

Re.: **Disclosure regarding the Shareholder Loan Agreement between PT United Tractors Pandu Engineering (“UTE”) and PT Patria Perikanan Lestari Indonesia (“PPLI”) in compliance with Rule No. IX.E.1**

On 13 June 2017, PT United Tractors Tbk (“**Company**”) disclosed the information to the Financial Services Authority related to the Shareholder Loan Agreement between UTE and PPLI, 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 informations disclosed:

1. **Description on the Transaction**

On 9 June 2017, UTE and PPLI, both are subsidiaries of the Company, whereas the total issued shares of UTE and PPLI are owned by the Company directly or indirectly, signed a Shareholder Loan Agreement (“**Agreement**”) (hereinafter referred to as the “**Transaction**”).

Based on the Agreement, UTE will provide a loan to PPLI in the amount of Rp6,000,000,000,- (six billion Rupiah) (“**Loan**”) to be used by PPLI as additional (capital expenditure) for operational needs of PPLI.

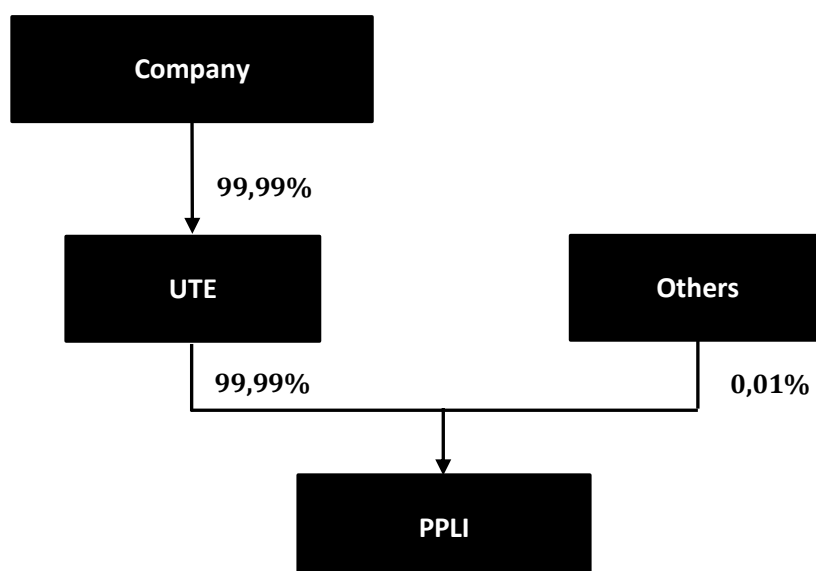
The following are information regarding the Loan :

- a. Interest : JIBOR + 1.8% per annum;
- b. Period of the Loan : 5 (five) years since the last drawdown date;

2. **Relation among the Parties**

Affiliated relationship between UTE and PPLI lies on UTE’s shares ownership in PPLI with the following details:

UTE is the controlling shareholder of PPLI and has a total of 99.99% shares of the total issued shares of PPLI. The following is a chart that describes the structure of the relationship between the Company, UTE and PPLI:



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

UTE agreed to provide the Loan to PPLI to be used by PPLI as additional capital expenditure for operational needs of PPLI. Commercially, for UTE it would be more profitable if PPLI receives this Loan, compared to UTE deposits its cash funds in bank with bank deposit rate at this time.

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 from 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 Loan 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).

[signed by Sara K Loebis as Corporate Secretary of the Company]