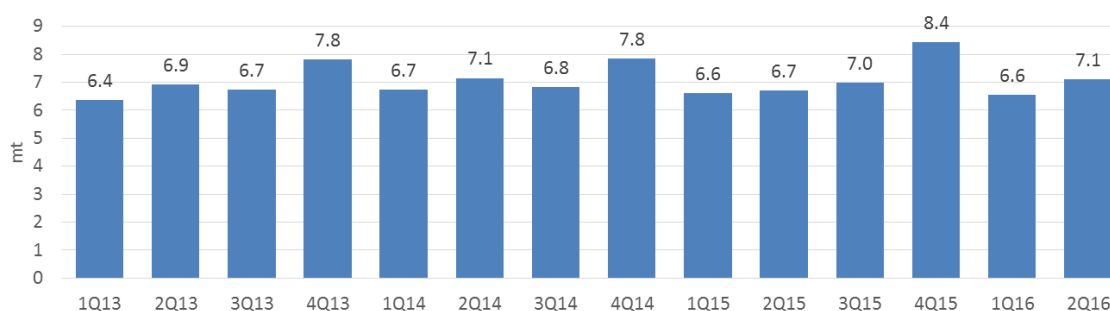
Sales Volume

Semen Indonesia's sales volume reached 13.62 million tonnes in 6M16, up 1.6% YoY. Strong pickup happened in 2Q16 following our completion of maintenance shutdown in 1Q16. Domestic sales volume in Indonesia was 12.18 million tonnes in 6M16, up 1.6% YoY, while exports from our Indonesia facilities was also down by 20% YoY to 0.19 million tonnes in 6M16. Our market share in Indonesia was 41.3% in 6M16. Our Vietnam plants have had better performance with the domestic sales volume in Vietnam rose 7% YoY to 0.84 million tonnes, and export sales volume was up 4.2% YoY to 0.41 million tonnes in 6M16, resulting in a total 6.1% YoY growth to 1.25 million tonnes.

In million tonnes	6M16	6M15	Chg YoY	2Q16	1Q16	Chg QoQ	Chg YoY
Indonesia							
Semen Indonesia	6.59	6.55	0.7%	3.47	3.12	11.2%	5.9%
Semen Padang	2.95	2.95	0.0%	1.46	1.49	-1.7%	0.9%
Semen Tonasa	2.64	2.48	6.1%	1.32	1.32	0.0%	9.1%
Total domestic	12.18	11.99	1.6%	6.26	5.93	5.5%	5.3%
Exports	0.19	0.24	-20.1%	0.13	0.06	140.4%	4.9%
Total volume from Indonesia	12.37	12.23	1.2%	6.39	5.98	6.7%	5.3%
Vietnam							
Domestic Vietnam	0.84	0.79	7.0%	0.54	0.30	77.1%	9.0%
Exports	0.41	0.39	4.2%	0.17	0.24	-29.2%	-27.1%
Total volume from Vietnam	1.25	1.17	6.1%	0.71	0.54	30.4%	-2.5%
Total volume	13.62	13.40	1.6%	7.09	6.53	8.7%	4.5%

Source: Company data

Quarterly sales volume



Source: Company data

Revenue

The Company's total sales revenue in 6M16 reached Rp12,470 billion in 6M16, down 1.3% YoY from Rp12,640 billion in 6M15. This was due to decline in volume and selling price as the impact of increasing competition within the cement industry.

Cost of Revenue and Operating Expenses

The cost of revenue declined by 2% YoY to Rp7,483 billion in 6M16, down from Rp7,635 billion in 6M15. This was primarily due to the decline in energy prices and more efficient operation. The unit cost of goods sold was around Rp548,000 per tonne in 6M16, down 4.4% YoY and 0.1% QoQ.

The Company's operating expenses increased by 9.3% to Rp2,414 billion in 6M16, up from Rp2,208 billion in 6M15. Selling expenses increased 13.8% YoY to Rp1,412 billion in 6M16, from Rp1.241 billion in 6M15, primarily from transportation and handling costs and promotion.

