



PT United Tractors Tbk

Investor Bulletin, First Half 2007

Performing Under Pressure

Consolidated revenue increased 18% to Rp 8.19 trillion

With the upbeat of heavy equipment market and catching up in contracting projects, up until June 2007 the Company recorded consolidated net revenue Rp 8.19 trillion, or 18% higher last year's revenue of Rp 6.92 trillion. Out of the total figure, 51% was contributed by Construction Machinery business unit, which improved from last year's contribution of 45%. Meanwhile, revenue contribution from Mining Contracting business unit was Rp 3.40 trillion, excluding Rp 626 billion revenue from sales of 1.5 tons of high quality coal which came from the recently acquired coal concession in South Kalimantan.

On April 2007, the Mining Contracting's production at Kaltim Prima Coal was slightly interrupted due to project site relocation, from Bendili to Pelikan site. The relocation process took about three months and was completed at the end of last June. Aside from setting up the new site, the business unit also continued its effort to meet the production target which was held up in the first quarter due to several accidents and heavy rainfall.

Gross & op. profit margin were 16.6% and 11.4%

Although the Company's consolidated gross profit was up Rp 99 billion y.o.y., margin wise it was down from 18.2% to 16.6%, drew down by lower margin in Mining Contracting as the result of temporary set back in overburden removal. However, compared to last year's operating expense which included sizeable allowance for doubtful accounts, this year's operating expense was undeniably smaller, resulting in higher operating profit of Rp 932 billion, and slightly improved margin of 11.4%.

Consolidated net profit was slightly up to Rp 552 billion

Despite foreign exchange loss of Rp 9.9 billion as opposed to last year's gain of Rp 129 billion, the Company enjoyed some gain from asset disposal related to the site relocation at Kaltim Prima Coal project. As a result, the Company managed to record a slight improve in consolidated net profit, from Rp 538 billion to Rp 552 billion. Below is the highlights of the six-month results.

In bio Rp	6M 2006	6M 2007	% Increase
Sales	6,918	8,194	18.4
<i>Construction Machinery</i>	3,122	4,168	33.5
<i>Mining Contracting</i>	3,796	3,400	6.1
<i>Coal Mining</i>	-----	626	-----
Gross Profit	1,261	1,360	7.8
<i>Gross Profit Margin (%)</i>	18.2	16.6	(8.8)
Operating Profit	756	932	23.3
<i>Operating Profit Margin (%)</i>	10.9	11.4	4.6
EBITDA	1,373	1,530	11.4
<i>EBITDA Margin (%)</i>	19.8	18.7	(5.5)
Net Income	538	552	2.6
Earnings (Losses) Per Share (Rp.)	189	194	2.6

July 31, 2007



CONSTRUCTION MACHINERY Performance Overview

CM revenue up 33% to Rp 4.17 trio

For the first half 2007, Construction Machinery business unit – or United Tractors – enjoyed a 33% increase in revenue y.o.y., from Rp 3.12 trillion to Rp 4.17 trillion, due to significant upwards in heavy equipment sales.

