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July 21, 2021

**Notice regarding Completion of Acquisition of Shares of
PT Solusi Bangun Indonesia Tbk**

Taiheiyo Cement Corporation (hereinafter "Taiheiyo Cement" or "we") is pleased to announce that today we acquired new shares of PT Solusi Bangun Indonesia Tbk ("SBI"), a Group company of the state-owned PT Semen Indonesia (Persero) Tbk ("SI"). In accordance with the "Notice regarding conclusion of Definitive Agreements on the Capital Alliance with PT Semen Indonesia (Persero) Tbk Group" announced on January 26, we acquired 15.0% of SBI's total shares issued through a rights issue process (in accordance with Indonesian law and corresponding to a rights offering in Japan). We will dispatch a director and a commissioner from Taiheiyo Cement to SBI upon the completion of the acquisition of the shares, thereby making SBI an equity method affiliate of Taiheiyo Cement.

As announced on December 8, 2020 in "Conclusion of Definitive Agreement on the Business Alliance with PT Semen Indonesia (Persero) Tbk Group" (**English version unannounced**), and the press release dated January 26, 2021, the capital and business alliance with SI and SBI will enable us to establish our business foundation in Indonesia and to further promote the globalization of business operations, including cement trading, by building a new cement distribution base in Southeast Asia. Particularly for exports to the U.S., we have already obtained the necessary permits and approvals for our planned large-scale capital investment to increase exporting capacity (e.g., expansion of jetty and silos), and we plan to begin construction immediately after investing in SBI. We will continue to aim for sustainable growth by enhancing our position as a corporate group that contributes to the development of social infrastructure and a recycling-based society in the Pacific Rim.

The impact of this matter on the Company's consolidated financial results for fiscal year ending March 2022 has already been factored into the financial forecast announced on May 13, 2021.

< Details of Acquisition of Shares of SBI >

1	Number of shares held after the Transaction	1,356,399,291 shares
2	Purchase price per share	2,300 Rp
3	Acquisition price	3,119,718,369,300 Rp

※1 ※2

< SBI Overview (listed on the Indonesia Stock Exchange (IDX)) >

- i. Corporate Name: PT Solusi Bangun Indonesia Tbk
- ii. Business Description: Production and sales of Cement, ready-mixed concrete, and aggregate etc.
- iii. Date Incorporated: June 15, 1971
- iv. Major Shareholders and Shareholding Ratio:
 PT Semen Indonesia Industri Bangunan ("SIIB" ※3) 83.52% ※4
 Taiheiyo Cement 15.04% ※4
- v. Consolidated Operational Results for fiscal year ended December 2020 ※1
 - Cement sales volume: 12.0 million ton
 - Sales: JPY 76,822 million Operating income: JPY 12,320 million
 Net income: JPY 4,948 million
 - Total assets: JPY 157,610 million Net assets: JPY 57,503 million

※1: Exchange rate: 1 Indonesian Rupiah = 0.0076 Japanese Yen

※2: JPY 23,710 million

※3: SIIB is a wholly owned subsidiary of SI.

※4: The shareholding ratio of SIIB and Taiheiyo Cement are based on the assumption that all minority shareholders do not exercise their rights. Depending on the status of exercise of rights by minority shareholders, the ratio will be in the following range.

SIIB: 83.31% to 83.52%, Taiheiyo Cement Corporation: 15.00% to 15.04%.