



# PT United Tractors Tbk

## Investor Bulletin, First Half 2010

### UT Generated Rp 18.08 Trillion Net Revenue

**Operational:**  
**Komatsu sales volume increased 95%, coal production grew 24% and overburden increased 16%, while coal sales volume up 10%**

During this second quarter, high demand for heavy equipment, following the improved commodity prices and better funding liquidity, has driven the market to continue growing. Increased demand across all sectors has encouraged the sales of Komatsu units to jump 95% year-on-year. On the Mining Contracting side, all efforts and experience allowed Pama to achieve 24% increase in coal production and 16% in overburden removal. Meanwhile, coal sales volume from the Mining business unit recorded sales of 1,28 million tons or grew 10% year-on-year.

**Financial:**  
**Consolidated revenue was Rp 18.08 trillion, with net income of Rp 1.89 trillion**

As the result, the Company's consolidated revenue increased by 30%, from Rp 13.88 trillion to Rp 18.08 trillion in the first half 2010. The highest increase in revenue was contributed by heavy equipment business unit, followed by Mining Contracting, while Mining business unit experienced a decline, due to the strengthening of Rupiah. To this total net revenue, Construction Machinery contributed 47%, while Mining Contracting contributed 45% and the remaining 8% was contributed by Mining.

Despite the growth of revenue, the Company endured slight unfavorable impact of the strengthened Rupiah, as well as swelled production costs in mining contracting business, due to unusually heavy rainfall during the second quarter. As the result, the Company only booked 4% increase in gross profit, from Rp 3.22 trillion to Rp 3.34 trillion. Combined with some additional other expenses, the resulted net income was only slightly increased, from Rp 1.87 trillion to Rp 1.89 trillion.

In Rp billion	H1 2010	H1 2009	Y/Y%
<b>Revenue Breakdown</b>			
Construction Machinery	8,454	5,464	55%
Mining Contracting	8,194	6,888	19%
Mining	1,432	1,532	-7%
<b>Total Revenue</b>	<b>18,080</b>	<b>13,884</b>	<b>30%</b>
Gross Profit	3,345	3,225	4%
<i>Gross Profit Margin</i>	18.5%	23.2%	-20%
Operating Profit	2,650	2,584	3%
<i>Operating Profit Margin</i>	14.7%	18.6%	-21%
<b>EBITDA</b>	<b>3,996</b>	<b>3,594</b>	<b>11%</b>
<i>EBITDA Margin</i>	22.1%	25.9%	-15%
<b>Net Income</b>	<b>1,888</b>	<b>1,873</b>	<b>1%</b>
Earnings (Losses) Per Share (Rp)	567	563	1%

Note: The Company's H1 2010 report was unaudited

July 29, 2010



# CONSTRUCTION MACHINERY Performance Overview

**Komatsu sales volume was 2,732 units, with 46% market share**

**Revenue was Rp 8.45 trillion, increased 55%**

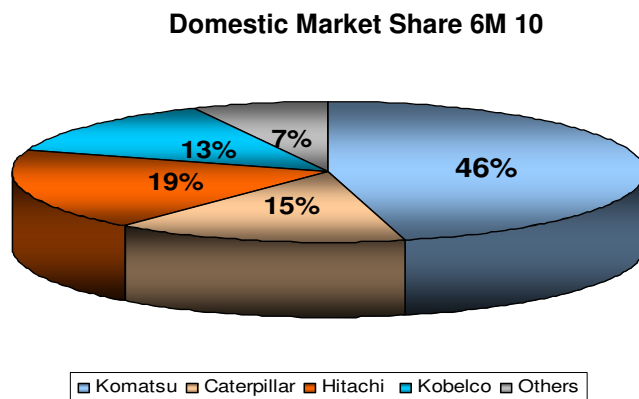
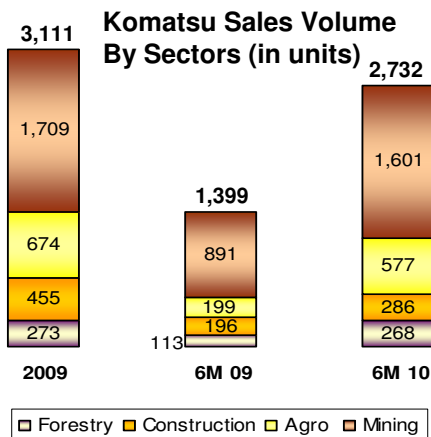
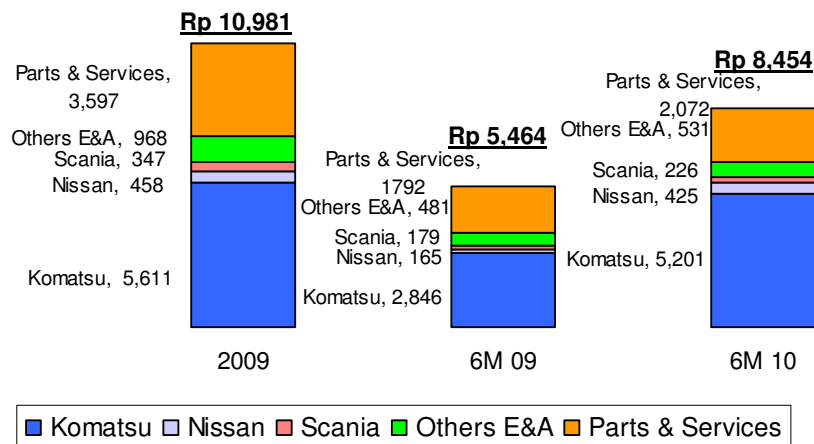
**Gross profit margin was 17.2% (before elimination)**