General and administrative expenses rose 3.8% YoY to Rp1,102 billion in 6M16, from Rp975 billion in 6M15, due to increases in partnership programme and community development; tax, insurance, and rental expenses.

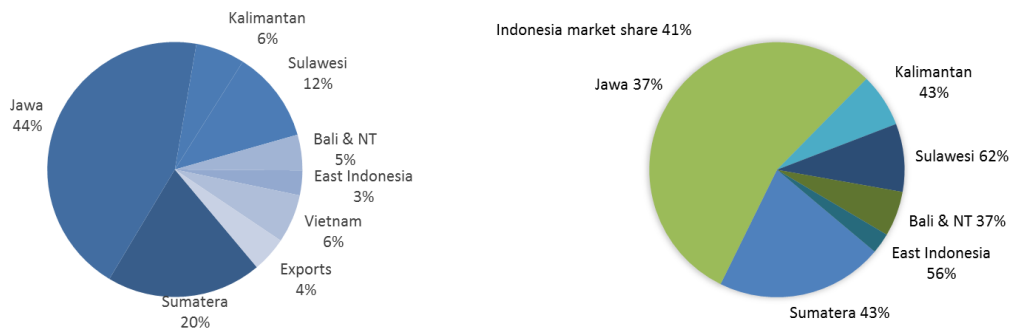
Other operating income rose to Rp51.2 billion in 6M16, from Rp3.4 billion in 6M15 as sales of scrap materials increased significantly and declined in foreign exchange loss. We recorded sales of scrap materials of Rp17.3 billion in 6M16, up from Rp1.0 billion in 6M15. Foreign exchange loss declined to Rp18.9 billion in 6M16, down from Rp27.9 billion in 6M15. This was partly offset by the decline in rental income to Rp10.3 billion in 6M16, from Rp20.2 billion in 6M15.

Profitability

Gross profit was down 0.4% YoY to Rp4,988 billion in 6M16 and gross profit margin was maintained at 40% in 6M16 or flat YoY. EBITDA was down only by 3.1% YoY to Rp3,405 billion in 6M16, from Rp3,515 billion. Our EBITDA margin was 27% in 6M16, slightly lower than 28% in 6M15.

Pre-tax profit declined by 8% YoY to Rp2,574 billion in 6M16, down from Rp2,798 billion in 6M15. Net income after minority interest was down 10.1% YoY to Rp1,965 billion in 6M16, from Rp2,185 billion in 6M15.

Market destinations and domestic market share



Source: Company data

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 scheduled for commissioning in 4Q16 and commercial in 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. The project is targeted to be completed by the end of this year and operational in 2017.

DISCLAIMER

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PT SEMEN INDONESIA (PERSERO) Tbk
DAN ENTITAS ANAK
LAPORAN POSISI KEUANGAN
KONSOLIDASIAN
30 Juni 2016 dan 31 Desember 2015
(Disajikan dalam ribuan Rupiah,
kecuali dinyatakan lain)

PT SEMEN INDONESIA (PERSERO) Tbk
AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS
OF FINANCIAL POSITION
June 30, 2016 and December 31, 2015
(Expressed in thousands of Rupiah,
unless otherwise stated)

