



IMPROVING BOTTOM LINE UNDER NEW GOVERNMENT

Increase net profit of IDR 302 bio.

The appointment of Mrs. Megawati Sukarnoputri as the new Indonesian President toward the end of July 2001 brought new hopes for Indonesians, signified by stronger IDR rate. Even though the rate has gone weaker over the next few months, the September rate was recorded at IDR 9,675/US\$, much improved than the first half rate of IDR 11,440/US\$. As the results, the Company was able to book net profit of IDR 302.37 billion, or 3.5 times better than what the company recorded a year back. For the first nine months of 2001, the net revenue reached IDR 5.48 trillion, or already higher than full year 2000 revenue. Improving revenue was as the results of increase production at Pama and coal sales at Berau, better coal price, and higher exchange rate this year. September 2000 rate was recorded at IDR 8,780/US\$.

EBITDA improved to IDR 1.04 trio.

With increasing revenue, however, the gross profit margin and operating profit margin decreased to 20.0% and 13.6%, respectively. Lower overall margins are due to lower unit and parts margin at CM, more production cost at Mining sector, and increasing fuel price for industry. The EBITDA managed to improve slightly to IDR 1.04 trillion, better than IDR 1.02 trillion in September 2000.

Overall, revenue contribution from Mining Contracting (Pama) increased to 41.8% this year, while from Construction Machinery (CM) dropped to 40.9% due to stronger growth from the Mining (Berau). Below is the highlight for September 2001.

Highlights of the quarter's result

In Rp. bn.	9M 2001	9M 2000	% Increase
Sales	5,478	3,792	44.5
<i>Construction Machinery</i>	2,238	1,803	24.1
<i>Mining Contracting</i>	2,292	1,548	48.1
<i>Mining</i>	948	441	114.9
Gross Profit	1,093	1,003	9.0
<i>Gross Profit Margin (%)</i>	20.0	26.4	(24.2)
Operating Profit	745	793	(6.0)
<i>Operating Profit Margin (%)</i>	13.6	20.9	(34.9)
EBITDA	1,037	1,023	1.4
<i>EBITDA Margin (%)</i>	18.9	27.0	(30.0)
Net Income	302	87	247.6
Earnings (Losses) Per Share (Rp.)	196	56	247.6