Komatsu sales volume up 57% to 1,733 units, with 53% market share

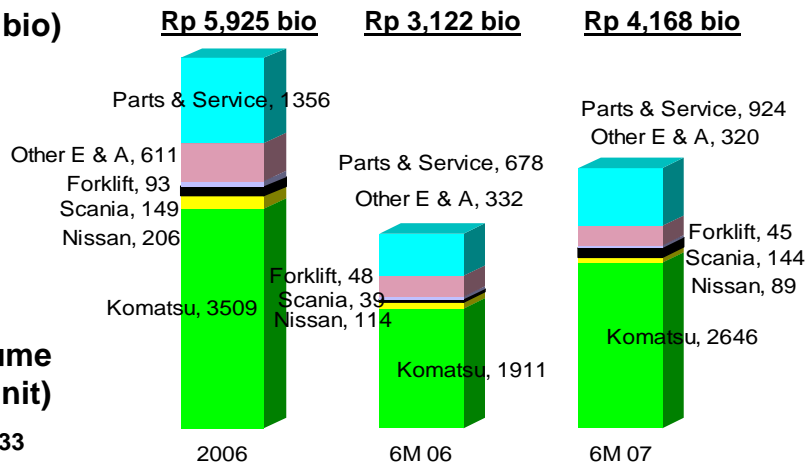
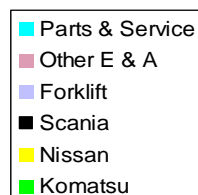
Komatsu sales volume up to June 2007 has reached 1,733 units or up 57% from last year's sales of 1,101 unit. Robust need for heavy equipment was mainly driven by Forestry, Agro and Construction sector, while Mining sector has started to show a slight pick up. With market growth of 49%, Komatsu's market share as of June 2007 reached 53%, compared to last year's 50.3%

Sales of spare parts and service also made substantial contribution to CM revenue, with 36% increase y.o.y. Among the non-Komatsu products, Scania sales was up three times of its last year's figures, achieving 142 units, while Komatsu forklift was sustained at the same level, with 256 units. Sales of Nissan Diesel was slow (only 121 units as compared to last year's 156 units) due to shortage of supply from the manufacturer during its upgrading process to newer models.

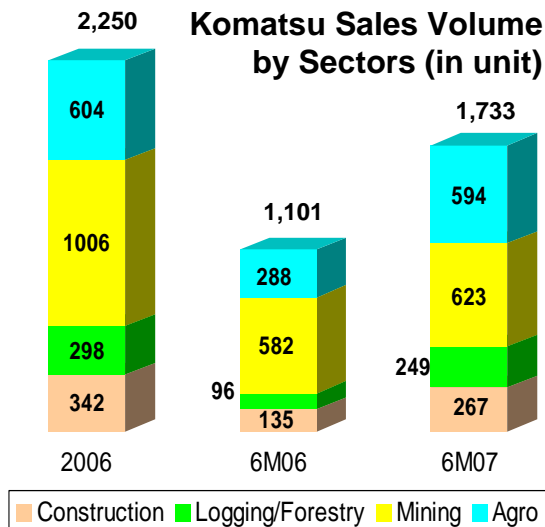
Gross and op. profit margin were 17.6% and 10.6%, respectively

Better equipment price as well as favorable fluctuation of exchange rate during this first half resulted in better gross profit margin y.o.y, from 15.2% to 17.6%, as well as better operating profit margin which was improved from 6.5% to 10.6%.

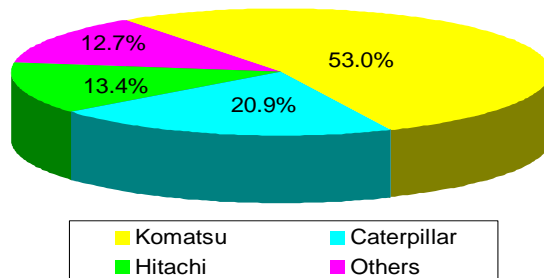
Revenue (Rp bio)



Komatsu Sales Volume by Sectors (in unit)



