



PT United Tractors Tbk

Investor Bulletin, First Quarter 2005

A Promising Kick Off

During the first three months of 2005, PT United Tractors Tbk (UT/ Company) has enjoyed highest ever of Komatsu monthly sales volume. This achievement was made possible by strong support from the principal and excellent teamwork of the Company's distribution network.

60% revenue contribution from CM to the consolidated revenue

As of March 2005, the Company recorded consolidated net revenue of IDR 2.76 trillion, or 51% higher than IDR 1.83 trillion recorded in the same period of 2004. With the divestment of PT Berau Coal as previous Mining division on July 2004, the current consolidated revenue was the performance result of the remaining divisions: Construction Machinery (CM) with 60% contribution, and Mining Contracting (MC) with 40% contribution.

Better margins due to higher sales and coal production

Margins of gross profit and operating profit have increased from 16.0% and 7.9%, respectively, to currently 17.7% and 12.9%, while EBITDA margin also has improved from 14.6% last year to 18.3%. Bottom line, the consolidated net profit has grown to IDR 235 billion this year, as compared to last year's profit of IDR 49 billion.

Another debt prepayment

At early March 2005, the Company performed another debt prepayment to its creditors amounting an equivalent of USD 6.3 million. Hence, UT's debt position as of this first quarter was reduced to USD 89.9 million, from USD 96.2 million recorded at the end of 2004. Below is the highlights of the quarter's results.

In Rp. bn.	3M 2005	3M 2004	% Increase
Sales	2,764	1,831	50.9
<i>Construction Machinery</i>	1,645	656	49.3
<i>Mining Contracting</i>	1,119	804	39.2
Gross Profit	488	293	66.5
<i>Gross Profit Margin (%)</i>	17.7	16.0	10.6
Operating Profit	356	145	145.5
<i>Operating Profit Margin (%)</i>	12.9	7.9	63.3
EBITDA	505	266	87.7
<i>EBITDA Margin (%)</i>	18.3	14.6	24.5
Net Income	235	49	379.6
Earnings (Losses) Per Share (Rp.)	82	31	164.5

March 31, 2005



CONSTRUCTION MACHINERY

Performance Overview

151% growth of revenue

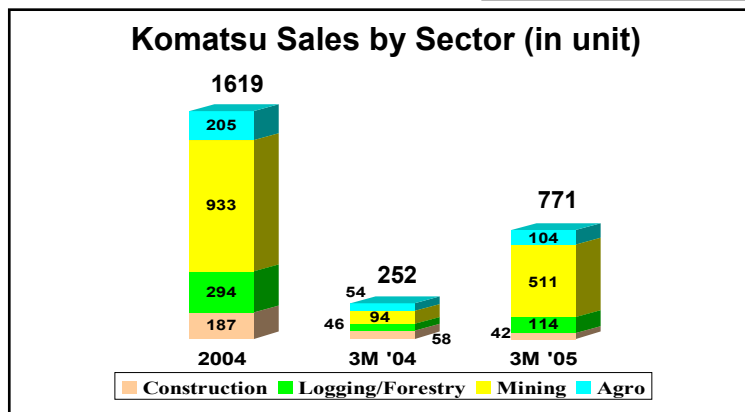
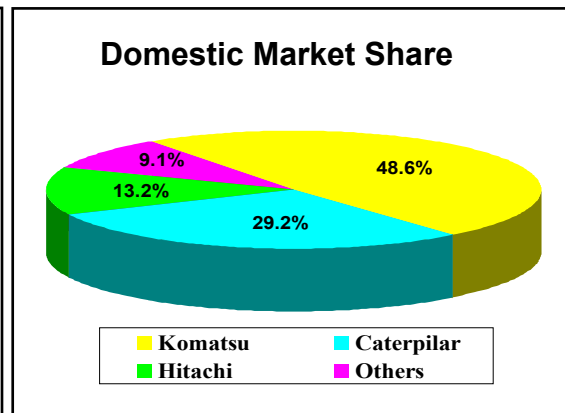
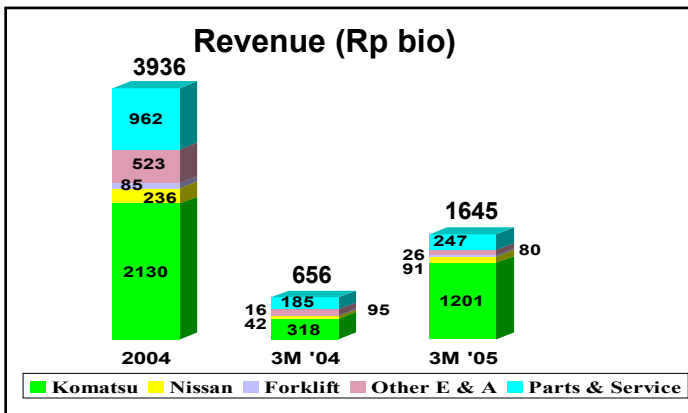
During the first quarter of 2005, Construction Machinery (CM) division recorded revenue of IDR 1.64 trillion, or 151% higher than IDR 656 billion last year. The growth was due to almost 250% increase of revenue from equipment sales, added with 50% and 37% increase of revenue from parts and service, respectively.