September 30, 2001



PERFORMANCE OVERVIEW: CONSTRUCTION MACHINERY

Revenue grew by 24%

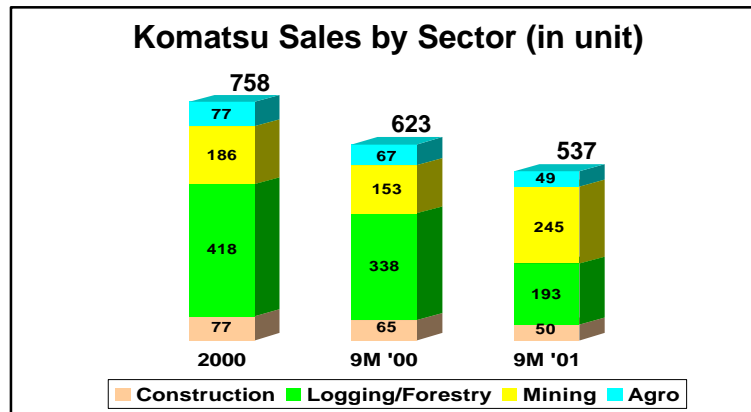
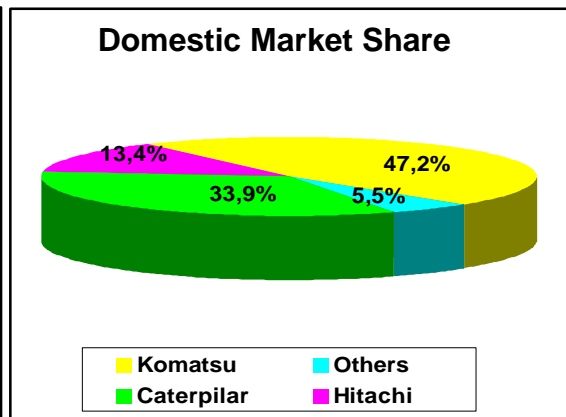
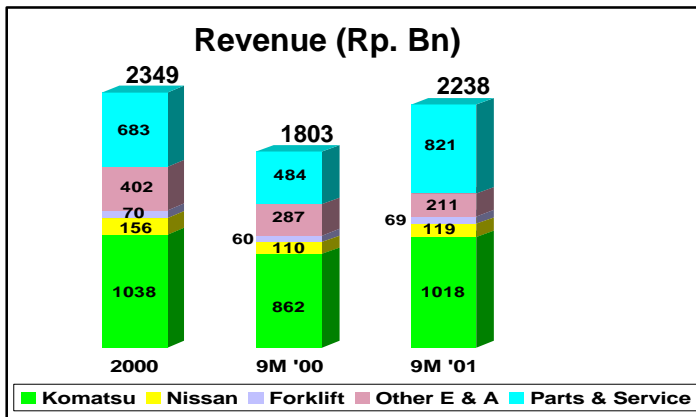
For the nine months of 2001, Construction Machinery recorded revenue of IDR 2.24 trillion, or an increase of 24% y.o.y. The revenue growth was driven by Parts & Services which grew by 69%. Overall, Komatsu was still the biggest contributor to CM's revenue at 45%, followed by revenue from Parts & Services at 37%, then from Nissan and Forklift, each at 5% and 3%, respectively. The rest of the revenue came from Other Equipment and Attachment (E & A), which posted sales decrease of 26% y.o.y. due to lower engine assembly and other equipment sold.

Tougher competition this year

For this year, the total number of equipment sold has decreased. Komatsu sales reached 537 units, or 14% lower than 623 units sold last year. Meanwhile, Nissan Diesel truck slightly performed better with sales reaching 143 units as compared to 138 units by September last year. Other equipment, such as Bomag, Timberjack, Kenworth trucks, etc., were sold 428 units as compared to 435 units last year. Lower sales were due to higher competition in the shrinking market as the results of economic downfall. Considering the situation, Komatsu is still able to maintain its position as the leader in Indonesia, by taking in 47.2% of the market.

As the results, lower margins

In overall, CM registered gross profit margin and operating margin of 20.7% and 10.6%, respectively, down from 30.9% and 22.2% recorded in the previous year.



