United Tractors Tbk. (UNTR)

Out of the Pit in 3Q26, Gold Dims the Next Haul

UNTR's 9M26 results came in above our expectations, with revenue of IDR 90.33 tn (-10.1% YoY / 73.9% of FY26F) and net profit of IDR 4.47 tn (-61.1% YoY / 72.0% of our previous FY26F), as a clean 3Q26 net profit of IDR 3.51 tn (+4.9% YoY) beat the 4Q26 run-rate in our forecast. Stronger mining contracting lifted 3Q26 OPM to 15.0% (vs. 11.8% in 2Q26), and excluding 1H26 one-offs, 9M26 core profit fell -31.4% YoY to IDR 7.93 tn. We raise FY26F net profit by 14.5% to IDR 7.10 tn, though lower gold prices should temper 4Q26 margins. We maintain our BUY rating on UNTR with a target price of IDR 27,600/share, implying +15.6% upside from the current price of IDR 23,875/share.

9M26 & 3Q26 Financial Performance

- **Mining contracting cushioned a weaker topline.** 9M26 revenue fell -10.1% YoY to IDR 90.33 tn (73.9% of FY26F), while 3Q26 revenue reached IDR 32.05 tn (+0.3% YoY, +7.8% QoQ). Mining contracting rose +10.6% YoY to IDR 44.46 tn on a stronger USD despite -7.4% lower overburden of 766mn bcm. Heavy equipment fell -19.5% YoY as Komatsu sales dropped -17.2% to 3,026 units, gold and other minerals -52.8% as gold sales slumped -69.7% to 54k oz, and coal -15.3% on -22.8% lower own sales of 7.1mn tons.
- **A clean 3Q26 restored margins and earnings after a one-off-laden 1H26.** 9M26 GPM, OPM and EBITDA margin fell to 19.8%, 11.7% and 21.2% (vs. 21.9%, 16.8% and 25.8% in 9M25) on the Martabe outage and the PPKH payment at Stargate, with gold and other minerals driving 36.9% of the IDR 8.68 tn drop in pre-tax profit. The IDR 2.75 tn SERD impairment in 2Q26 also lifted the effective tax rate to 38.0% (vs. 24.1%), pushing 9M26 net profit down -61.1% YoY to IDR 4.47 tn (62.9% of our revised FY26F) and NPM to 4.9% (vs. 11.4%), while core profit fell -31.4% YoY to IDR 7.93 tn. In 3Q26, GPM, OPM and NPM recovered to 23.0%, 15.0% and 11.0% (vs. 19.1%, 11.8% and 1.1% in 2Q26, and 22.0%, 16.4% and 10.5% in 3Q25), lifting net profit to IDR 3.51 tn (+4.9% YoY, 11.2x QoQ on a low 2Q26 base).

Gold Fades into Year-End, Contracting Keeps the Earnings Base Higher

- **Gold price is the key drag on 4Q26 margins.** Gold trades at ~US$3,540/oz, 17.3% below its 3Q26 average of ~US$4,280/oz, pressured by a stronger USD, higher US yields and rising Fed hike bets. We estimate this would trim 4Q26 gold revenue.
- **Firmer coal prices cushion part of the drag.** HBA rose to US$130.81/t in early November (+3.6% vs. its 3Q26 average), and Turangga's volume should recover modestly from a low ~1.1mn tons in 3Q26. We view that mining contracting should stay firm after the RKAB revision.
- **We raise our FY26F net profit and margins on a cleaner 3Q26 earnings base and a normalizing tax rate.** We keep revenue unchanged at IDR 122.16 tn but lift FY26F net profit by 14.5% to IDR 7.10 tn, with GPM at 20.1% and OPM at 12.2% (from 19.6% and 11.6% previously). This implies 4Q26 revenue of IDR 31.82 tn (+3.2% YoY, -0.7% QoQ) and net profit of IDR 2.63 tn (-21.0% YoY, -24.9% QoQ), as we factor in lower gold prices, normalizing contracting margins and non-recurring 3Q26 gains.

Maintain BUY Recommendation with Target Price at IDR 27,600/Share

- **We maintain our BUY rating on UNTR with a target price of IDR 27,600/share, implying +15.6% upside from the current price of IDR 23,875/share.** Our TP implies 13.4x FY26F P/E and 4.0x FY26F EV/EBITDA on our revised forecast. At the current price, UNTR trades at 11.6x FY26F P/E and 3.5x FY26F EV/EBITDA, with FY26F earnings at a trough after the 1H26 one-offs.
- **Key risk(s):** 1) a prolonged gold price correction, 2) year-end impairments or provisions, 3) further RKAB or DMO tightening, and 4) renewed permit action at Martabe or Stargate.

United Tractors Tbk. | Summary (IDR Billions)

	2025/12A	2026/12E	2027/12F	2028/12F
Revenue	131.301	122.159	140.291	151.769
Growth (% y/y)	*-2,3%*	*-7,0%*	*14,8%*	*8,2%*
Net Profit	14.810	7.100	14.557	16.819
Growth (% y/y)	*-24,2%*	*-52,1%*	*105,0%*	*15,5%*
Basic EPS (IDR)	4.082	2.058	4.244	4.976
Price / Earnings	5,89x	13,41x	6,50x	5,55x
EV / EBITDA	2,41x	4,01x	2,82x	2,37x
ROE	14,4%	6,8%	13,1%	14,0%
ROA	8,3%	3,9%	7,5%	8,3%

Source : Company Data, Bloomberg, NHKSI Research

Company Update | 20th November 2026

BUY

Target Price (IDR)	**27,600**
Consensus Price	28,700
TP to Consensus Price	-3.8%
Potential Upside	+15.6%

