



# PT United Tractors Tbk

## Investor Bulletin, First Quarter 2011

### *Demand for Heavy Equipment is Back on its Rising Trend*

**Operational:**  
**Komatsu sales volume increased 81%, coal production grew 4% and overburden increased 9%, while coal sales volume up 35%**

Influenced by the rising demand for major commodities and improved economic condition, demand for heavy equipment in first quarter 2011 was back on its rising trend. This is reflected in Komatsu sales volume which surged to 2,207 units or 81% above first quarter 2010. On the Mining Contracting side, Pama succeeded to deliver 4% increase in coal production and 9% growth in overburden removal. Meanwhile, total coal sales volume from DEJ and TTA mines amounted 1 million ton or rose 35%.

The significant increase in heavy equipment sales, coal production, overburden removal and coal sales was reflected in 45.1% increased in Company's consolidated revenue, from Rp8.72 trillion to Rp12.65 trillion. To this total net revenue, the contribution of each business segment of the Company was 54.1% from Construction Machinery, 35.4% from Mining Contracting and 10.5% from Mining.

**Financial:**  
**Consolidated revenue was Rp 12.65 trillion, with net income of Rp 1.30 trillion**

Such a sizable growth of net revenue was followed by growth of consolidated gross profit that grew 37.8% to reach Rp2.23 trillion from Rp1.62 trillion. Gross profit of Construction Machinery went up 70.0% to Rp1.42 trillion, on the other hand gross profit of Mining Contracting business dropped 12.2% to Rp638.1 billion, while Mining segment contributed Rp169.4 billion to total gross profit. Overall, combined with some additional other income, caused the Company's net profit to reach Rp1.30 trillion, or 43.0% above first quarter 2010's profit of Rp907.5 billion. Earning per share also rose to Rp390 from last year's Rp273.

In Rupiah billion	3M 2011	3M 2010	Y/Y%
<b>Revenue Breakdown</b>			
Construction Machinery	6,840	3,834	78%
Mining Contracting	4,476	4,045	11%
Mining	1,333	840	59%
<b>Total Revenue</b>	<b>12,649</b>	<b>8,718</b>	<b>45%</b>
Gross Profit	2,232	1,620	38%
<i>Gross Profit Margin</i>	17.6%	18.6%	-5%
Operating Profit	1,700	1,304	30%
<i>Operating Profit Margin</i>	13.4%	15.0%	-10%
<b>EBITDA</b>	<b>2,494</b>	<b>1,961</b>	<b>27%</b>
<i>EBITDA Margin</i>	19.7%	22.5%	-12%
<b>Net Income</b>	<b>1,298</b>	<b>907</b>	<b>43%</b>
Earnings (Losses) Per Share (Rp)	390	273	43%

Note: The Company's 3M 2011 report was unaudited

April 27, 2011



# CONSTRUCTION MACHINERY Performance Overview

**Komatsu sales volume was 2,207 units, with 54% market share**

For the first quarter 2011, the increase in Company's net revenue was mainly attributable to larger revenue from Construction Machinery segment that went up 78.4% to Rp6.84 trillion from Rp3.83 trillion, as a result of Komatsu heavy equipment sales that rose 81% from 1,218 units to 2,207 units. This achievement was followed by the Company's heavy equipment market share of 54%. Increase in mining sector activities also positively affected sales of UD Truck (Nissan Diesel) that increased from 244 units to 478 units and sales of Scania truck which rose from 93 units to 143 units.