September 30, 2001



PERFORMANCE OVERVIEW: MINING CONTRACTING

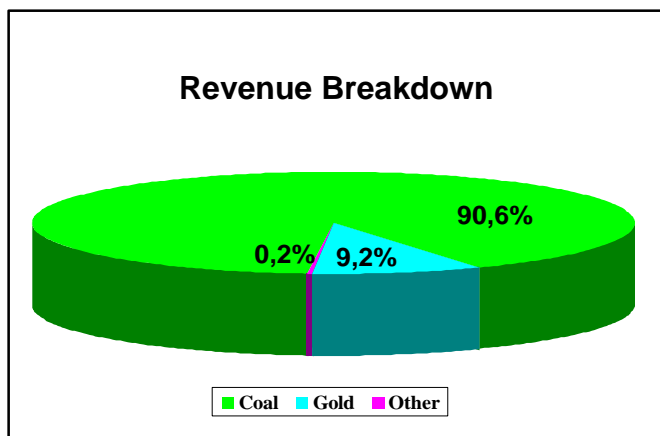
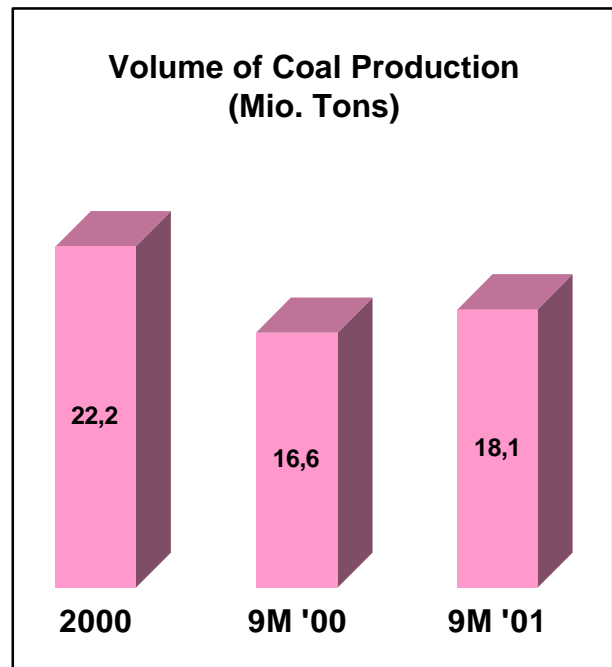
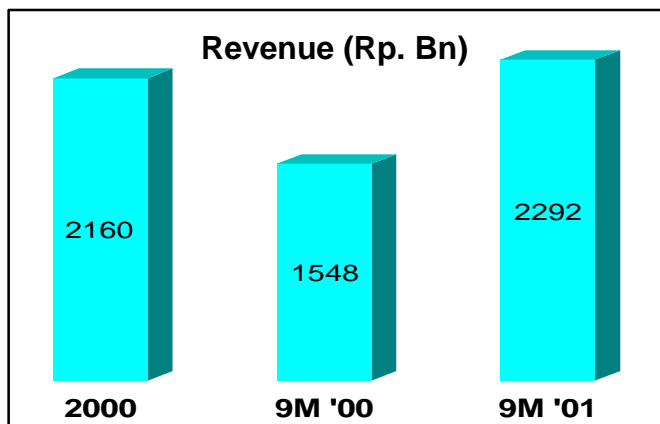
Growing coal production to 18.1 mio. tons

The Mining Contracting (MC) division, through PT Pamapersada Nusantara (Pama), continued to grow this year, recording net revenue of IDR 2.29 trillion, 48% higher than IDR 1.55 trillion a year ago. The growth was due to higher production and exchange rate. So far, Pama has extracted 18.1 million tons of coal with 88.0 million bcm overburden, as compared to last year's production of 16.6 million tons of coal and 63.4 million bcm overburden. In addition, Pama has also produced 0.8 million ton of gold with 6.5 million bcm waste as compared to 0.8 million ton of gold and 4.8 million bcm waste in 2000.

EBITDA increased to IDR 637 bio.

Financially, Pama recorded lower margins this year due to higher operation cost, such as from the fuel price increase and maintenance. The gross profit margin was down to 22.3% from 24.3% last year, and the operating margin dropped to 18.7% from previously 22.3% in September 2000. The EBITDA has increased to IDR 636.88 billion for the nine months of 2001 as compared to IDR 499.03 billion a year ago. However, this year' EBITDA margin dropped by 4.4% to 27.8%.

Regarding the divestment, the current situation is still not favorable to continue with IPO. Therefore, UT is looking at other possibilities for divestment.