Domestic Market Share



July 31, 2007



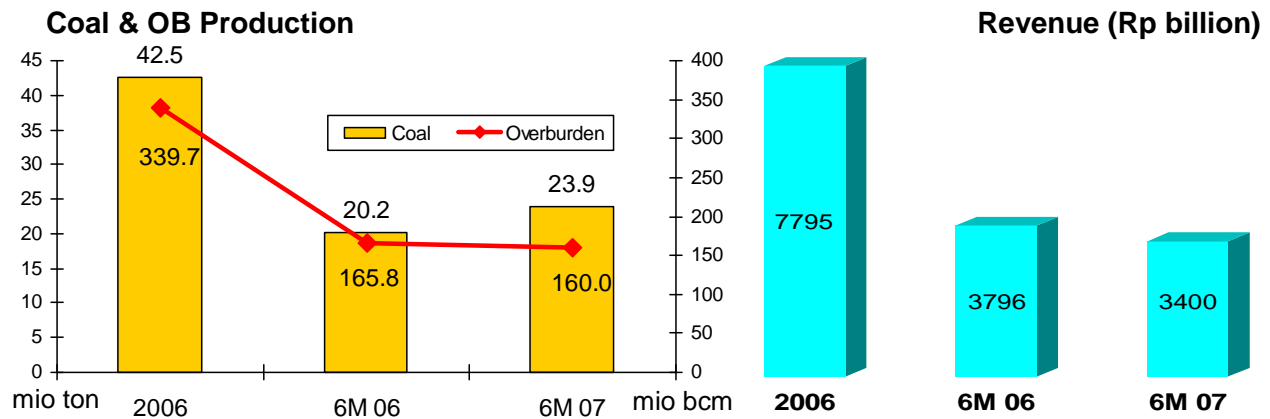
MINING CONTRACTING Performance Overview

18% increase in coal production

Approaching the end of rainy season, Pamapersada Nusantara (Pama) as the Company's Mining Contracting business unit started to speed up its production rate, delivering 23.9 million tons or 18% higher than last year's production, with 160.0 million bcm overburden removal, which was 3% lower than last year's work.

Rev Rp 3.4 tn, with GPM 13.3%

From its mining contracting job, until June 2007 Pama delivered revenue of Rp 3.40 trillion as compared to last year's Rp 3.80 trillion. Margin of gross profit was 13.3% or still lower than last year, as the consequence of several accidents which occurred earlier this year, as well as Pama's site relocation at KPC project (from Bendili site to Pelikan site) which started last April. Operating profit margin was also down from 11.9% to 10.2%.



COAL MINING Performance Overview

Rp 626 billion revenue from sales of 1.5 mio tons of coal

On 30 April 2007, Pama has signed Shares Sales Agreement (SSA) to purchase 99% shares of PT Dasa Eka Jasatama (DEJ). Fully owned by Pama, until June 2007 the mine has managed to deliver 1.5 million tons of premium quality coal, contributing a revenue of Rp 626 billion with 13.6% gross profit margin. Expected production for the full year 2007 is about 3 million tons.

For further information:

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July 31, 2007

PT UNITED TRACTORS Tbk and SUBSIDIARIES

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Rate Rp/US\$: 2007 = 9,054 and 2006 = 9,300