For the first half 2010, Komatsu sales volume reached 2,732 units, an increase of 95% from last year's volume of 1,399 units. The high sales figures were driven by increased demand from all sectors. In addition, sales of other products such as Nissan Diesel Truck also raised from 244 to 501 units, also followed by Scania Truck sales volume, which rose from 187 units to 221 units. Furthermore, sales of parts and service still continue to increase with a growth of 16%. Despite the sharp jump of the market, Komatsu was able to maintain its market share of 46%.

The significant increase in sales volume has pushed the net revenue of Construction Machinery to Rp 8.45 trillion, or up 55% compare to last year's figure of Rp 5.46 trillion. To this total revenue, sales of Komatsu equipment contributed 62% or Rp 5.20 trillion, while parts and service contributed 25% or Rp 2.07 trillion.

Due to strengthened Rupiah year-on-year, added with decreased portion of revenue from after sales service (from 33% last year to 25% this year) the business unit recorded lower gross profit margin, from 19.8% to 17.2% (before elimination).

**CM Revenue Breakdown (Rp bio)**





# MINING CONTRACTING Performance Overview

**Pama coal production was 37.7 mio tons, up 24%, with overburden removal of 314.7 mio bcm, or up 16%**

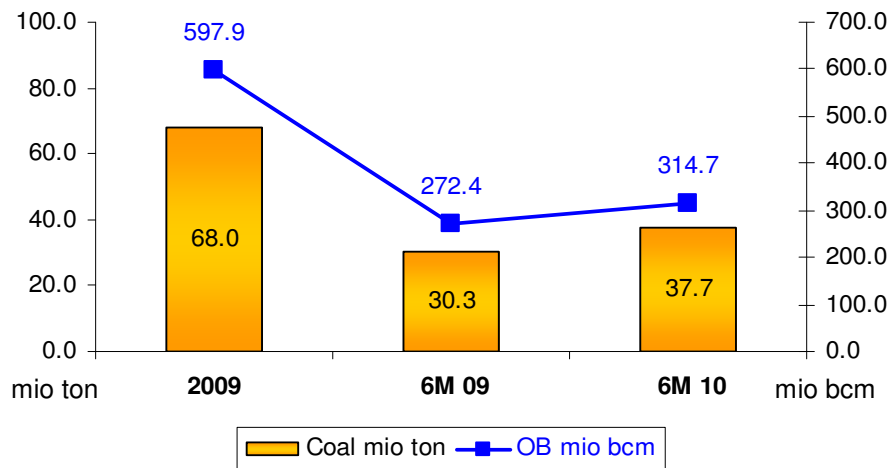
Although shadowed by unfavorable weather condition in the second quarter, all effort and experience has encouraged PT Pamapersada Nusantara (Pama) to deliver 37.7 million tons of coal until June 2010, or 24% higher than last year's production, with overburden removal of 314.7 million bcm or increased 16%.

The increased operational performance was reflected in Pama's revenue, as it grew from Rp 6.89 trillion on the same period last year to Rp 8.19 trillion this year, a 19% increase. This equates to 45% of the Company's total consolidated revenues.

