

Study on Business Potential and Major Players of CEMENT Industry in Indonesia, 2016 - 2020

After adhering to the position of Vietnam as the largest cement producer in Asean, it is believed that in 2017 Indonesia will take the top position with cement production above 90 million tons. This condition is in line with the operation of eight new cement plants in upcoming two years and addition of production capacity until 24 million tons. In 2015, Indonesia succeeded in adding its cement production capacity of 11 million tons coming from five new cement plants including Semen Bosowa with capacity of 3 million tons, Semen Holcim of 1.7 million tons, Semen Merah Putih of 3 million tons, Semen Jawa of 1.7 million tons and Anhui Conch Sement of 1.7 million tons.

The national cement production in 2015 exceeded the domestic demand so the cement export kept on increasing. High production made the competition of cement producers to obtain cement market segment is getting tight. There are eight national private or foreign companies and five state owned cement companies (BUMN) which seize national cement markets. The existence of other ten players with less great production capacity also enlivens the competition.

Based on a survey of CDMI that the existence of new cement producers starts disturbing the market segment of the largest four cement producers in the country namely PT. Semen Indonesia Tbk., PT. Indocement Tunggol Prakarsa Tbk, PT. Holcim Indonesia Tbk. and PT. Semen Bosowa Maros. In Java and Sumatra, some new players have already stolen the markets. Meanwhile, the existence of Conch Cement in Kalimantan has started bothering

the market control of PT. Semen Indonesia and PT. Indocement Tunggol Prakarsa controlling the markets in Kalimantan of respectively 51.6% and 27.9%.

Viewing high growth of cement industry in the last five years and lots of new cement plants which were established with fantastic investment, CDMI is interested in performing a deeper research to identify the development in more detail. This research book is also equipped with the calculation of cement demand in increasing construction sector. Investors will recognize the amount of cement consumption for Ready Mix and Precast Concrete in the last five years and the amount of their consumption in upcoming five years. CDMI also completes this book with the investment calculation to construct a new cement plant.

This research book is only published at CDMI and it can be directly ordered in our Marketing Division with Mrs. Tina by phones (021) 3193 0108, 3193 0109, 3193 0070 or Fax (021) 3193 0102 or e-mail: marketing@cdmione.com at a price of US\$ 650 for Indonesian Edition and US\$ 700 for English Edition.

Having submitted this offer, we thank you for your cooperation and look forward to hearing your response promptly.

Cordially yours,
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