

## United Tractors Recorded Net Income of Rp1.8 Trillion in the First Quarter 2020

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PT United Tractors Tbk (“the Company”) today released its consolidated financial statements for the first quarter 2020. The global economy slowdown and weakening coal price have heavily impacted the domestic market and brought challenges to the Company’s business units. This is reflected in the first quarter 2020 consolidated revenue that was down 19% to Rp18.3 trillion from Rp22.6 trillion. The lower net revenue added with foreign exchange loss have led to a decrease in the Company’s net profit, which was recorded at Rp1.8 trillion, down 40% from Rp3.1 trillion.

Overall, to the Company’s consolidated net revenue, Mining Contracting segment contributed 45%, followed by 24% from Construction Machinery, 18% from Coal Mining, 11% from Gold Mining and 3% from Construction Industry.

### Construction Machinery Segment

Construction Machinery recorded a decrease in Komatsu sales volume by 48% to 617 units from 1,181 units in the same period of 2019. The decrease was due to subdued market conditions particularly in mining and plantations sectors. In addition to unit sales, sales of spare parts and heavy equipment services decreased by 21% to Rp1.7 trillion. Based on internal market research, Komatsu maintained its position as market leader with 33% market share.

Sales volume of UD Trucks was decreased from 161 units to 73 units, and Scania products was decreased from 148 units to 64 units. The decrease was also impacted by subdued coal price in mining sector where UD Trucks and Scania were mainly utilized. In total, Construction Machinery segment recorded a decrease in revenue by 36% from Rp6.8 trillion to Rp4.3 trillion.

### Mining Contracting Segment

The Company operates its Mining Contracting segment through PT Pamapersada Nusantara (PAMA). As of March 2020, PAMA recorded net revenue of Rp8.2 trillion, down by 14% from Rp9.5 trillion in the same period of 2019. PAMA recorded 9% decrease in coal production from 30.6 million tonnes to 27.9 million tonnes, and 9% decrease in overburden removal volume, from 234.3 million bcm to 212.2 million bcm.

### Coal Mining Segment

The Company’s coal mine segment was operated by PT Tuah Turangga Agung (TTA). As of March 2020, TTA recorded total coal sales volume of 3.2 million tonnes including 426 thousand tonnes of coking coal, or increased 25% compared to 2.5 million tonnes in the first quarter 2019. Despite the increased volume, Coal Mining revenue was decreased by 7% to Rp3.4 trillion due to lower average coal selling price.

### Gold Mining Segment

The Company’s gold mine segment was operated by PT Agincourt Resources (PTAR). PT Agincourt Resources operates Martabe gold mine located in South Tapanuli, North Sumatra.

Until March 2020, the total sales volume of gold equivalent from Martabe was recorded at 95 thousand ounces, down 9% compared to 104 thousand ounces and recorded net revenue of Rp2.0 trillion. The average realized selling price for gold was USD1,448 per ounce, compared to USD1,306 per ounce in the same period 2019.

## Construction Industry Segment

The Construction Industry segment was represented by PT Acset Indonusa Tbk (ACSET). As of March 2020, ACSET reported net revenue of Rp475 billion, compared to Rp802 billion in the same period of 2019. ACSET also recorded a net loss of Rp124 billion, from the previous net loss of Rp91 billion in the first quarter 2019. The loss was mainly due to increased overhead and other expenses due to delays in ongoing project, combined with increased financial cost due to delays in receiving payment for Contractor Pre-Financing (CPF) project.

## Energy Segment

PT Bhumi Jati Power (BJP) whose 25% shares are owned by the Company is currently in the construction process of 2x1,000 MW thermal power plant in Jepara, Central Java. Until March 2020, the construction progress has reached 92% and is scheduled to start commercial operation in 2021. BJP is a joint venture between a subsidiary of the Company, Sumitomo Corporation, and Kansai Electric Power Co. Inc.

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