



# PT United Tractors Tbk

## Investor Bulletin, First Quarter 2020

### United Tractors Recorded Net Income of Rp 1.8 Trillion

**Operational:**  
Y.o.y Komatsu sales volume down 48%, coal production and overburden decreased 9%, while coal sales volume up 25%

United Tractors (UT/the Company) today released its consolidated financial statements for the first quarter 2020. The global economy slowdown and weakening coal price have heavily impacted the domestic market and brought challenges to the Company's business units. This is reflected in the first quarter 2020 consolidated revenue that was down 19% to Rp18.3 trillion from Rp22.6 trillion. The lower net revenue added with foreign exchange loss have led to a decrease in the Company's net profit, which was recorded at Rp1.8 trillion, down 40% from Rp3.1 trillion.

Heavy equipment sales under Construction Machinery segment recorded a decrease of 48% in Komatsu sales volume from 1,181 units to 617 units. Sales of spare parts and maintenance services decreased by 21% to Rp1.7 trillion. Overall, Construction Machinery segment recorded revenues of Rp4.3 trillion or down 36%. Mining Contracting segment recorded 14% lower in net revenue at Rp8.2 trillion, with 27.9 million tonnes of coal production and 212.2 million bcm of overburden removal. Coal Mining segment was able to increase coal sales volume to 3.2 million tonnes, with net revenue decreased by 7% to Rp3.4 trillion, reflecting the decline in coal price. Gold Mining segment recorded revenues of Rp2.0 trillion, and gold sales volume achieved 95 thousand ounces. The last segment, Construction Industry, recorded net revenue of Rp475 billion or down 41%.

To the Company's consolidated net revenue, Mining Contracting segment contributed 45%, followed by 24% from Construction Machinery, 18% from Coal Mining, while Gold Mining and Construction Industry respectively contributed 11% and 3%.

Bhumi Jati Power, which is 25%-owned by the Company, is in the process of constructing 2x1,000 MW coal fired power plant in Jepara, Central Java. Until March 2020, the construction progress has reached 92% and is scheduled to start commercial operation in 2021.

| In Rupiah billion                         | 3M 2020       | 3M 2019       | Y/Y%        | FY 2019       |
|---|---------------|---------------|-------------|---------------|
| Exchange rate (Rp/US\$)                   | 16,367        | 14,244        | 15%         | 13,901        |
| <b>Revenue Breakdown</b>                  |               |               |             |               |
| Construction Machinery                    | 4,349         | 6,752         | -36%        | 22,559        |
| Mining Contracting                        | 8,170         | 9,518         | -14%        | 39,311        |
| Coal Mining                               | 3,366         | 3,631         | -7%         | 10,685        |
| Gold Mining                               | 1,953         | 1,918         | 2%          | 7,934         |
| Construction Industry                     | 475           | 802           | -41%        | 3,941         |
| <b>Total Revenue</b>                      | <b>18,314</b> | <b>22,621</b> | <b>-19%</b> | <b>84,430</b> |
| Gross Profit                              | 4,258         | 5,700         | -25%        | 21,231        |
| Gross Profit Margin                       | 23.2%         | 25.2%         | -8%         | 25.1%         |
| Profit for the period                     | 1,801         | 3,143         | -43%        | 11,135        |
| <b>Net Income</b>                         | <b>1,823</b>  | <b>3,053</b>  | <b>-40%</b> | <b>11,312</b> |
| Earnings Per Share (expressed in full Rp) | 489           | 818           | -40%        | 3,033         |