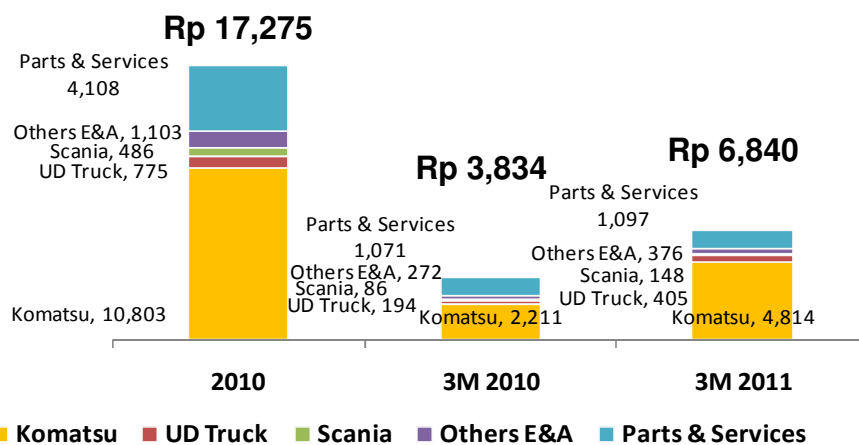
**Revenue was Rp 6.84 trillion, increased 78.4%**

To this total revenue, sales of Komatsu equipment contributed 70% or Rp4.81 trillion, while revenue from sparepart sales and maintenance service were also rise, up 2% from previous year's revenue and contributed Rp1.10 trillion or 16% to the segment's total revenue.

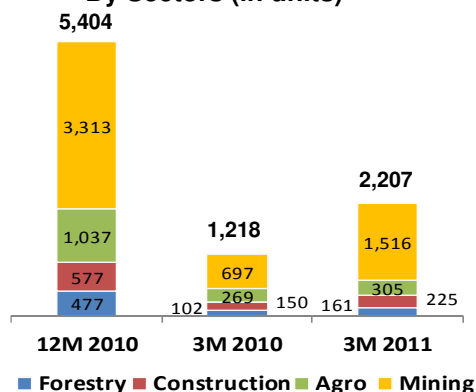
**Gross profit margin was 16.7% (before elimination)**

Gross profit margin of Construction Machinery slightly declined to 16.7%, from 17.3% (before elimination), as the result of lower proportion of after sales service from 28% to 16%. The lower gross profit margin was also due to strong Rupiah exchange rate against US dollar.

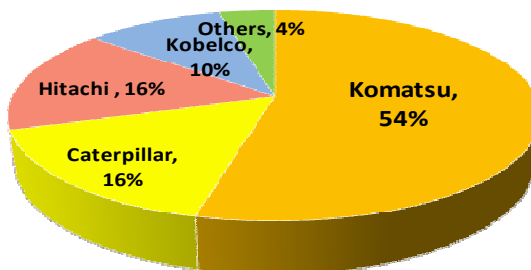
**CM Revenue Breakdown (in billion Rupiah)**



**Komatsu Sales Volume By Sectors (in units)**



**Domestic Market Share 3M 11**



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# MINING CONTRACTING Performance Overview

