



PT United Tractors Tbk

Investor Bulletin, Third Quarter 2014

UT Recorded Consolidated Net Income of Rp 4.77 Trillion

Operational:
Y.o.y Komatsu sales volume down 10%, coal production grew 15% and overburden decreased 5%, while coal sales volume up 62%

For the first nine months 2014, the Company's consolidated net revenue recorded an increase by 9% to Rp40.81 trillion from Rp37.31 trillion on the corresponding period last year. The weakening Rupiah exchange rate against US Dollar contributed a positive impact, thus increasing the Company's gross profit by 27%, while the Company's net income increased 41% to Rp4.77 trillion from Rp3.38 trillion.

Construction Machinery business segment recorded a decrease in Komatsu sales volume by 10% to 2,982 units mainly due to slowing down in mining and plantations sectors. Meanwhile, the Company's revenue of spare parts and maintenance increased by 7%. Added with the impact of US Dollar strengthening helps to lessen the revenue decline in Construction Machinery by 3% only to Rp1.89 trillion.

Financial:
Consolidated revenue was Rp 40.81 trillion, with net income of Rp 4.77 trillion

Mining Contracting business segment, through PT Pamapersada Nusantara (PAMA) recorded a 11% increase in net revenue to Rp25.12 trillion, with total coal production and hauling reached 89.9 million tons or up 15%, while overburden removal decreased by 5% to 605.6 million bcm. Mining business segment faced challenging times due to the decline in the average selling price which reduced the profitability rate of the mining business. However, increased production capacity in the mining segment resulted in coal sales volume of 4.66 million tons, an increase of 62% and augmented the revenue of Mining segment by 52% to Rp3.80 trillion.

Overall, the contribution in total revenue per business segment was mostly from Mining Contracting, that is 62%, followed by 29% from Construction Machinery, and 9% from Mining.

On October 28, 2014 the Company has distributed the interim dividend for 2014 in the total amount of Rp727.4 billion or Rp195 per share.

In Rupiah billion	9M 2014	9M 2013	Y/Y%
Exchange rate (Rp/US\$)	12,212	11,613	5%
Revenue Breakdown			
Construction Machinery	11,891	12,198	-3%
Mining Contracting	25,118	22,603	11%
Mining	3,801	2,504	52%
Total Revenue	40,810	37,305	9%
Gross Profit	8,633	6,791	27%
Gross Profit Margin	21.2%	18.2%	16%
Profit for the year	4,763	3,366	42%
Net Income	4,775	3,379	41%
Earnings Per Share (Rp)	1,280	906	41%

Note: The Company's 9M 2014 report was unaudited

October 30, 2014



CONSTRUCTION MACHINERY

Performance Overview

Komatsu sales volume was 2,982 units, with 40% market share

Revenue was Rp 11.89 trillion, decreased 3%

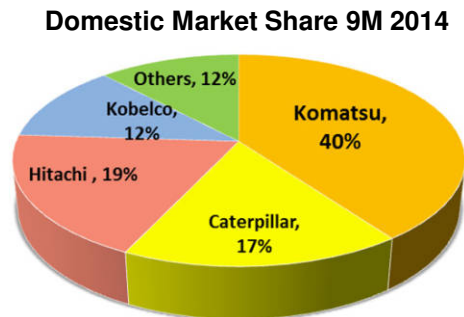
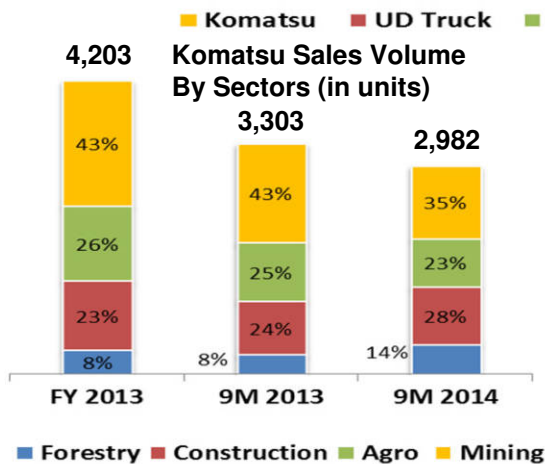
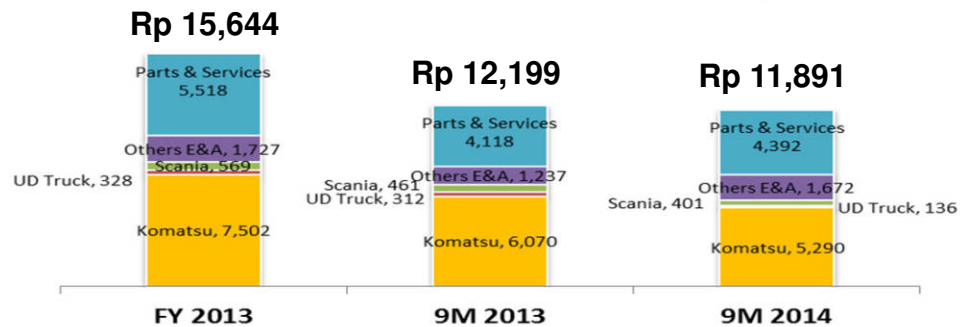
Gross profit margin was 16.7% (before elimination)

