

Translation

CSO-S60-037

March 2, 2017

To President
The Stock Exchange of Thailand

Subject: SCC Increases Stake in Vietnam's Long Son Petrochemicals

The Siam Cement Public Company Limited (or "SCC") announces that Vina SCG Chemicals Co., Ltd. (or "VSCG"), its wholly-owned subsidiary, has entered into the share purchase agreement with QPI Vietnam Limited ("QPIV"), a subsidiary of Qatar Petroleum to acquire all of QPIV's 25% equity stake in Long Son Petrochemicals Company Limited ("LSP").

This equity transaction, valued at US\$36.1 million or approximately 1,300 million Baht, will increase SCC's direct and indirect stake in LSP to 71% (from 46%), while the Vietnamese parties hold 29%.

LSP is positioned as Vietnam's first petrochemicals complex. The project possesses competitive aspects ranging from integration, economies of scale, and competitive feedstock flexibility. Non-petrochemical supporting infrastructure such as a deep sea port and other facilities are also included at approximately 30% of the total investment cost.

At the heart of the project is a one million ton ethylene cracker with flexible gas and naphtha feed to yield in total olefins capacity of up to 1.6 million tons per year depending on the feedstock mix. The olefins cracker is equipped with high flexibility to utilize gas up to 80%, of total feedstock, for cost optimization and will be fully integrated to the downstream polyolefins (PE / PP) capacities of similar scale.

The project will be financed with a combination of equity and debt, whereby the final investment decision (FID) is expected by H1, 2017 and the CAPEX outlay will be finalized afterwards. With a five year construction period, the start-up is expected in 2021.

LSP is located just 100 km from Ho Chi Minh City, the main market and economic heartland of Vietnam. In 2015, Vietnam imported more than 2 million tons of polyolefins, with future high single digit growth rates anticipated.

This 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

-signed by-

(Mr. Roongrote Rangsiyopash)

President & CEO