206% increase in Komatsu sales volume

As of March 2005, UT has delivered 771 units of Komatsu to its customers, an increase of 206% as compared to 252 units delivered on March 2004. Among the upsurge of heavy equipment sales in domestic market, Komatsu still leads by taking in 48.6% of the market, driven by exceptionally increased sales to mining, forestry and agro sector. High demand in mining sector also boosted up sales of Nissan Diesel truck by 84% y.o.y. For material handling, Komatsu and Patria forklifts has managed to achieve an increase of 46%, from 100 units last year to 146 units.

Better in gross & operating profit margin

Align with high revenue from equipment and after sales service, CM recorded higher gross and operating profit margin of 18.0% and 12.4%, respectively, as compared to 17.3% and 2.0% recorded in March 2004.





MINING CONTRACTING Performance Overview

39% higher revenue

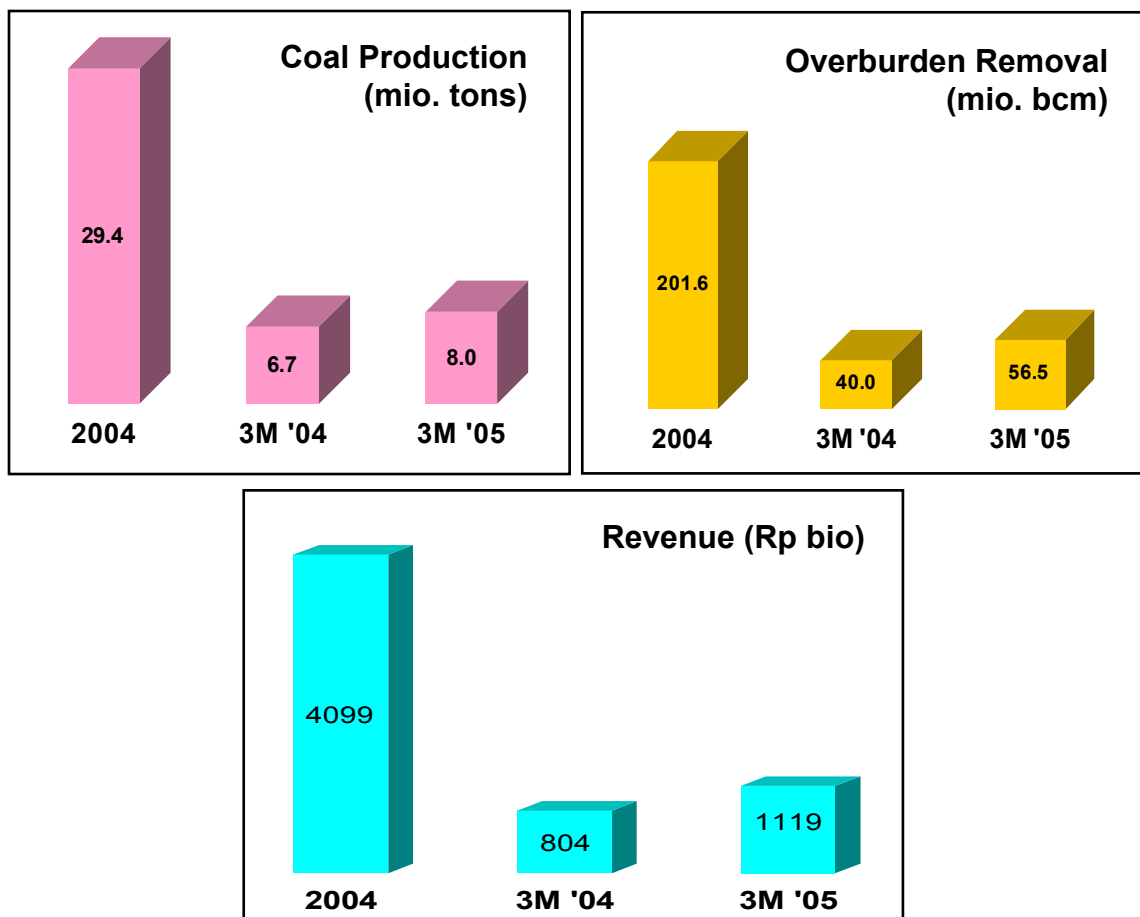
Mining Contracting division (MC) under PT Pamapersada Nusantara (Pama) recorded revenue of IDR 1.12 trillion, or 39% higher than IDR 804 billion revenue of first quarter 2004, contributed by 19.4% increased production of coal and 41.2% increased volume of overburden.