As of September 2014, Komatsu sales volume was 2,982 units or 10% lower than last year's volume of 3,303 units. Decreased sales volume was affected by the slowing down in mining and plantation sectors, that reflected in market volume of heavy equipment in Indonesia which was down from 8,053 units in 2013 to 7,449 units in 2014 (source: internal research). These conditions also have an impact on increasing competition. However, Komatsu managed to maintain its market leader position with a market share of 40% (source: internal market research). Among the complementary products, the Company sales volume of UD Trucks decreased from 326 units to 154 units, while Scania product also decreased from 342 units to 308 units.

In the midst of falling heavy equipment sales, the Company successfully increased the value of its sales of spare parts and maintenance services for heavy equipment, recording growth of 7% to Rp4.39 trillion. This increase and added with favourable exchange rate, partially compensated the decline in heavy equipment sales. As the result, the Construction Machinery net revenue only experienced 3% decrease to Rp11.89 trillion from Rp12.20 trillion.

The rising cost of marketing campaigns offered to customers with respect to the tight competition, has been compensated by increased portion of revenue from after sales service and favourable exchange rate that allowed the Company to maintain gross profit margin.

CM Revenue Breakdown (in billion Rupiah)



Source: Internal Market Research

October 30, 2014



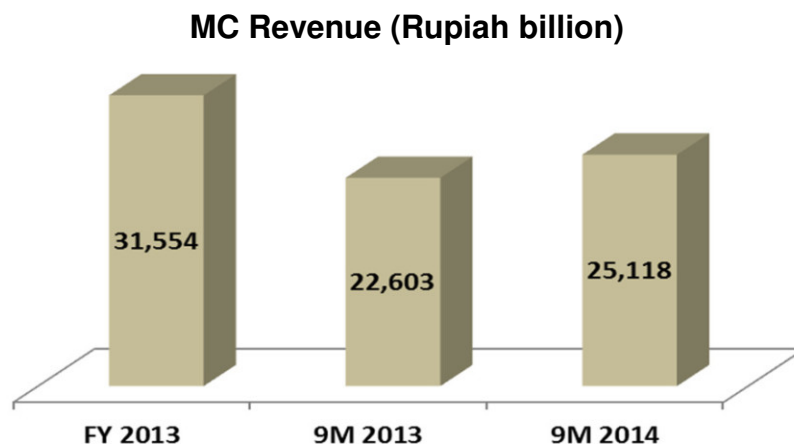
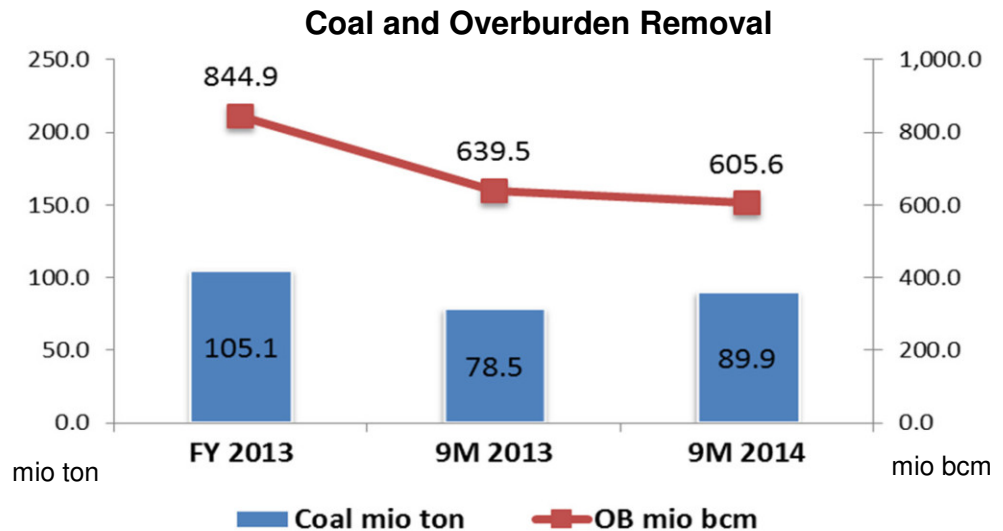
MINING CONTRACTING Performance Overview