**Pama coal production was 19.3 mio tons, up 4%, with overburden removal of 167.5 mio bcm, or up 9%**

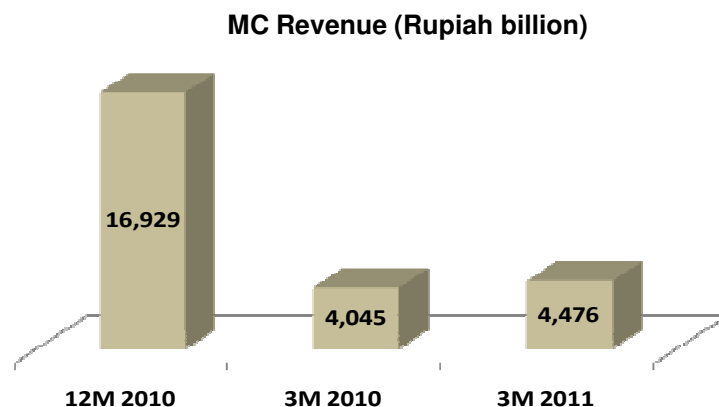
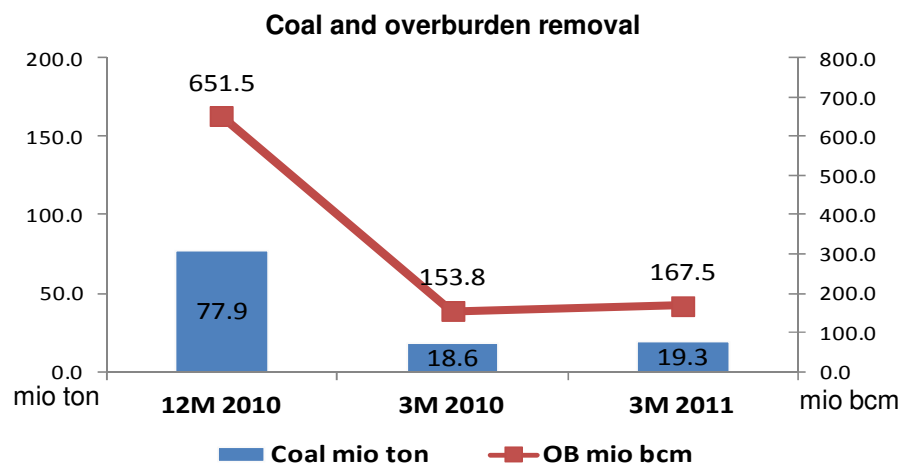
**Revenue was Rp 4.48 trillion, up 10.7%**

**Gross profit margin was 12.9% (before elimination)**

During first quarter 2011, Mining Contracting revenue grew 10.7%, to stand at Rp4.48 trillion from Rp4.05 trillion, with a 4% increase in coal production volume to reach 19.3 million tons and 9% growth in overburden removal to 167.5 million bcm. The amount of revenue equates to 35,4% of the Company's total consolidated revenues.

This achievement of operational targets could be performed under the persistent challenge of heavy rainfall. To keep continuing the operations, some extra work needed to be done, such as continuous road rehabilitation. Wet weather also affects heavy equipment mobilization and lowers productivity. Consequently, operating cost was increased, despite the fact that efforts in productivity improvement and production cost efficiency are persistently carried on.

The impact of strengthened Rupiah against US dollar also pressed down Pama's profitability, as the revenue was denominated in US dollar, while part of production cost was denominated in Rupiah. As the result, Pama's gross profit margin in this quarter was booked at 12.9% (before elimination).





## COAL MINING Performance Overview

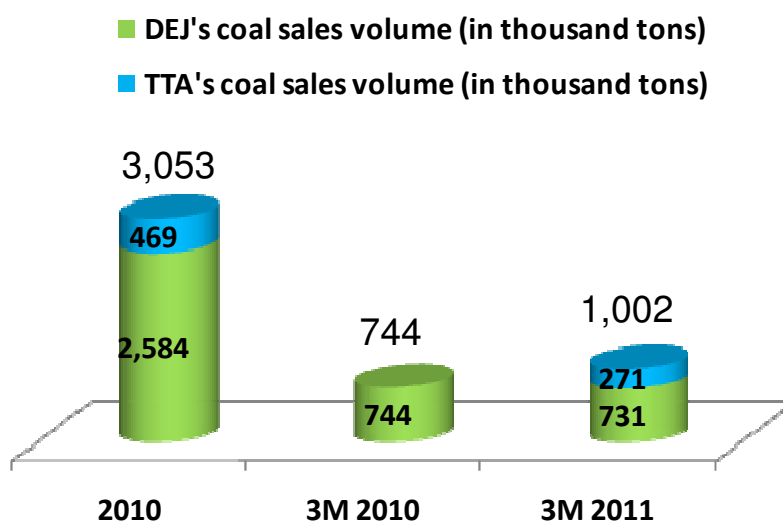
**Coal sales volume reached 1.0 million tons**

**Revenue was Rp 1.33 trillion, increased 58.8%**

Mining business segment, through Dasa Eka Jasatama (DEJ) mines and PT Tuah Turangga Agung (TTA), recorded total coal sales volume of 1.0 million tons, up 35% from the previous volume of 744 thousand tons. Production raise included the contribution of TTA mine that has sold 271 thousand tons until March 2011. This progress showed the success of the Company in improving production capacity as a response to growing coal demand.