	30 Juni / June 30, 2016 (Unaudited)	Catatan/ Notes	31 Desember / December 31, 2015 (Audited)	
ASET				ASSETS
ASET LANCAR				CURRENT ASSETS
Kas dan setara kas	2.138.412.606	5	3.964.018.180	Cash and cash equivalents
Kas dan setara kas yang dibatasi penggunaannya	12.855.421	5	25.469.712	Restricted cash and cash equivalents
Investasi jangka pendek	2.263.173	6	2.263.173	Short-term investments
Piutang usaha				Trade receivables
- Pihak ketiga, setelah dikurangi cadangan penurunan nilai sebesar Rp73.046.903 pada 30 Juni 2016 dan Rp61.893.997 pada 31 Desember 2015	2.807.884.079	7	2.716.270.338	- Third parties, net of allowance for impairment losses of Rp73,046,903 at June 30, 2016 and Rp61,893,997 at December 31, 2015
- Pihak berelasi, setelah dikurangi cadangan penurunan nilai sebesar Rp21.099.684 pada 30 Juni 2016 dan Rp21.099.684 pada 31 Desember 2015	783.764.120	7,42	827.569.631	- Related parties, net of allowance for impairment losses of Rp21,099,684 at June 30, 2016 and Rp21,099,684 at December 31, 2015
Piutang lain-lain				Other receivables
- Pihak ketiga, setelah dikurangi cadangan penurunan nilai sebesar Rp3.542.406 pada 30 Juni 2016 dan Rp3.511.243 pada 31 Desember 2015	44.590.068	8	56.818.134	- Third parties, net of allowance for impairment losses of Rp3,542,406 at June 30, 2016 and Rp3,511,243 at December 31, 2015
- Pihak berelasi, setelah dikurangi cadangan penurunan nilai sebesar Rp929.936 pada 30 Juni 2016 dan Rp1.269.578 pada 31 Desember 2015	33.620.671	8,42	27.982.398	- Related parties, net of allowance for impairment losses of Rp929,936 at June 30, 2016 and Rp1,269,578 at December 31, 2015
Persediaan	2.804.259.092	9	2.408.974.072	Inventories
Uang muka	261.042.501	10	88.747.138	Advances
Beban dibayar dimuka	99.086.181	11	38.530.615	Prepaid expenses
Pajak dibayar dimuka	499.478.065	12	382.060.519	Prepaid taxes
Jumlah Aset Lancar	9.487.255.977		10.538.703.910	Total Current Assets
ASET TIDAK LANCAR				NON-CURRENT ASSETS
Aset pajak tangguhan	105.476.252	39	90.267.923	Deferred tax assets
Investasi pada entitas asosiasi	268.968.174	13	223.952.239	Investments in associates
Properti investasi	167.553.284	14	175.123.263	Investment properties
Aset tetap, setelah dikurangi akumulasi penyusutan dan deplesi sebesar Rp12.316.194.817 pada 30 Juni 2016 dan Rp11.483.289.749 pada 31 Desember 2015	27.330.100.412	15	25.167.682.710	Fixed assets, net of accumulated depreciation and depletion of Rp12,316,194,817 at June 30, 2016 and Rp11,483,289,749 at December 31, 2015
Beban tangguhan	139.096.638	16	134.693.976	Deferred charges
Aset takberwujud	1.026.805.265	17	1.134.306.236	Intangible assets
Uang muka investasi	229.892.426	18	328.280.118	Advances for investment
Aset lain-lain	362.831.733	19	360.108.557	Other assets
Jumlah Aset Tidak Lancar	29.630.724.184		27.614.415.022	Total Non-Current Assets
JUMLAH ASET	39.117.980.161		38.153.118.932	TOTAL ASSETS

Lihat catatan atas laporan keuangan konsolidasian yang merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian.

See accompanying notes to consolidated financial statements which are an integral part of the consolidated financial statements.

PT SEMEN INDONESIA (PERSERO) Tbk
DAN ENTITAS ANAK
LAPORAN POSISI KEUANGAN
KONSOLIDASIAN
30 Juni 2016 dan 31 Desember 2015
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kecuali dinyatakan lain)

PT SEMEN INDONESIA (PERSERO) Tbk
AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS
OF FINANCIAL POSITION
June 30, 2016 and December 31, 2015
(Expressed in thousands of Rupiah,
unless otherwise stated)