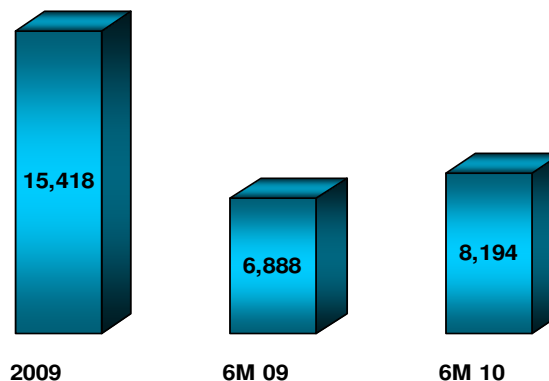
**Revenue was Rp 8.19 trillion, up 19%**

However, an increase in production cost due to heavy rainfall and the impact of strengthening Rupiah against the US dollar has temporarily pushed down the gross profit margin to 15.4% (before elimination).

**Coal and overburden removal**



**MC Revenue in Rp billion**





# COAL MINING

## Performance Overview

**Coal sales volume reached 1.28 million tons**

The Mining business unit of the Company is represented by Dasa Eka Jasatama (DEJ Mines) and PT Buah Turangga Agung. During the first semester 2010, DEJ has sold 1.21 million tons of coal, an increase of 3% from the same period last year.

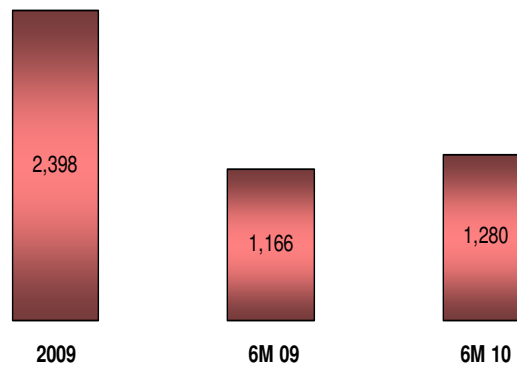
**Revenue was Rp 1.43 trillion, declined 7%**

Meanwhile, the Company's second mine, PT Buah Turangga Agung (TTA), located in Kapuas, Central Kalimantan, in this first half has started its commercial production and sold 75,355 tons of coal.

Despite the increase in coal sales volumes, net revenue from the Mining business unit experience a decrease by 7% from Rp 1.53 trillion to Rp 1.43 trillion, due to the lower average Rupiah exchange rate compared to the same period last year.

Gross profit margin (before elimination) for first semester 2010 was improved from 13% to 15.9% (before elimination), due to higher average coal price compared to last year.

**Coal Sales Volume ('000 tons)**



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*July 29, 2010*

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Rate Rp/US\$: 2010 = 9,083 and 2009 = 10,225

## CONSOLIDATED BALANCE SHEETS AS AT JUNE 30, 2010 AND 2009 (in million Rupiah)

## CONSOLIDATED STATEMENTS OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED JUNE 30, 2010 AND 2009 (in million Rupiah)

