December 20, 2012

Dear President

The Stock Exchange of Thailand

Subject: Investment in ceramic tiles company in Vietnam

The Siam Cement Public Company Limited (or "SCC") hereby announces that SCG Building Materials Company Limited (or "SCG"), a 100% owned subsidiaries of SCC, has entered into a Conditional Shares Purchase Agreement ("CSPA") with the existing shareholders of Prime Group Joint Stock Company (or "Prime Group") to acquire the company's ceramic tiles and related assets in Vietnam. This transaction is subject to the fulfillment of the CSPA conditions, which is expected to be finalized in the first quarter of 2013.

Prime Group operates six ceramic tiles plants with a total capacity of 75 million sqm, and is one of Vietnam's leading domestic producers with a domestic market share of approximately 20%. Furthermore, Prime Group possesses other key assets such as clay mine, sand mine, and feldspar mine, which are all key raw materials for the production of ceramic tiles, in addition to a clay roofing plant with a capacity of 1.5 million sqm.

SCG's 85% investment in Prime Group is valued at 7,200 MB, while the original founders will continue to retain a 15% stake. Following this acquisition, SCG will have a total ceramic tiles production capacity of 225 million sqm, of which 48% is in Thailand, 33% is in Vietnam, 14% is in Indonesia, and 5% is in The Philippines.

This acquisition shows SCG's strategic commitment to grow and enhance its capabilities and offerings within ASEAN, following the acquisition of the ceramic tiles facilities of KIA (PT Keramika Indonesia Associasi Tbk) in Indonesia in mid-2011, and the increased stake in the ceramic tiles producer Mariwasa (Mariwasa-Siam Ceramics, Inc) in The Philippines in early-2012.

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. Kan Trakulhoon)
President & CEO