	30 Juni / June 30, 2016 (Unaudited)	Catatan/ Notes	31 Desember / December 31, 2015 (Audited)	
LIABILITAS DAN EKUITAS				LIABILITIES AND EQUITY
LIABILITAS JANGKA PENDEK				CURRENT LIABILITIES
Pinjaman jangka pendek	525.073.621	20,42	138.603.568	Short-term borrowings
Utang usaha				Trade payables
- Pihak ketiga	2.915.503.035	22	2.709.634.659	- Third parties
- Pihak berelasi	1.104.828.463	22,42	1.073.611.340	- Related parties
Utang lain-lain				Other payables
- Pihak ketiga	164.124.238	23	151.290.680	- Third parties
- Pihak berelasi	77.747.045	23,42	43.009.298	- Related parties
Beban yang masih harus dibayar	538.807.684	24	633.616.432	Accrued expenses
Utang pajak	337.589.114	25	275.833.026	Taxes payable
				Short-term employee benefits liabilities
Liabilitas imbalan kerja jangka pendek	621.689.233	41	848.863.477	Sales advances
Uang muka penjualan	27.460.298	26	17.645.606	Current maturities of long-term liabilities
Liabilitas jangka panjang yang jatuh tempo dalam satu tahun				- Bank loans
- Pinjaman bank	722.778.687	20,42	630.043.935	- Finance lease liabilities
- Liabilitas sewa pembiayaan	63.192.139	21	77.037.601	
Jumlah Liabilitas Jangka Pendek	7.098.793.557		6.599.189.622	Total Current Liabilities
LIABILITAS JANGKA PANJANG				NON-CURRENT LIABILITIES
Liabilitas pajak tangguhan	176.013.016	39	107.902.730	Deferred tax liabilities
Liabilitas imbalan kerja jangka panjang	745.387.839	41	653.612.297	Long-term employee benefits liabilities
Liabilitas jangka panjang setelah dikurangi yang jatuh tempo dalam satu tahun				Long-term liabilities net of current maturities
- Pinjaman bank	3.169.811.170	20,42	2.996.680.899	- Bank loans
- Liabilitas sewa pembiayaan	167.370.089	21	158.934.642	- Finance lease liabilities
Provisi jangka panjang	195.156.907	27	185.526.840	Long-term provision
Liabilitas jangka panjang lainnya	8.000.517	23	10.473.501	Other non-current liabilities
Jumlah Liabilitas Jangka Panjang	4.461.739.538		4.113.130.909	Total Non-Current Liabilities
Jumlah Liabilitas	11.560.533.095		10.712.320.531	Total Liabilities
EKUITAS				EQUITY
Ekuitas yang dapat diatribusikan kepada pemilik entitas induk:				Equity attributable to equity holders of the parent entity:
Modal saham - nilai nominal Rp100 (angka penuh) per saham				Share capital - par value of Rp100 (full amount) per share
Modal dasar - 20.000.000.000 saham				Authorized - 20,000,000,000 shares
Modal ditempatkan dan disetor penuh - 5.931.520.000 saham	593.152.000	28	593.152.000	Issued and fully paid 5,931,520,000 shares
Tambahan modal disetor	1.458.257.900	29	1.458.257.900	Additional paid-in capital
Komponen ekuitas lainnya	404.247.083		553.155.266	Other components of equity
Saldo laba				Retained earnings
- Ditentukan penggunaannya	253.338.000		253.338.000	- Appropriated
- Belum ditentukan penggunaannya	23.718.031.600		23.561.638.624	- Unappropriated
Jumlah ekuitas yang dapat diatribusikan kepada pemilik entitas induk	26.427.026.583		26.419.541.790	Total equity attributable to the owners of the parent entity
Kepentingan nonpengendali	1.130.420.483	31	1.021.256.611	Non-controlling interests
Jumlah Ekuitas	27.557.447.066		27.440.798.401	Total Equity
JUMLAH LIABILITAS DAN EKUITAS	39.117.980.161		38.153.118.932	TOTAL LIABILITIES AND EQUITY

Lihat catatan atas laporan keuangan konsolidasian yang merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian.

See accompanying notes to consolidated financial statements which are an integral part of the consolidated financial statements.