September 30, 2001



PERFORMANCE OVERVIEW: COAL MINING

Coal sales price increase to US\$ 18.50/ton

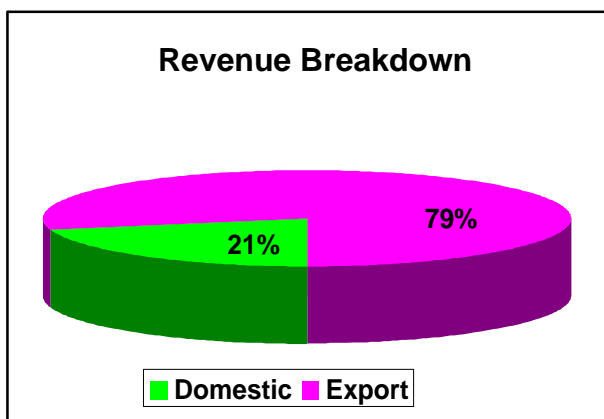
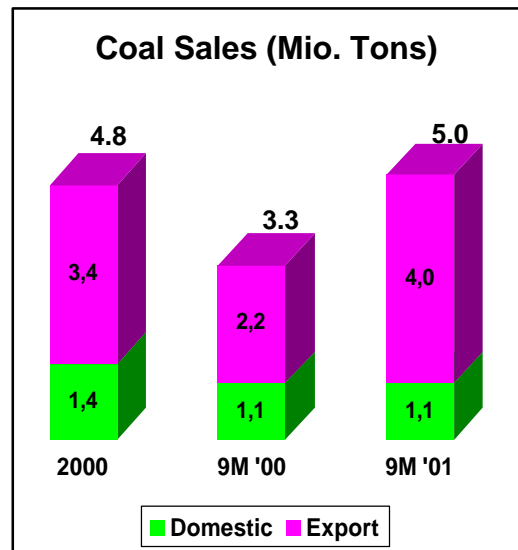
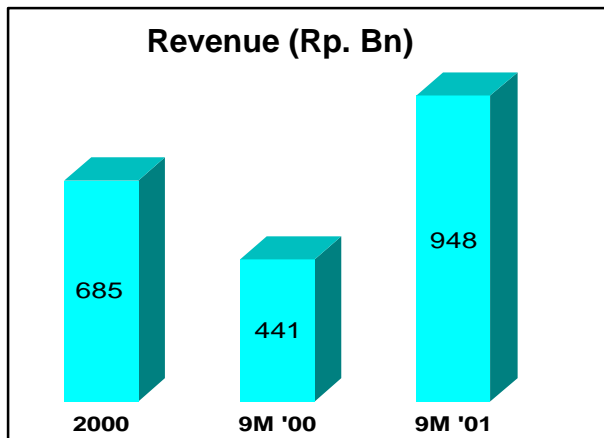
PT Berau Coal (Berau) continued its bright path, growing more than twice its revenue from September last year. Its average coal price reached US\$ 18.50/ton, an improvement from US\$ 17.27/ton in the first half. Berau recorded revenue of IDR 947.73 billion, up from IDR 440.96 billion last year. The increase in revenue is due to better coal price and also higher coal sales, achieving 5.0 million tons (79% for export) or better than 3.3 million tons sold last year. The total coal delivered this year already surpassed full year 2000 sales of 4.8 million tons.

However, margins dropped

Overall, the gross profit margin decreased to 12.7% from previously 15.5% in September 2000 due to cost for opening new area at Samarata and higher fuel price. The operating margin also dropped to 8.3% as compared to 10.6% in 2000. As the result, the EBITDA margin decreased to 12.9% this year from previously 18.6% in September 2000.

Meanwhile, infrastructure improvement continues

Meanwhile, Berau is currently building radial conveyor at Lati to increase the capacity to 5 million tons. It is expected that the process will be finished by late of this year or early next year. At Binungan, stock pile at Suaran port was finished last July and now operating fully. At Samarata, the whole facility (including dormitory and port) is finished now, and has started full production. The port serves the 3,500 and 5,000-ton barges.



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September 30, 2001

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Rate Rp/US\$: 2001 = 9,675 and 2000 = 8,780