Note: The Company's 1Q 2020 & 1Q 2019 report was unaudited

April 27, 2020



# CONSTRUCTION MACHINERY

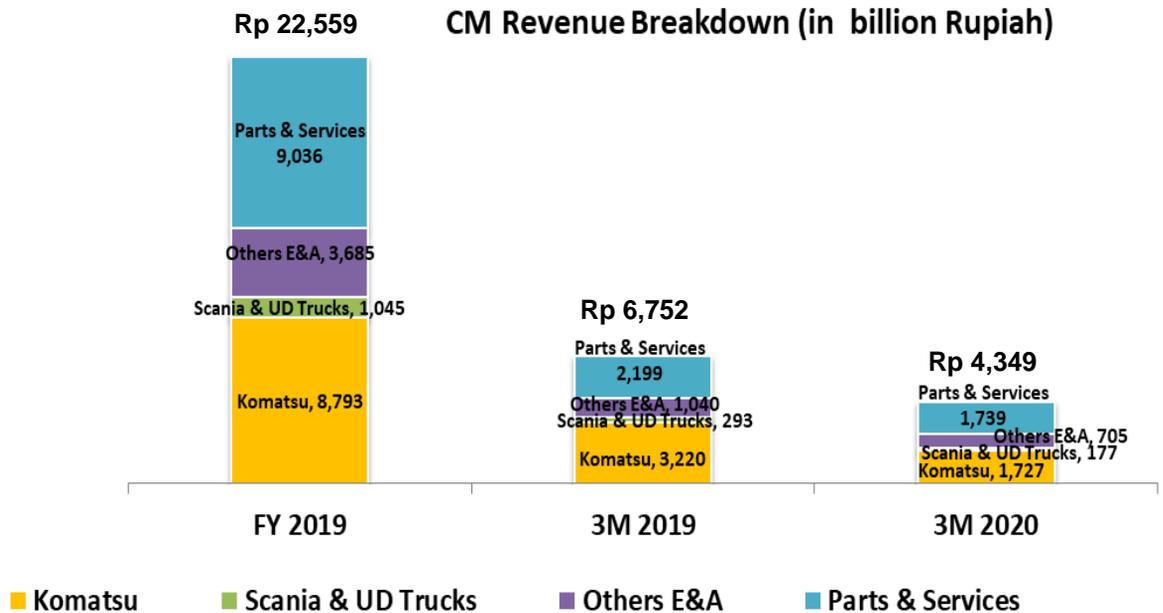
## Performance Overview

**Komatsu sales volume was 617 units**

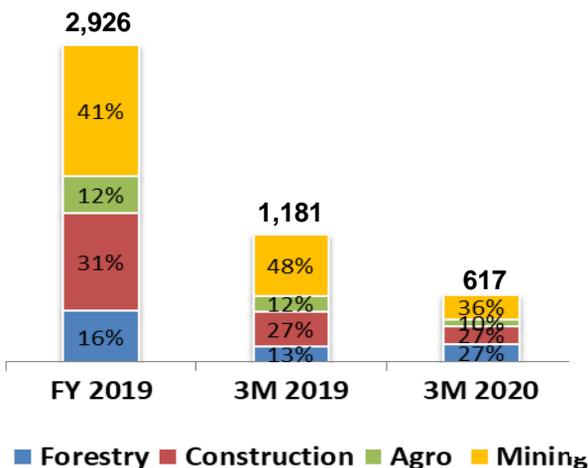
**Revenue was Rp 4.3 trillion, decreased 36%**

Until March 2020, Komatsu sales volume decreased by 48% to 617 units from 1,181 units in the same period of 2019. The decrease was due to subdued market conditions particularly in mining and plantations sectors. Based on internal market research, Komatsu maintained its position as market leader with 33% market share. In addition to unit sales, sales of spare parts and heavy equipment services decreased by 21% to Rp1.7 trillion.

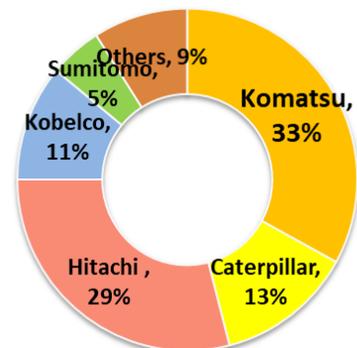
Sales volume of UD Trucks was decreased from 161 units to 73 units, and Scania products was decreased from 148 units to 64 units. The decrease was also impacted by subdued coal price in mining sector where UD Trucks and Scania were mainly utilized. In total, Construction Machinery segment recorded a decrease in revenue by 36% from Rp6.8 trillion to Rp4.3 trillion.



**Komatsu Sales Volume by sectors (in units)**



**Domestic Market Share 3M 2020**



Source: Internal Market Research



# MINING CONTRACTING Performance Overview

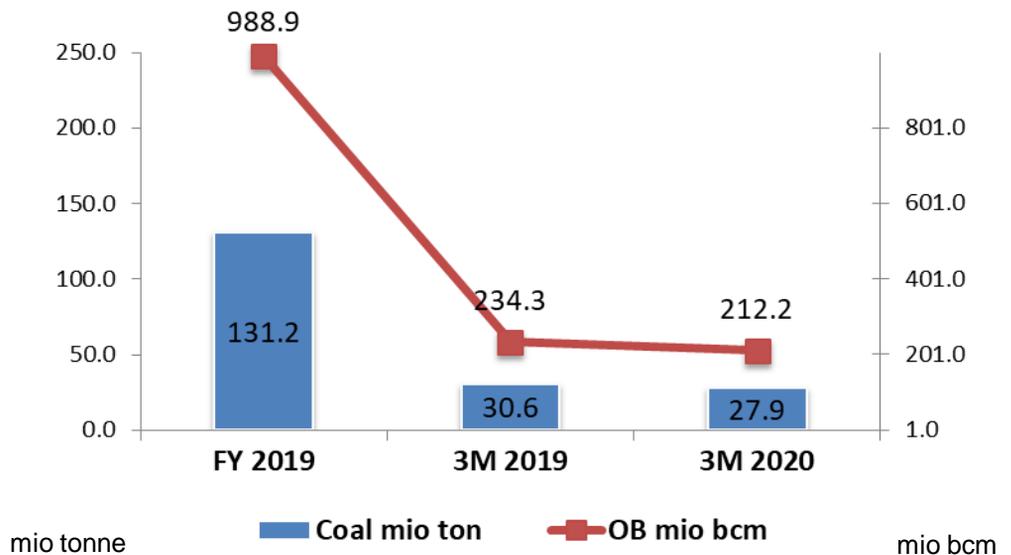
**Pama coal production was 27.9 mio tonnes, down 9%, with overburden removal of 212.2 mio bcm, or down 9%**