Pama coal production was 89.9 mio tons, up 15%, with overburden removal of 605.6 mio bcm, or down 5%

Revenue was Rp 25.12 trillion, up 11%

The Company operates its Mining Contracting business through its subsidiary PT Pamapersada Nusantara (PAMA). As of September 2014, PAMA was able to maintain 45% revenue market share (based on internal market research).

Until third quarter 2014, PAMA booked an increase on coal production and hauling by 15% from 78.5 million tons to 89.9 million tons, while the overburden removal decreased by 5% from 639.5 million bcm to 605.6 million bcm. As a result, revenue for the Mining Contracting segment rose by 11% to Rp25.12 trillion from Rp22.60 trillion in the corresponding period last year and continued to be major contributor by contributing 62% of the Company's total consolidated revenue.





COAL MINING

Performance Overview

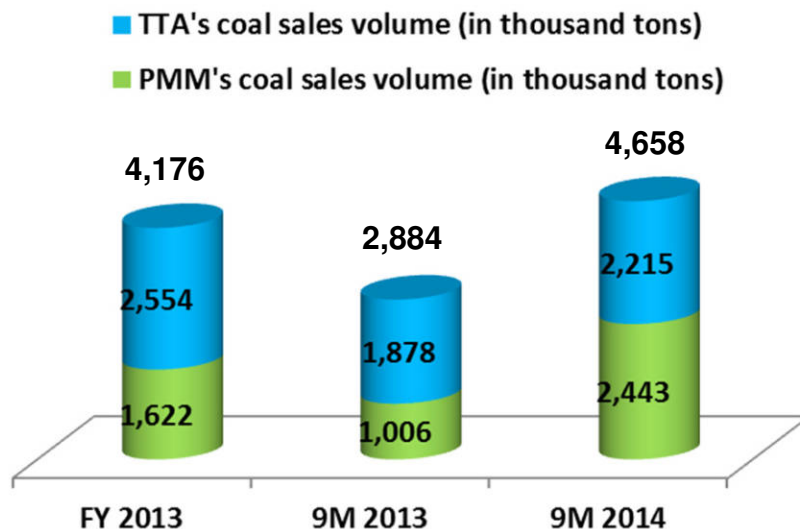
Coal sales volume reached 4.66 million tons

The Company's Mining business segment was operated by PT Tuah Turangga Agung (TTA) as well as some coal mining concession owned by TTA and has been in operation namely PT Prima Multi Mineral, PT Asmin Bara Bronang and PT Duta Nurcahya.

Revenue was Rp 3.80 trillion, increased 52%

In the midst of reduced mining activity, the Company's coal sales demonstrated a rise of 62% to 4.66 million tons due to increased production capacity. However, the declining average price of coal resulted in less growth of revenue which was only rising by 52%, amounting to Rp3.80 trillion and accounted for 9% of total consolidated revenue. The reduced coal sales price has also negatively impacted gross profit margin to minus 6.2%.

Due to ongoing subdued coal market conditions, at the moment the Company is in the process of undertaking a review over the carrying value of its own coal mining properties. There is a possibility that the Company may be required to considerably adjust the carrying value of these coal mining properties. If such adjustment is needed, it will be recorded at the 2014 year-end.



