

Re: Disclosure regarding Acquisition of PT Suprabari Mapanindo Mineral (“SMM”) in compliance with Decree of the Financial Services Authority No. 31/POJK.04/2016)

On 13 October 2016, PT United Tractors Tbk (“**Company**”) disclosed the information to the Financial Services Authority related to the acquisition SMM, as the compliance with Decree of the Financial Services Authority No. 31/POJK.04/2016 dated 22 December 2015 regarding the Disclosure of Information or Material Facts by the Issuer or Listed Company.

The following are the information disclosed:

1. On 11 October 2016, the Company through its subsidiary, PT Buah Turangga Agung (which all of its shares that have been issued and paid up are owned by the Company, directly or indirectly) (“**TTA**”), has signed the Conditional Shares and Purchases Agreement (“**CSPA**”) with (i) Vasse Holdings Pte. Ltd., (ii) Saiman Ernawan, (iii) Eddy Winata, and (iv) PT Cipta Olah Alam Lestari (“**Seller**”) related to the purchase of 80.1% shares in PT Suprabari Mapaninda Mineral (“**SMM**”), owned by the Seller (“**Transaction**”).

The maximum amount of this Transaction is USD 45,734,469 whereby that amount will be adjusted on the closing date of the Transaction, depending on the completion of any rights and obligation of the Seller to TTA, as stipulated in the CSPA.

The closing of the Transaction will be effective after all condition precedents as stipulated in the CSPA are fulfilled and is expected to complete, as agreed, no later than 6 (six) months after the signing date of the CSPA.

After the closing of Transaction is effective, TTA will own 80.1% shares of total issued and paid up shares in SMM.

2. The Board of Directors of the Company declared that the Transaction is not a Material Transaction as defined in Bapepam 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 the Material Transaction and Change of Main Business Activities (“**Rule No. IX.E.2**”), considering the amount of the Transaction is below the threshold as mentioned in Rule No. IX.E.2.

This Transaction is not an affiliated party transaction or a conflict of interest transaction, as defined in Bapepam 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 the Affiliated Party Transaction and Conflict of Interest (“**Rule No. IX.E.1**”) considering this Transaction is performed with non-affiliated parties.

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