**Revenue was Rp 8.2 trillion, down 14%**

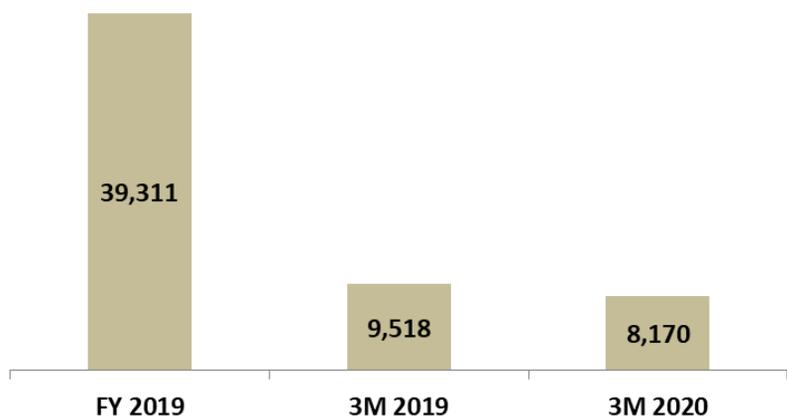
UT's Mining Contracting segment is carried out by PT Pamapersada Nusantara (PAMA). Subsidiary under PAMA that also provides additional support and services in Mining Contracting is PT Kalimantan Prima Persada (KPP).

As of March 2020, PAMA recorded net revenue of Rp8.2 trillion, down by 14% from Rp9.5 trillion in the same period of 2019. PAMA recorded 9% decrease in coal production from 30.6 million tonnes to 27.9 million tonnes, and 9% decrease in overburden removal volume, from 234.3 million bcm to 212.2 million bcm.

## Coal and Overburden Removal



## MC Revenue (Rupiah billion)



April 27, 2020



# COAL MINING

## Performance Overview

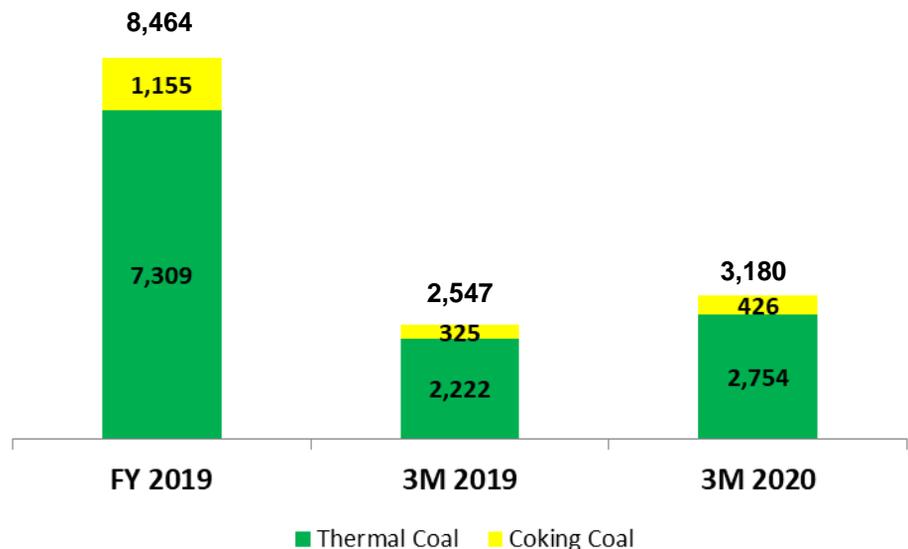
**Coal sales volume reached 3.2 million tonnes, increased 25%**

**Revenue was Rp 3.4 trillion, decreased 7%**

The Company's Mining business segment was operated by PT Buah Turangga Agung (TTA). Currently, TTA operates coal mines under management of PT Asmin Bara Bronang (ABB), PT Telen Orbit Prima (TOP), and PT Suprabari Mapanindo Mineral (SMM). SMM is a coking coal concession in Central Kalimantan, and has started its commercial production in late 2017.