Likewise, revenue from this segment also posted a 58.8% hike from Rp839.5 billion to Rp1.33 trillion, as a consequence of higher sales volume and increased average selling price.

Mining segment reaped a benefit from the upward trend of coal selling price, improving the gross profit margin to 15.0% from 4.1% last year (before elimination).



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April 27, 2011

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Rate Rp/US\$: 31/03/2011 = 8,709 and 31/12/2010 = 8,991

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2011 (in million Rupiah)					CONSOLIDATED STATEMENTS OF INCOME FOR THE PERIOD ENDED MARCH 31, 2011 (in million Rupiah)			
ASSETS		LIABILITIES AND STOCKHOLDERS' EQUITY						
	3/31/2011	12/31/2010		3/31/2011	12/31/2010		3/31/2011	3/31/2010
<b>CURRENT ASSETS</b>			<b>CURRENT LIABILITIES</b>			<b>NET REVENUE</b>	12,648,915	8,718,490
Cash and cash equivalents	2,810,255	1,343,220	Short - term bank loans	7,639	190,819	<b>COST OF REVENUE</b>	(10,416,475)	(7,098,087)
Trade receivables:			Trade payables			<b>GROSS PROFIT</b>	<b>2,232,440</b>	<b>1,620,403</b>
- Third parties (net of allowance for doubtful accounts of 31/03/2011: Rp 73,747 and 31/12/2010: Rp 82,643)	6,867,908	5,169,075	- Third parties	4,030,046	4,877,238	<b>OPERATING EXPENSES</b>		
- Related parties	54,216	45,806	- Related parties	2,299,782	654,149	Selling expenses	(119,683)	(78,314)
Other receivables			Other payables			General and administrative expenses	(412,592)	(238,257)
- Third parties (net of allowance for doubtful accounts of 31/03/2011: nil and 31/12/2010: Rp 20,000)	94,369	89,372	- Third parties	72,295	87,468	<b>Total Operating Expenses</b>	<b>(532,275)</b>	<b>(316,571)</b>
- Related parties	25,298	45,435	- Related parties	19,072	30,913	<b>OPERATING INCOME</b>	<b>1,700,165</b>	<b>1,303,832</b>
Inventories (net of allowance for inventory obsolescence and write down of 31/03/2011: Rp 51,456 and 31/12/2010: Rp 41,504)	5,606,140	6,931,631	Taxes payable	419,342	133,744	<b>OTHER INCOME/(EXPENSES)</b>		
Prepaid taxes	1,249,219	1,170,065	Accrued expenses	854,396	652,143	Foreign exchange gain, net	85,950	2,313
Advances and prepayments	678,909	738,158	Customer deposit	238,673	407,718	Interest and finance charges	(53,755)	(46,378)
<b>Total Current Assets</b>	<b>17,386,314</b>	<b>15,532,762</b>	Deferred revenue	36,269	42,874	Interest income	14,838	18,974
			Provision	51,466	51,466	Gain on disposal of investments	-	52,020
			Current portion of long-term debt:			Gain on disposal of fixed assets	12,314	5,563
			- Bank loans	2,372,164	2,011,371	Other income/(expense), net	14,563	(94,624)
			- Finance leases	385,315	324,930	<b>Total Other Income/(Expenses), net</b>	<b>73,910</b>	<b>(62,132)</b>
			- Other borrowings	427,597	454,392	<b>SHARES OF RESULTS OF ASSOCIATES</b>	<b>1,696</b>	<b>6,882</b>
			<b>Total Current Liabilities</b>	<b>11,214,056</b>	<b>9,919,225</b>	<b>PROFIT BEFORE INCOME TAX</b>	<b>1,775,771</b>	<b>1,248,582</b>