CONSOLIDATED BALANCE SHEETS AS OF SEPTEMBER 30, 2001 AND 2000 (in million Rupiah)					CONSOLIDATED STATEMENTS OF INCOME AND RETAINED EARNINGS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2001 AND 2000 (in million Rupiah)			
ASSETS		LIABILITIES AND STOCKHOLDERS' EQUITY						
	2001	2000		2001	2000		2001	2000
CURRENT ASSETS			CURRENT LIABILITIES			NET REVENUE	5.478.438	3.792.444
Cash and cash equivalents	401.418	318.016	Short - term debts	35.922	1.394	COST OF REVENUE	4.385.025	2.789.738
Restricted cash	3.503	-	Trade accounts payable			GROSS PROFIT	1.093.413	1.002.706
Time deposits	52.387	68.957	Third parties	669.720	379.249	OPERATING EXPENSES		
Trade accounts receivable - net			Related parties	306.701	211.015	General and administrative	272.424	174.240
Third parties	1.378.035	1.065.082	Others	24.260	36.206	Selling	76.330	35.953
Related parties	28.516	61.479	Accrued expenses	292.173	207.660	Total Operating Expenses	348.754	210.193
Other receivables - net	18.723	34.449	Taxes payable	75.051	51.637	INCOME FROM OPERATIONS	744.659	792.513
Inventories - net	1.105.771	986.566	Customers' deposits	40.898	54.449	OTHER CHARGES (INCOME)		
Prepaid taxes	122.868	134.297	Current maturities of long-term debts			Loss (gain) on foreign exchange - net	68.097	466.351
Prepaid expenses	5.872	4.889	Bank debts	243.443	192.423	Financing cost	249.120	264.368
Advances	112.497	98.112	Obligations under capital lease	123.546	158.148	Interest income	(16.952)	(38.449)
Total Current Assets	3.229.590	2.771.847	Total Current Liabilities	1.811.714	1.292.181	Loss (gain) on sale of property & equipment	2.388	(5.628)
NON-CURRENT ASSETS			NON-CURRENT LIABILITIES			Miscellaneous - net	(28.749)	(9.429)
Due from related parties-net	28.574	77.593	Due to related parties	109.646	102.953	Other Charges - Net	273.904	677.213
Deferred tax assets - net	608.471	540.776	Deferred tax liabilities	4.222	8.484	EQUITY IN NET LOSSES OF ASSOCIATED COMPANIES	17.708	(5.878)
Investments in bonds	6.416	5.928	Unrealized income from sale-and-lease back transactions	8.593	12.947	INCOME BEFORE PROVISION FOR TAX INCOME (EXPENSE)	453.047	121.178
Investments in associated companies	88.530	106.442	Long-term debts - net			PROVISION FOR TAX INCOME (EXPENSE)		
Property, plant and equipment - net	1.632.230	1.331.239	Bank debts	3.228.459	3.151.199	Current	(132.806)	(108.884)
Deferred development and exploration cost - net	344.148	322.427	Obligations under capital lease	151.636	125.100	Deferred	2.729	78.977
Estimated claims for tax refund	152.446	60.799	Total Non-Current Liabilities	3.502.556	3.400.683	Total Provision for Income Tax	(130.077)	(29.907)
Deferred charges - net	123.163	113.380	MINORITY INTERESTS IN NET ASSETS OF CONSOLIDATED SUBSIDIARIES	70.050	41.706	INCOME BEFORE MINORITY INTERESTS IN NET LOSS (INCOME) OF CONSOLIDATED SUBSIDIARIES	322.970	91.271
Others	40.442	35.529	STOCKHOLDERS' EQUITY			MINORITY INTERESTS IN NET LOSS (INCOME) OF CONSOLIDATED SUBSIDIARIES	(20.603)	(4.279)
Total Non-Current Assets	3.024.420	2.594.113	Capital stock	386.400	386.400	NET INCOME (LOSS)	302.367	86.992
TOTAL ASSETS	6.254.010	5.365.960	Additional paid-in capital	30.524	16.875	BASIC EARNINGS (LOSSES) PER SHARE**	196	56
			Difference in foreign currency translation	246.547	222.957			
			Difference in equity transactions of associated companies	13.747	13.747			
			Unrealized gain on stock available for sale	(9.906)	10.537			
			Revaluation increment in property, plant and equipment	22.750	22.750			
			Retained earnings (deficits)	179.628	(41.876)			
			Total Stockholders' Equity	869.690	631.390			
			TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	6.254.010	5.365.960			

The consolidated financial statements above are not audited nor checked by the Public Accountants.

Jakarta, November 7, 2001
PT UNITED TRACTORS Tbk
S.E. & O

THE BOARD OF DIRECTORS