As of March 2020, TTA recorded total coal sales volume of 3.2 million tonnes including 426 thousand tonnes of coking coal, 2.2 million tonnes from ABB and TOP, and 525 thousand tonnes from coal trading business, or increased 25% compared to 2.5 million tonnes in the first quarter 2019. Despite the increased volume, Coal Mining revenue was decreased by 7% to Rp3.4 trillion due to lower average coal selling price.

**TTA's coal sales volume (in thousand tonne)**





# GOLD MINING

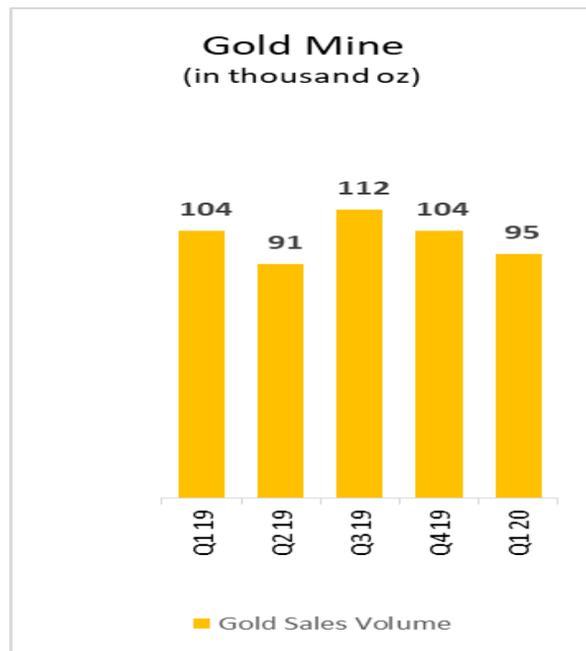
## Performance Overview

**Gold sales volume reached 95 thousand ounces**

In December 2018, the Company through its subsidiary completed the acquisition of 95% ownership of PT Agincourt Resources (PTAR). PTAR operates Martabe gold mine located in South Tapanuli, North Sumatra.

**Revenue was Rp 2.0 trillion**

Until March 2020, the total sales volume of gold equivalent from Martabe was recorded at 95 thousand ounces, down 9% compared to 104 thousand ounces and recorded net revenue of Rp2.0 trillion. The average realized selling price for gold was USD1,448 per ounce, compared to USD1,306 per ounce in the same period 2019.



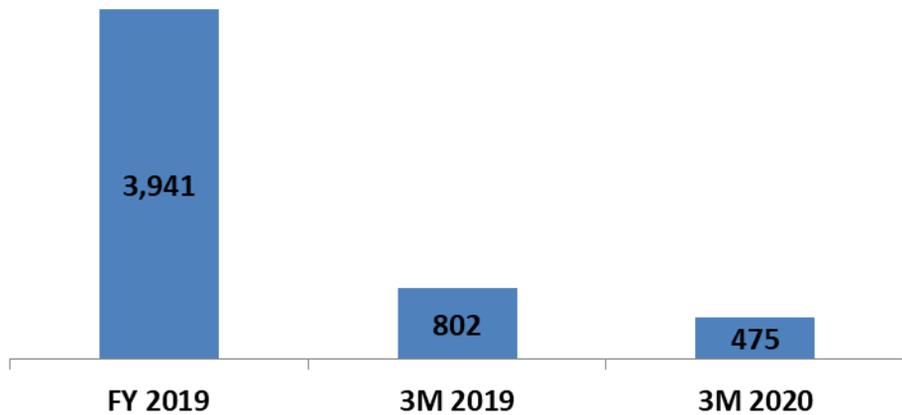


# CONSTRUCTION INDUSTRY Performance Overview

**Revenue was Rp475 billion, decreased 41%, net loss Rp124 billion**

The Construction Industry segment was represented by PT Acset Indonusa Tbk (ACSET). As of March 2020, ACSET reported net revenue of Rp475 billion, compared to Rp802 billion in the same period of 2019. ACSET also recorded a net loss of Rp124 billion, from the previous net loss of Rp91 billion in the first quarter 2019. The loss was mainly due to increased overhead and other expenses due to delays in ongoing project, combined with increased financial cost due to delays in receiving payment for Contractor Pre-Financing (CPF) project.

**Construction Industry Revenue (Rupiah billion)**



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