19.4% increased coal production

As of March 2005, Pama has produced 8.0 million tons of coal and 56.5 million bcm overburden, as compared to 6.7 million tons of coal and 40.0 million bcm overburden last year.

Sustained gross & operating profit margins

During this first three months, Pama still recorded a slightly higher gross profit and operating profit margins of 12.9% and 10.6%, respectively, as compared to 12.5% and 9.6% for the same period in 2004. However, gross profit for the end of this year is expected to be lower, due to the impact of higher cost at its project for PT Kaltim Prima Coal.



For further information:

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March 31, 2005

PT UNITED TRACTORS Tbk and SUBSIDIARIES

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Rate Rp/US\$: 2005 = 9,480 and 2004 = 8,587

CONSOLIDATED BALANCE SHEETS AS OF MARCH 31, 2005 AND 2004 (in million Rupiah)					CONSOLIDATED STATEMENTS OF INCOME AND RETAINED EARNINGS FOR THE THREE MONTHS ENDED MARCH 31, 2005 AND 2004 (in million Rupiah)			
ASSETS		LIABILITIES AND STOCKHOLDERS' EQUITY						
	2005	2004		2005	2004		2005	2004
CURRENT ASSETS			CURRENT LIABILITIES			NET REVENUE	2,764,347	1,831,060
Cash and cash equivalents	1,091,120	503,798	Short - term loans	337,116	37,778	COST OF REVENUE	2,275,952	1,538,323
Short-term investments	13,680	6,975	Trade payables			GROSS PROFIT	488,395	292,737
Trade receivables:			Third parties	877,938	620,000	OPERATING EXPENSES		
Third parties (net of allowance for doubtful accounts of Rp 30,808 in 2005 and Rp 24,168 in 2004)	2,018,448	1,617,688	Related parties	661,776	391,899	Selling expenses	28,056	27,715
Related parties	20,383	8,751	Other payables	39,906	27,922	General and administration expenses	103,859	120,127
Other receivables (net of allowance for doubtful accounts of Rp 75,757 in 2005 and 204)	34,070	18,776	Accrued expenses	107,727	171,694	Total Operating Expenses	131,915	147,842
Inventories (net of allowance for inventory obsolescence of Rp 23,930 in 2005 and Rp 20,605 in 2004)	1,411,904	816,070	Taxes payable	95,423	57,297	OPERATING INCOME	356,480	144,895
Prepaid taxes	59,672	75,960	Customer deposits	100,042	44,232	OTHER INCOME (EXPENSES)		
Advances and prepayments	219,587	158,015	Current maturities of long-term loans:			Foreign exchange loss	(12,965)	(18,748)
Other assets	84	193	Bank loans	46,810	171,656	Interest and finance charges	(34,203)	(37,248)
Total Current Assets	4,868,948	3,206,226	Finance leases	155,759	152,480	Interest income	15,840	1,883
						Gain on disposal of property, plant and equipment	1,955	2,843
NON-CURRENT ASSETS			Total Current Liabilities	2,422,497	1,674,958	Dividend income	-	872