<b>NON-CURRENT ASSETS</b>			<b>NON-CURRENT LIABILITIES</b>			<b>INCOME TAX EXPENSE</b>	<b>(479,232)</b>	<b>(340,022)</b>
Restricted cash and time deposits	15,538	14,863	Other liabilities	19,441	26,721	<b>PROFIT AFTER INCOME TAX</b>	<b>1,296,539</b>	<b>908,560</b>
Other receivable - related parties	69,083	59,421	Deferred tax liabilities	444,034	456,477	<b>OTHER COMPREHENSIVE EXPENSE</b>		
Derivative financial instruments	16,057	26,512	Provision	466,882	434,242	Exchange difference from financial statements translation	(13,629)	(10,234)
Deferred tax assets	182,178	154,890	Long-term debt, net of current portion:			Difference in the equity transactions of subsidiaries	(15,682)	7,216
Long-term investments	446,763	443,023	- Bank loans	1,565,087	1,966,376	<b>Total Others Comprehensive Expense Current Year, net of tax</b>	<b>(29,311)</b>	<b>(3,018)</b>
Fixed assets (net of accumulated depreciation of 31/03/2011: Rp 10,643,936 and 31/12/2010: Rp 9,991,722)	13,738,471	13,261,374	- Finance leases	752,735	419,373	<b>TOTAL OTHER COMPREHENSIVE INCOME CURRENT PERIOD, NET OF TAX</b>	<b>1,267,228</b>	<b>905,542</b>
Investment property	30,336	30,336	- Other borrowings	207,963	313,094	<b>PROFIT AFTER TAX ATTRIBUTABLE TO:</b>		
Deferred exploration and development expenditures	101,919	101,641	<b>Total Non-Current Liabilities</b>	<b>3,456,142</b>	<b>3,616,283</b>	- The owners of parents	1,297,751	907,449
Deferred charges	130,737	76,092	<b>TOTAL LIABILITIES</b>	<b>14,670,198</b>	<b>13,535,508</b>	- Non-controlling interest	(1,212)	1,111
<b>Total Non-Current Assets</b>	<b>14,731,082</b>	<b>14,168,152</b>	<b>EQUITY</b>			<b>1,296,539</b>	<b>908,560</b>	
			Share capital:			<b>COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>		
			Authorized - 6,000,000,000 ordinary shares with a par value of Rp 250 per share, issued and fully paid 3,326,877,283 shares	831,720	831,720	- The owners of parents	1,268,469	904,431
			Additional paid-in capital	3,781,563	3,781,563	- Non-controlling interest	(1,241)	1,111
			Exchange difference from financial statements translation	107,091	120,690	<b>1,267,228</b>	<b>905,542</b>	
			Difference in the equity transactions of subsidiaries	181,980	197,662	<b>NET BASIC EARNINGS PER SHARE</b>	<b>390</b>	<b>273</b>
			Investment fair value revaluation reserve	65,691	65,691			
			Retained earnings :					
			- Appropriated	166,344	166,344			
			- Unappropriated	12,270,419	10,972,668			
			<b>Equity Attributable to The Owners of Parent</b>	<b>17,404,808</b>	<b>16,136,338</b>			
			<b>Non-controlling Interest</b>	<b>42,390</b>	<b>29,068</b>			
			<b>TOTAL EQUITY</b>	<b>17,447,198</b>	<b>16,165,406</b>			
<b>TOTAL ASSETS</b>	<b>32,117,396</b>	<b>29,700,914</b>	<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>32,117,396</b>	<b>29,700,914</b>			

Jakarta, March 31, 2011  
PT UNITED TRACTORS Tbk  
S.E. & O

THE BOARD OF DIRECTORS