

Re.: **Disclosure regarding the Increase of Shares Participation in PT Bina Pertiwi (“BP”) by PT United Tractors Tbk (“Company”) in compliance with Rule No. IX.E.1**

On 10 September 2018, the Company disclosed the information to the Financial Services Authority related to Increase of Shares Participation in BP by the Company, 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

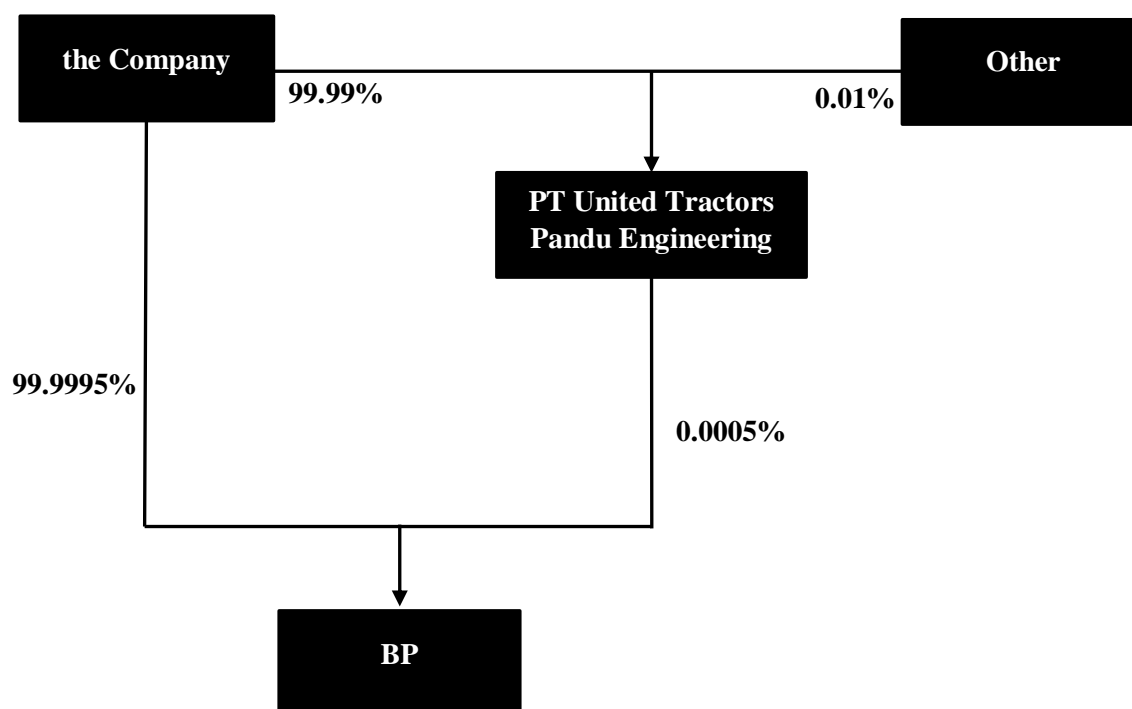
PT Bina Pertiwi (“**BP**”), a subsidiary of the company, increases its issued and paid up capital by issuing 400,000 new shares. The company has subscribed all of the new shares which result in increase of shares ownership of the Company in BP (“**Increase of Shares Ownership**”). The Ministry of Law and Human Rights has issued a Letter of Receipt of Notification of Amendment to Articles of Association BP Number AHU-AH.01.03-0240239 dated 6 September 2018. Accordingly, the Increase of Shares Ownership of the Company has been effective on 6 September 2018.

Upon the Increase of Shares Ownership in BP, the Company owns 599,999 shares or equal to Rp149,999,750,000 in BP.

2. Relationship among the Parties

Affiliated relationship between Company and BP are shown from the Company’s shares ownership in BP and the similarity of the management, with the following details:

(a) The following is a chart that describes the structure of the relationship between the Company and BP:



(b) The following is the similarity of the management of the Company and BP at the time of the Increase of Share Participation was entered into:

Name of the Company	Board of Director	Board of Commissioner
Company	Director: Iman Nurwahyu Independent Director: Edhie Sarwono	-
BP	-	President Commissioner: Edhie Sarwono Commissioner: Iman Nurwahyu

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

The Increase of Shares Ownership by the Company in BP is to provide additional working capital fo BP's operational activities.

This Increase of Share Participation 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).

[signed by Nataza P. Purba as Group Legal Function Head of the Company]