Restricted cash and time deposits	70,521	133,362				Other income - net	4,527	1,300
Other receivables			Total Other Income (Expenses)				(24,846)	(49,098)
Third parties	379,200	-	NON-CURRENT LIABILITIES			SHARE OF ASSOCIATES AND JOINT OPERATIONS' NET INCOME	984	1,062
Related parties	3,464	5,715	Trade payables - third parties	385,159	146,288	PROFIT BEFORE INCOME TAX	332,618	96,859
Deferred tax assets	31,078	123,988	Amounts due to related parties	3,959	58,489	INCOME TAX EXPENSE		
Investments in bonds	-	4,484	Deferred tax liabilities	3,149	34,957	Current	(66,227)	(32,231)
Long-term investments	102,920	113,001	Long-term loans, net of current maturities:			Deferred	(28,620)	(1,106)
Property, plant and equipment (net of accumulated depreciation of Rp 1,774,588 in 2005 and Rp 1,612,508 in 2004)	2,426,169	1,894,758	Bank loans	1,430,534	2,210,000	Total Income Tax Expense	(94,847)	(33,337)
Deferred exploration and development expenditure (net of accumulated amortisation of Rp 41,006 in 2004)	-	305,707	Other loans	-	29,244	INCOME BEFORE MINORITY INTEREST	237,771	63,522
Deferred stripping costs	-	127,699	Finance leases	210,676	93,829	MINORITY INTEREST IN NET INCOME SUBSIDIARIES	(3,060)	(7,712)
Deferred charges	24,397	6,599	Accrued expenses	-	11,746	NET INCOME BEFORE EXTRAORDINARY EXPENSE	234,711	55,810
Loans to officers and employees	26,195	23,980	Provisions	80,515	64,132	NET INCOME BEFORE EXTRAORDINARY EXPENSE	-	(7,132)
Other assets	919	3,463	Total Non-Current Liabilities	2,113,992	2,648,685	NET INCOME	234,711	48,678
Total Non-Current Assets	3,064,863	2,742,756	MINORITY INTERESTS IN EQUITY OF SUBSIDIARIES	39,554	94,334	BASIC EARNINGS PER SHARE	82	31
			SHAREHOLDERS' EQUITY					
			Share capital:					
			Authorized capital - 6,000,000,000 ordinary shares with a par value of Rp 250					
			Issued and fully paid capital - 2,849,165,500 ordinary shares in 2005 and - 1,573,906,500 ordinary shares in 2004	712,370	393,494			
			Additional paid-in capital	373,913	35,061			
			Difference in the equity transactions of subsidiaries and associates	12,265	15,547			
			Property, plant and equipment revaluation reserve	22,750	22,750			
			Investment fair value revaluation reserve	59,945	21,817			
			Exchange difference due to financial statements translation	140,644	235,162			
			Appropriated retained earnings	30,000	20,000			
			Unappropriated retained earnings	2,005,881	787,174			
			Total Shareholders' Equity	3,357,768	1,531,005			
TOTAL ASSETS	7,933,811	5,948,982	TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	7,933,811	5,948,982			

Jakarta, March 31, 2005
PT UNITED TRACTORS Tbk
 S.E. & O
 THE BOARD OF DIRECTORS