

Media Release

PT Holcim Indonesia Tbk 1st Semester 2017 - Financial Result

Holcim drives innovation in response to challenging market conditions

- **Persistently challenging environment puts pressure on top line**
- **Net sales down 10%, further impacted by timing of Ramadan**
- **The company is currently engaged in a series of measures to strengthen sales penetration and to address cost efficiency as well as sustaining its edge in technology to enriched portfolio with innovative products and solutions**
- **Continued focus on revitalization of public facilities and landmark projects**

Comparative highlights (first half unaudited results)

In billion Rupiah	Ended 30 June 2017 (unaudited)	Ended 30 June 2016 (unaudited)
Sales	4,288	4,770
Gross profit	622	1,010
Gross profit margin	15%	21%
Operating EBITDA	367	745
Income from operations	(153)	183
Net profit/loss	(436)	(51)

Jakarta (31/7) - PT Holcim Indonesia Tbk announces the Company's financial performance for the first semester.

Sales were down 10% to Rp 4,288 billion in the first half due to tough market conditions, exacerbated by timing of Ramadan. The subdued economy and oversupplied market environment continued to suppress prices. Nonetheless, costs of goods sold were down by nearly 2%, reflecting the implementation of efficiency programs.

National cement consumption reached 29 million tons in the first half 2017, a decrease of 1.2% against last year. The slowing housing sector depressed demand in the first six months. We expect an improvement in the second half of the year as construction projects materialize, supported by positive sentiment from both Government and private sector.

Differentiation through innovation

Holcim offers innovative products and solutions to meet the needs of its customers. Holcim has contributed to the revitalization of public facilities in the capital, Jakarta, and is now working on the renovation of the national sport complex, Gelora Bung Karno (GBK), part of Indonesia's preparation for hosting the 18th quadrennial multisports event, Asian Games 2018. Holcim has supplied ThruCrete and ColorCrete for this project, both products which have been proven to outperform other products during tests for quality and application. The use of Holcim's value-added solutions in Jakarta has resulted in a call for the Company to be invited by the Ministry of Public Works and Housing to further support the project.

"We differentiate ourselves by anticipating our customer's needs in order to create added value through adapted solutions and expertise that benefit our customers in the long run as our ultimate goal. We have solutions, expertise and knowledge which allow us to use our product range to meet each customer's unique needs", says Gary Schutz, CEO.

Agility for Sustainability

Holcim's commitment to innovation and providing added-value goes beyond its product portfolio. The Company recently signed a groundbreaking MoU concerning a municipal waste management facility for refuse-derived fuel located in Cilacap, Central Java on July 26 2017. The collaborative work between Holcim, the government of Central Java Province, the Ministry of Public Works & Housing, the Ministry of Environment & Forestry, and the Danish government, is expected to finish construction by 2018. The facility is designed to be able to provide treatment for up to 120 tons of domestic waste per day using bio-drying. The output will be used for fuel substitution in Holcim's cement production in Cilacap. The project is expected to be a role model for managing municipal waste while improving the environment in Indonesia.

About PT Holcim Indonesia Tbk

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

As one of the largest cement companies in Indonesia, PT Holcim Indonesia Tbk maintains integrated businesses including 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 a 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.

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