CONSOLIDATED BALANCE SHEETS AS OF JUNE 30, 2007 AND 2006 (in million Rupiah)					CONSOLIDATED STATEMENTS OF INCOME AND RETAINED EARNINGS FOR THE THREE MONTHS ENDED JUNE 30, 2007 AND 2006 (in million Rupiah)			
ASSETS		LIABILITIES AND STOCKHOLDERS' EQUITY						
	2007	2006		2007	2006		2007	2006
CURRENT ASSETS			CURRENT LIABILITIES			NET REVENUE	8,193,753	6,917,581
Cash and cash equivalents	848,367	873,362	Short - term loans	13,944	596,382	COST OF REVENUE	6,833,625	5,656,520
Trade receivables:			Trade payables			GROSS PROFIT	1,360,128	1,261,061
Third parties (net of allowance for doubtful accounts of Rp 499,244 in 2007 and Rp 215,795 in 2006)	3,337,964	2,727,715	Third parties	1,918,622	1,432,667	OPERATING EXPENSES		
Related parties	17,931	18,561	Related parties	432,759	455,938	Selling expenses	99,237	79,718
Other receivables : third parties (net of allowance for doubtful accounts of Rp 198 in 2006 and 2007)	29,812	52,549	Other payables			General and administration expenses	329,271	425,004
			Third parties	92,811	38,267	Total Operating Expenses	428,508	504,722
Inventories (net of allowance for inventory obsolescence of Rp 17,881 in 2007 and Rp 27,699 in 2006)	1,660,868	1,531,718	Dividend payables	246,875	-	OPERATING INCOME	931,620	756,339
Prepaid taxes	440,154	206,051	Taxes payable	184,126	104,378	OTHER INCOME (EXPENSES)		
Advances and prepayments	292,688	237,740	Accrued expenses	249,214	239,504	Foreign exchange loss/ gain	(9,940)	129,131
Total Current Assets	6,627,784	5,647,696	Customer deposits	298,341	60,310	Interest and finance charges	(221,674)	(175,814)
			Deferred revenue	96,463	53,585	Interest income	15,587	34,987
NON-CURRENT ASSETS			Current portion of long-term debt:			Gain on disposal of fixed assets	51,280	28,990
Restricted cash and time deposits	3,890	25,652	Bank loans	1,415,676	178,728	Other income - net	16,615	9,053
Amounts due from related parties	5,009	4,251	Finance leases	487,271	445,381	Dividen income	806	1,581
Loans receivables - third parties	-	277,140	Related parties	1,300	800	Total Other Income (Expenses)	(147,326)	27,928
Deferred tax assets	85,618	98,739	Total Current Liabilities	5,437,402	3,605,940	EQUITY IN NET INCOME OF ASSOCIATES	2,772	2,585
Long-term investments	189,648	155,525				PROFIT BEFORE INCOME TAX	787,066	786,852
Fixed assets (net of accumulated depreciation of Rp 3,509,965 in 2007 and Rp 2,712,404 in 2005)	5,030,002	4,919,834	NON-CURRENT LIABILITIES			INCOME TAX EXPENSE		
Mining licenses	377,371	-	Trade payables - third parties	633,842	797,537	Current	(239,879)	(297,321)
Deferred charges	67,521	93,670	Deferred tax liabilities	977	654	Deferred	12,545	54,321
Loans to officers and employees	39,217	39,455	Long-term debt, net of current portion:			Total Income Tax Expense	(227,334)	(243,000)
Other assets	2,884	4,036	Bank loans	669,682	1,510,776	INCOME BEFORE MINORITY INTEREST	559,732	543,852
Total Non-Current Assets	5,801,160	5,618,302	Finance leases	549,789	836,924	MINORITY INTEREST	(7,386)	(5,438)
			Amounts due to related partes	3,870	6,531	NET INCOME BEFORE EXTRAORDINARY EXPENSE	552,346	538,414
			Employee benefits obligation	134,924	103,874	NET INCOME	552,346	538,414
			Deferred gain from sale and leaseback transactions	16,464	22,835	NET EARNINGS PER SHARE	194	189
			Total Non-Current Liabilities	2,009,548	3,279,131			
			MINORITY INTERESTS	49,656	47,646			
			EQUITY					
			Share capital:					
			Authorized capital - 6,000,000,000 ordinary shares with a par value of Rp 250 per share, issued and fully paid - 2,851,609,100 shares	712,902	712,902			
			Additional paid-in capital	374,254	374,254			
			Exchange difference due to financial statements translation	132,324	137,462			
			Difference in the equity transactions of subsidiaries	57,535	26,935			
			Investment fair value revaluation reserve	82,114	82,114			
			Fixed assets revaluation reserve	22,750	22,750			
			Retained earnings :					
			Appropriated	142,580	71,290			
			Unappropriated	3,407,879	2,905,574			
			Total Equity	4,932,338	4,333,281			
TOTAL ASSETS	12,428,944	11,265,998	TOTAL LIABILITIES & EQUITY	12,428,944	11,265,998			

Jakarta, June 30, 2007
PT UNITED TRACTORS Tbk
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THE BOARD OF DIRECTORS