

April 28, 2011

Dear President

The Stock Exchange of Thailand

Subject: The investment in ceramic and distribution companies in Indonesia

The Siam Cement Public Company Limited (or "**SCC**") hereby announces that SCG Building Materials Company Limited and SCG Distribution Company Limited (Collectively, "**SCG**"), 100% owned subsidiaries of SCC, have entered into Conditional Shares Purchase Agreement ("**CSPA**") with the existing controlling shareholders of 2 Indonesia companies as follows:

1) Investment in a ceramic company

SCG Building Materials Company Limited has entered into CSPA to acquire 7,875,000,000 shares or 93.47% of the total issued shares in PT Keramika Indonesia Asosiasi Tbk ("**KIA**"), a listed company in Indonesia Stock Exchange ("**IDX**") under the code "KIAS" on April 27, 2011.

KIA is one of the top 5 players in the Indonesian ceramic market with a current market share of 10% with 3 plants located in west Java near Jakarta and east Java near Surabaya and the combined production capacity of 27 million sqm ceramics tiles (wall and floor), and 23 million pieces of ceramic roof tiles and accessories. Following this acquisition, SCG will have a total ceramics production capacity of 149 million sqm, which securely positions SCG in the top few spots globally in terms of production capacity. In addition, SCG's Indonesian based capacity will increase to 31 million sqm, from the current 4 million sqm.

2) Investment in a distribution company

SCG Distribution Company Limited has entered into CSPA to acquire 690,000,000 shares or 70.35% of the total issued shares in PT Kokoh Inti Arebama Tbk ("**KOKOH**"), a listed company in Indonesia Stock Exchange ("**IDX**") under the code "KOIN" on April 28, 2011.

KOKOH is an Indonesian based distributor with nationwide network of stores specializing in building materials including ceramic wall, floor, and roof tile, sanitary ware, paint, and gypsum board. With an internal logistics supply chain assets, in addition to tremendous local knowledge of customers, markets, and business practices, SCG expects to further leverage these knowledge to enhance its competitiveness in future expansion in Indonesia.

The acquisition shows SCG's strategic commitment to grow and enhance its capabilities and offerings within ASEAN, including Indonesia. SCG continues to focus on the acquisition of strategic assets which has synergistic potential with its existing business units.

The above disclosure is in compliance with the regulation of Capital Market and Financial Institutions Supervisory Agency of Indonesia ("BAPEPAM-LK") and the condition on CSPA. The share transfer will occur after the completion of the conditions precedent contained in the CSPA and the share price will be set at the share transfer date and advised to the Stock Exchange of Thailand, which should be within 2 months. The transaction is exempt from the rule of information disclosure concerning the acquisition and disposition of assets of listed companies and is not a connected transaction.

Yours faithfully,

The Siam Cement Public Company Limited

- Sign by-

(Mr. Chaovalit Ekabut)

Vice President-Finance and Investment & CFO