PT SEMEN INDONESIA (PERSERO) Tbk
DAN ENTITAS ANAK
LAPORAN ARUS KAS KONSOLIDASIAN
Periode yang berakhir pada tanggal-tanggal
30 Juni 2016 dan 2015
(Disajikan dalam ribuan Rupiah,
kecuali dinyatakan lain)

PT SEMEN INDONESIA (PERSERO) Tbk
AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
Period ended June 30, 2016 and 2015
(Expressed in thousands of Rupiah,
unless otherwise stated)

	30 Juni / June 30, 2016 (Unaudited)	30 Juni / June 30, 2015 (Unaudited)	
ARUS KAS DARI AKTIVITAS OPERASI			CASH FLOWS FROM OPERATING ACTIVITIES
Penerimaan dari pelanggan	12.421.033.965	12.778.763.500	Receipts from customers
Pembayaran kepada pemasok	(8.271.374.923)	(7.991.022.250)	Payments to suppliers
Pembayaran kepada karyawan	(1.554.345.120)	(1.189.911.035)	Payments to employees
Penghasilan bunga yang diterima	109.288.347	168.440.923	Interest income received
Penarikan kas dan setara kas yang dibatasi penggunaannya	12.614.291	5.872.423	Withdrawal of restricted cash and cash equivalents
Pembayaran pajak penghasilan	(663.176.750)	(687.386.409)	Payment of income taxes
Pembayaran bunga dan beban keuangan	(181.419.665)	(177.653.464)	Payment of interest and finance charges
Penerimaan lainnya - neto	57.281.835	21.410.298	Others receipts - net
Arus Kas Neto Yang Diperoleh Dari Aktivitas Operasi	1.929.901.980	2.928.513.986	Net Cash Flows Provided by Operating Activities
ARUS KAS DARI AKTIVITAS INVESTASI			CASH FLOWS FROM INVESTING ACTIVITIES
Aset tetap:			Fixed Assets:
Pembelian aset tetap	(2.137.978.765)	(2.231.686.392)	Acquisition of fixed assets
Hasil penjualan aset tetap	545.546	755.935	Proceeds from sales of fixed assets
Penerimaan dari saham entitas anak yang dikeluarkan kepada kepentingan nonpengendali	19.590.000	-	Proceeds from issuance of shares of subsidiary to a non-controlling interest
Penerimaan dari saham entitas anak	39.697.868	-	Receipt of shares of subsidiaries
Uang muka investasi	(195.959.941)	(333.080.480)	Advances for investment
Penambahan beban tangguhan	(14.316.199)	(12.575.027)	Additions to deferred charges
Penambahan aset takberwujud	(92.754)	(846.458)	Additions to intangible assets
Arus Kas Neto Yang Digunakan Untuk Aktivitas Investasi	(2.288.514.245)	(2.577.432.422)	Net Cash Flows Used in Investing Activities
ARUS KAS DARI AKTIVITAS PENDANAAN			CASH FLOWS FROM FINANCING ACTIVITIES
Pinjaman:			Borrowings:
Pembayaran kembali pinjaman	(617.136.756)	(373.999.027)	Repayment of borrowings
Penerimaan pinjaman	992.612.978	238.111.107	Proceeds from borrowings
Pembayaran liabilitas sewa pembiayaan	(28.432.571)	(38.793.776)	Payment of finance lease liabilities
Pembayaran dividen:			Payment of dividends:
Pemilik entitas induk	(1.808.588.163)	(2.226.339.939)	Equity holders of parent entity
Keperluan nonpengendali	(5.448.797)	(9.563.335)	Non-controlling interest
Arus Kas Neto Yang Digunakan Untuk Aktivitas Pendanaan	(1.466.993.309)	(2.410.584.970)	Net Cash Flows Used in Financing Activities
Penurunan neto kas dan setara kas	(1.825.605.574)	(2.059.503.406)	Net decrease in cash and cash equivalents
Kas dan setara kas pada awal tahun	3.964.018.180	4.925.949.551	Cash and cash equivalents at the beginning of the year
KAS DAN SETARA KAS PADA AKHIR PERIODE	2.138.412.606	2.866.446.145	CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD
Komponen kas setara kas terdiri dari:			Components of cash and cash equivalents:
Kas	5.630.870	4.937.659	Cash on hand
Bank	957.703.477	1.153.878.632	Cash in banks
Deposito berjangka	1.175.078.259	1.707.629.854	Time deposits
	2.138.412.606	2.866.446.145	

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