



PT Holcim Indonesia Tbk
Talavera Suite 15th floor
Talavera Office Park
Jl. Letjen. TB Simatupang No.22-26
Jakarta Selatan - 12430

Tel. (+62-21) 2986 1000
Fax. (+62-21) 2985 3333
0 800 100 7788 (toll free)
www.holcim.co.id

Media Release

Pursuing Rebound, Holcim Continues Strong Focus on Commercial Transformation

- **The appointment of Martin Kriegner as Vice President Commissioner**
- **Pushes more innovative solutions and easier access to products and services**

Jakarta, 24 May 2017 - At the Annual and Extra-ordinary General Meeting of Shareholders held today, shareholders approved Holcim Indonesia's annual report of 2016 and the appointment of Martin Kriegner as Vice President Commissioner.

Despite the continuing economic slowdown and tightening cement market competition, Holcim Indonesia continues to focus in terms of commercial transformation to increase its sales and serve a growing customer base in the two largest cement markets, Sumatra and Java. The company executes several efficiency measures and to reduce costs on manufacturing, distribution, and financial costs as well as to improve the use of alternative materials. Aside from the additional capacity from the acquired cement plant in Lhoknga, Aceh, Holcim's stronger presence in Sumatra is also manifested with the operation of a cement terminal in Lampung and the upcoming warehouse in Palembang which is expected to be operational by 2018. The terminal in Lampung secures supplies to serve the local market with a capacity of one million ton cement per year.

Keep on providing added values for the customers, Holcim recently engaged with banking partner, CIMB Niaga to launch a mobile sales application provided now for Android smartphone users. Homeowners now can easily find Holcim products and solutions right at their fingertips, anytime, anywhere. The application is placed in Google Play Store under the name of Solusi RumahKu, an integrated building and renovation solution offering design consultation, financing access to banking partners, reliable building materials, skillful and certified builders, all under one roof.

Well positioned despite ongoing challenges

Holcim Indonesia continuesly optimizing potentials to leverage opportunities, mitigating the government's push to all related parties responsible for projects activation concerning any challenges that may cause delays by considering the progressive costs may arise. While, housing credit grew only 8% in the first quarter this year or lower than expected 11% due to lower purchasing power, 12% growth of housing credit is expected in the second quarter, targeting medium segment.

Commenting the tough condition that plunged most industries' performance in 2016 including cement business players, Gary Schutz, CEO said, "The unpredictable dynamics will still be our main reason to stay vigilant and agile while providing value for our customers and stakeholders with our value added solutions, SpeedCrete, ThruCrete and ApexCrete. These

three solutions, is the line up of our products to serving the needs of concrete in Indonesia. The building materials and construction industry remains under pressure, due to the economic slowdown that has affected customers' purchasing power. Thus, the government's role to create a more conducive business environment would certainly be beneficial."

Demand growth in the short-term is predicted to remain minimum, far away from the initial growth of 5% projected by ASI. For the long-term, PT Holcim Indonesia Tbk is still convinced of Indonesia's strong fundamental growth potential above the short term level. "The situation on the Indonesian market continued to be challenging in Q1- 2017. With the aim of mitigating the effects of project delays and new entrants Holcim is focusing on cost and commercial transformation measures. Holcim is better positioned with the integrated networks and comprehensive portfolio we have. We are more than ready to serve the markets and meet the customers' distinctive needs, from homeowners to large infrastructure and hi-rise building projects", says Gary Schutz, CEO.

Management Changes

Mr Ian Thackwray has decided to resign as Vice President Commissioner for personal reasons, that he would like to pursue a new challenge outside the Group. The Extra-ordinary General Meeting of Shareholders has approved the appointment of Mr Martin Kriegner to replace Mr Thackwray to serve in the Board of Commissioners as Vice President Commissioner. Mr Kriegner brings with him a vast experience and expertise in cement industry, and has worked in Asian countries. The company shall benefit from his advices and the rest of the BoC members to further grow Holcim Indonesia.

About PT Holcim Indonesia Tbk

PT Holcim Indonesia Tbk (Holcim Indonesia) is a publicly listed company which its majority stake (80.65%), is owned and managed by Swiss-based LafargeHolcim Group, the world's largest cement companies with more than 90,000 employees and operates in more than 80 countries.

As one of the largest cement companies in Indonesia, PT Holcim Indonesia Tbk maintains integrated businesses of cement, ready-mix concrete, and aggregates production. The company operates four cement plants in Narogong-West Java, Cilacap-Central Java, Tuban-East Java, and Lhoknga-Aceh, making total capacity of 15 million tons of cement and employs more than 2,500 employees. PT Holcim Indonesia Tbk operates a domestic building material supply network, which covers special distributors, retailers, masons, and value added solutions.

Further information please contact:

*Diah Sasanawati (Anna)
Corporate Communications Manager
 PT Holcim Indonesia Tbk
 Phone : 62 21 2986 1000 ext 8361
 Mobile : 0813-8181 8554
 e-mail : diah.sasanawati@lafargeholcim.com*

*Ian Rolando Ferdinandus
Media Relations
 PT Holcim Indonesia Tbk
 Phone: 62 21 823 1260 ext 5700
 Mobile : 0818-103 196
 e-mail : ian.ferdinandus@lafargeholcim.com*