

Re.: **Disclosure in compliance with Rule No. IX.E.1**

On 1 March 2017, PT United Tractors Tbk (the “**Company**”) disclosed the information to the Financial Services Authority, as the compliance with Rule No. IX.E.1, Attachment to the Chairman of Capital Market and Financial Institution Supervisory Board Decree No. KEP-412/BL/2009 dated 25 November 2009 on Affiliated Party Transaction and Conflict of Interest (“**Bapepam Rule IX.E.1**”).

The following are the information disclosed:

1. **Description on the Transaction**

On 27 February 2017, PT Pamapersada Nusantara (“**PAMA**”) and PT Danusa Tambang Nusantara (“**DANUSA**”), both are subsidiaries of the Company, whereas issued and paid up shares are owned by the Company directly or indirectly, signed a Conditional Sales and Purchase Agreement (“**Agreement**”) related to the sale of all PAMA’s shares in PT Sumbawa Jutaraya (“**SJR**”), or equal to 80% (eighty percent) of total issued and paid up shares in SJR, to DANUSA (hereinafter referred to as the “**Transaction**”).

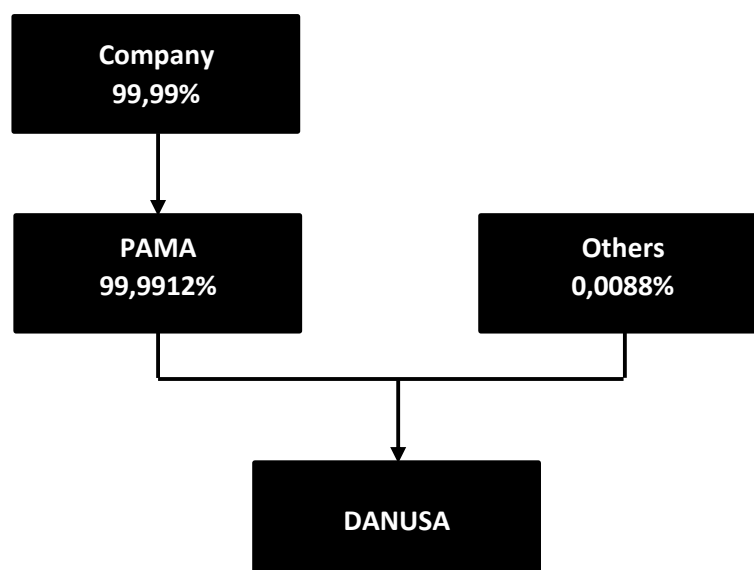
Pursuant to the Agreement, the total amount of Transaction is Rp107,500,000,000 (one hundred seven billion five hundred million Rupiah).

2. **Relation among the Parties**

The affiliated relationship between PAMA and DANUSA are in PAMA’s shares ownership on DANUSA and the similarities of management, with the following details:

- (a) PAMA is the controlling shareholder of DANUSA and has a total of 100% shares directly or indirectly of the total issued shares of DANUSA.

The following is a chart that describes the structure of the relationship between the Company, PAMA and DANUSA:



- (b) The following are the similarities of management of PAMA and DANUSA at the time of the Transaction

Company Name	Board of Directors	Board of Commissioners
PAMA	President Director : F.X. Laksana Kesuma Vice President Director : Dwi Priyadi Director : Dadi Sukarso Yuwono Director : Chinthya Theresa Am	-
DANUSA	President Director : Dadi Sukarso Yuwono	President Commissioner : F.X. Laksana Kesuma Commissioner : Dwi Priyadi Commissioner : Chinthya Theresa Am

3. **Explanation, Consideration and Reasons for the Transaction compared to other Similar Transaction with an Unaffiliated Party**

The purpose of this Transaction is to reorganize group of the Company, specially for Company's business portfolio on mining with commodity of metal minerals, gold and its following minerals.

With the specific purpose above, thus the Transaction does not executed with other parties.

4. **Statements of the Board of Directors and Board of Commissioners of the Company**

In relation to this Transaction, the Board of Commissioners and Board of Directors state that to the extent of our knowledge, the Company has disclosed all the informations required to be known by public and there is no any material fact which has not been disclosed or omitted, causing the information related to the Transaction as discussed above becomes incorrect and/or misleading.

5. **Additional Information**

- (a) This Transaction is not a conflict of interest transactions as stipulated in Bapepam Rule IX.E.1, therefore it does not require an approval of independent shareholder.
- (b) This Transaction is not a Material Transaction (as defined in Rule No. IX.E.2, Attachment to the Chairman of Capital Market and Financial Institution Supervisory Board Decree No. KEP-614/BL/2011 dated 28 November 2011, on Material Transaction and Change of Main Business Activities ("**Bapepam Rule IX.E.2**") as the amount of the Transaction does not meet the threshold amount as stipulated in Bapepam Rule IX.E.2.

Therefore, this Transaction is only an affiliated transaction required to be reported to Financial Services Authority as stipulated in Bapepam Rule IX.E.2 number 2 letter b (5).

Thank you for your attention.

Yours sincerely,
PT United Tractors Tbk

<signature>

Sara K. Loebis
Corporate Secretary