ASSETS			LIABILITIES AND STOCKHOLDERS' EQUITY		
	2010	2009		2010	2009
<b>CURRENT ASSETS</b>			<b>CURRENT LIABILITIES</b>		
Cash and cash equivalents	3,014,023	1,718,381	Short - term bank loans	32,083	166,054
Trade receivables:			Trade payables		
- Third parties (net of allowance for doubtful accounts of Rp 69,941 in 2010 and Rp 84,359 in 2009)	5,657,587	4,140,454	- Third parties	4,222,320	2,725,110
- Related parties	87,468	68,558	- Related parties	845,253	346,818
Other receivables - third parties (net of allowance for doubtful accounts of Rp 20,000 in 2010 and nil in 2009)	97,393	124,006	Other payables		
Inventories (net of allowance for inventory obsolescence of Rp 35,510 in 2010 and Rp 41,299 in 2009)	3,865,482	3,577,137	- Third parties	73,040	45,840
Prepaid taxes	722,924	519,777	Taxes payable	259,605	446,490
Advances and prepayments	602,606	358,983	Accrued expenses	827,190	707,965
			Customer deposit	222,592	234,553
			Deferred revenue	64,131	147,871
			Provision	51,355	26,807
			Current portion of long-term debt:		
			- Bank loans	1,787,837	1,334,007
			- Finance leases	298,949	164,537
			- Other borrowings	416,022	250,973
<b>Total Current Assets</b>	<b>14,047,483</b>	<b>10,507,296</b>	<b>Total Current Liabilities</b>	<b>9,100,377</b>	<b>6,597,025</b>
<b>NON-CURRENT ASSETS</b>			<b>NON-CURRENT LIABILITIES</b>		
Restricted cash and time deposits	14,952	381	Other liabilities	55,518	46,608
Other receivable - related parties	99,580	72,340	Deferred tax liabilities	460,042	504,361
Deferred tax assets	82,070	52,738	Provision	329,935	238,632
Long-term investments	399,774	249,530	Dividend payable	653,199	-
Fixed assets (net of accumulated depreciation of Rp 8,644,545 in 2010 and Rp 6,308,642 in 2009)	12,858,722	11,218,414	Long-term debt, net of current portion:		
Investment property	22,291	-	- Bank loans	1,391,756	1,949,782
Deferred exploration and development expenditures	95,544	68,595	- Finance leases	554,998	29,848
Deferred charges	75,504	87,317	- Amounts due to related parties	32,598	7,304
			- Other borrowings	459,500	501,286
<b>Total Non-Current Assets</b>	<b>13,648,437</b>	<b>11,749,315</b>	<b>Total Non-Current Liabilities</b>	<b>3,937,546</b>	<b>3,277,821</b>
			<b>Total Liabilities</b>	<b>13,037,923</b>	<b>9,874,846</b>
				<b>27,455</b>	<b>78,939</b>
			<b>MINORITY INTEREST</b>		
			<b>EQUITY</b>		
			Share capital:		
			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
			Additional paid-in capital	3,781,563	3,781,563
			Exchange difference from financial statements translation	124,133	164,202
			Difference in the equity transactions of subsidiaries	141,110	75,538
			Investment fair value revaluation reserve	65,691	65,691
			Retained earnings :		
			Appropriated	166,344	166,344
			Unappropriated	9,519,981	7,217,768
			<b>Total Equity</b>	<b>14,630,542</b>	<b>12,302,826</b>
<b>TOTAL ASSETS</b>	<b>27,695,920</b>	<b>22,256,611</b>	<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>27,695,920</b>	<b>22,256,611</b>

	2010	2009
<b>NET REVENUE</b>	18,079,645	13,884,365
<b>COST OF REVENUE</b>	(14,734,942)	(10,659,724)
<b>GROSS PROFIT</b>	<b>3,344,703</b>	<b>3,224,641</b>
<b>OPERATING EXPENSES</b>		
Selling expenses	(158,474)	(121,545)
General and administrative expenses	(536,590)	(519,265)
<b>Total Operating Expenses</b>	<b>(695,064)</b>	<b>(640,810)</b>
<b>OPERATING INCOME</b>	<b>2,649,639</b>	<b>2,583,831</b>
<b>OTHER INCOME (EXPENSES)</b>		
Foreign exchange gain/(loss), net	21,041	135,238
Interest and finance charges	(94,014)	(98,097)
Interest income	40,955	64,296
Gain on disposal of investments	52,020	-
Gain on disposal of fixed assets	8,417	28,217
Dividend income	4,200	-
Other (expense)/income, net	(103,987)	21,491
<b>Total Other Expenses, net</b>	<b>(71,368)</b>	<b>151,145</b>
<b>EQUITY IN NET INCOME OF ASSOCIATES</b>	<b>11,906</b>	<b>3,193</b>
<b>PROFIT BEFORE INCOME TAX</b>	<b>2,590,177</b>	<b>2,738,169</b>
<b>INCOME TAX EXPENSE</b>	<b>(700,632)</b>	<b>(847,534)</b>
<b>INCOME BEFORE MINORITY INTEREST</b>	<b>1,889,545</b>	<b>1,890,635</b>
<b>MINORITY INTEREST</b>	<b>(1,661)</b>	<b>(17,727)</b>
<b>NET INCOME</b>	<b>1,887,884</b>	<b>1,872,908</b>
<b>NET BASIC/ DILUTED EARNINGS PER SHARE</b>	<b>567</b>	<b>563</b>

Jakarta, June 30, 2010  
PT UNITED TRACTORS Tbk  
S.E. & O  
THE BOARD OF DIRECTORS