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Rate Rp/US\$: 30/09/2014 = 12,212 and 31/12/2013 = 12,189

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2014 AND 31 DECEMBER 2013 (expressed in million of Rupiah, unless otherwise stated)			CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE PERIODS ENDED 30 SEPTEMBER 2014 AND 2013 (in million Rupiah, except earning per share)			
ASSETS		LIABILITIES AND STOCKHOLDERS' EQUITY				
	30/09/2014	31/12/2013	30/09/2014	31/12/2013	2014	2013
CURRENT ASSETS			CURRENT LIABILITIES		NET REVENUE	
Cash and cash equivalents	8,801,892	7,935,870	Trade payables:			
Trade receivables:			- Third parties	12,106,221	40,809,845	37,305,374
- Third parties	14,862,672	11,788,501	- Related parties	165,663	(32,175,947)	(30,514,165)
- Related parties	61,981	26,436	Non-trade payables:		GROSS PROFIT	
Non-trade receivables:			- Third parties	485,497	8,633,898	6,791,209
- Third parties	406,648	271,809	- Related parties	502,157	Selling expenses	(477,137)
- Related parties	103,084	53,997	Taxes payables:		General and administrative expenses	(1,914,486)
Inventories	6,778,564	6,176,470	- Corporate income taxes	409,246	Other expenses	(97,015)
Prepaid taxes:			- Other taxes	167,732	Other income	212,830
- Corporate income taxes	285,993	556,942	Accruals	1,707,949	Finance income	303,209
- Other taxes	527,517	425,187	Customer deposits	177,415	Finance costs	(206,903)
Advances and prepayments	521,454	278,914	Deferred revenue	264,091	Share of net profit of associates and jointly controlled entities	37,945
Other investments	550,000	300,000	Employee benefit obligations	605,274		
			Short-term bank loans	18,896	PROFIT BEFORE INCOME TAX	6,492,341
Total Current Assets	32,899,805	27,814,126	Current portion of long-term debt:		Income tax expense	(1,729,515)
			- Bank loans	767,715		
NON-CURRENT ASSETS			- Finance leases	425,546	PROFIT FOR THE YEAR	4,762,826
Non-trade receivables - related parties	131,298	81,191	- Other borrowings	78,761		3,366,062
Restricted cash and time deposits	82,414	70,491	Derivative financial instruments	3,954	OTHER COMPREHENSIVE INCOME/(EXPENSE)	
Advances	56,867	32,207			Exchange difference from financial statements translation	(21,008)
Investments in associates and jointly controlled entities	428,427	432,574	Total Current Liabilities	17,886,117	Hedging reserves	5,159
Other investments	1,212,809	656,272	NON-CURRENT LIABILITIES		Change in fair value of available for sale financial asset	27,000
Fixed assets	14,129,305	14,574,384	Deferred tax liabilities	2,553,650	Actuarial gains/(losses) on pension plan	11,406
Mining properties	11,857,820	12,027,128	Provision	78,080	Share of other comprehensive (expenses)/income of associates and jointly controlled entities, net of tax	206
Investment properties	50,899	50,899	Employee benefit obligations	1,329,789		
Deferred exploration and development expenditures	410,119	227,975	Long-term debt, net of current portion:			
Production mining assets	374,522	404,950	- Bank loans	992,225		
Deferred charges	154,072	227,113	- Finance leases	647,950		
Deferred tax assets	930,938	762,934	- Other borrowings	-		
			Other long-term financial liabilities	797,082	Related income tax expense	(4,463)
Total Non-current Assets	29,819,490	29,548,118			Other comprehensive (expense)/income for the period, net of tax	18,300
			Total Non-current Liabilities	6,398,776	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	4,781,126
			TOTAL LIABILITIES	24,284,893	PROFIT/(LOSS) AFTER TAX ATTRIBUTABLE TO:	
			EQUITY		- Owners of the parent	4,774,739
			Equity attributable to owners of the parent		- Non-controlling interest	(11,913)
			Share capital:			4,762,826
			Authorized capital 6,000,000,000 ordinary shares, issued and fully paid capital 3,730,135,136 ordinary shares, with par value of Rp 250 per share	932,534	TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:	
			Additional paid-in capital	9,703,937	- Owners of the parent	4,824,584
			Retained earnings :		- Non-controlling interest	(43,458)
			- Appropriated	186,507		4,781,126
			- Unappropriated	23,665,143	EARNINGS PER SHARE (expressed in full Rupiah)	906
			Hedging reserve	(2,099)		
			Investment fair value revaluation reserve	179,316		
			Exchange difference on translating financial statements in foreign currencies	1,731,702		
			Difference due to acquisition of non-controlling interest in subsidiaries	(348,123)		
			Total Equity	38,434,402		
			Non-controlling interest	2,385,485		
			TOTAL EQUITY	35,648,917		
			TOTAL LIABILITIES AND EQUITY	62,719,295		
TOTAL ASSETS	62,719,295	57,362,244		57,362,244		

Jakarta, September 30, 2014
PT UNITED TRACTORS Tbk
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THE BOARD OF DIRECTORS