Shares Data

Last Price (IDR)	23,875
Price date as of	20th November 2026
52 wk range (Hi/Lo)	32,825 / 20,125
Free Float (%)	31.1
Outstanding sh (mn)	3,730
Market Cap (IDR bn)	89,523
Market Cap (USD mn)	4,865
Avg. Trd Vol – 3M (mn)	3.7

Sector
Industrials
Sub-Sector
Machinery

Bloomberg	UNTR IJ Equity
Reuters	UNTR JK

Share Price Performance

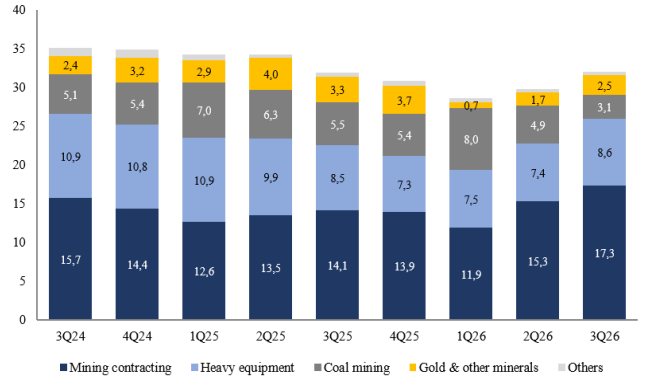


	YTD	3M	6M	12M
Abs. Ret.	-18.0%	-7.7%	-0.6%	-12.9%
Rel. Ret.	+23.5%	+13.2%	+17.3%	+26.4%

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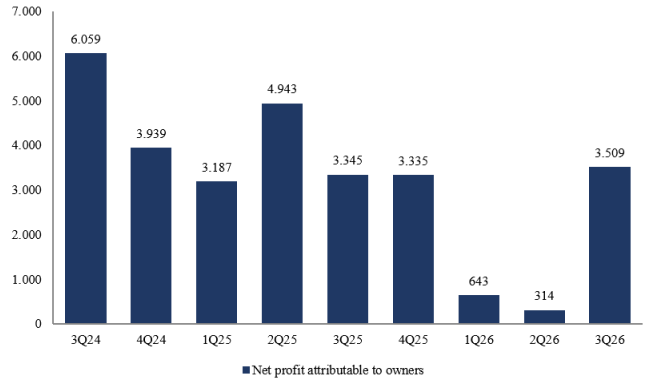
Performance Highlight

Exhibit 1. UNTR Revenue Performance (IDR tn, 3Q24 – 3Q26)



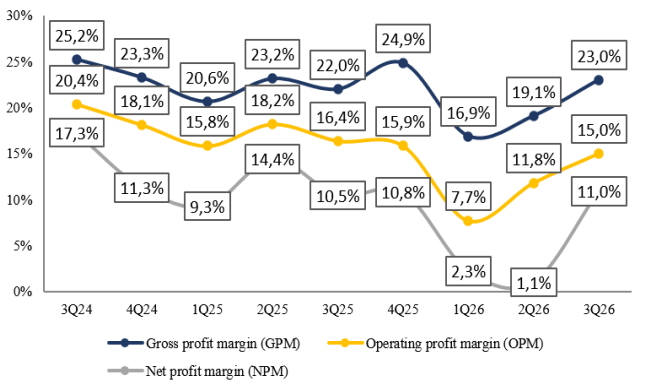
Source : Company, NHKSI Research

Exhibit 2. UNTR Net Profit Performance (IDR bn, 3Q24 – 3Q26)



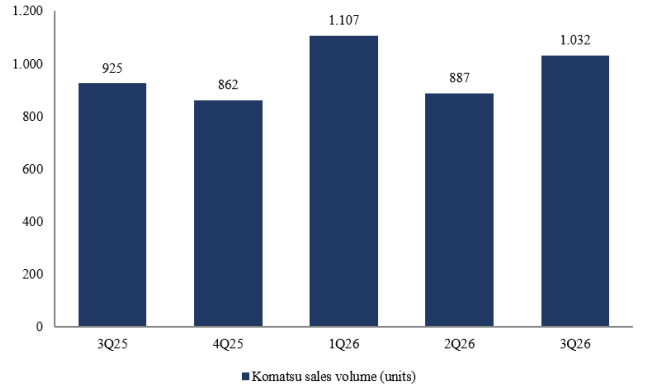
Source : Company, NHKSI Research

Exhibit 3. UNTR Margin Performance (3Q24 – 3Q26)



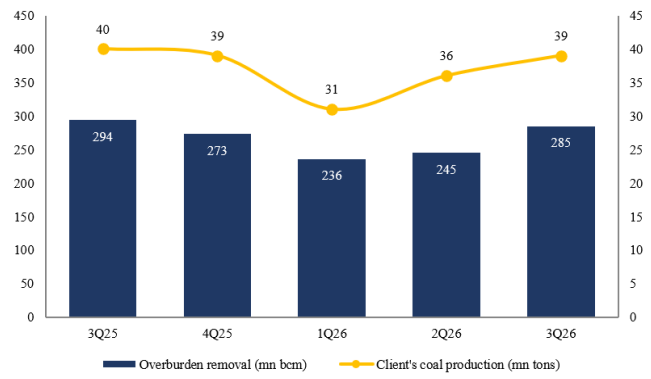
Source : Company, NHKSI Research

Exhibit 4. UNTR Komatsu Sales Volume (Units, 3Q25 – 3Q26)



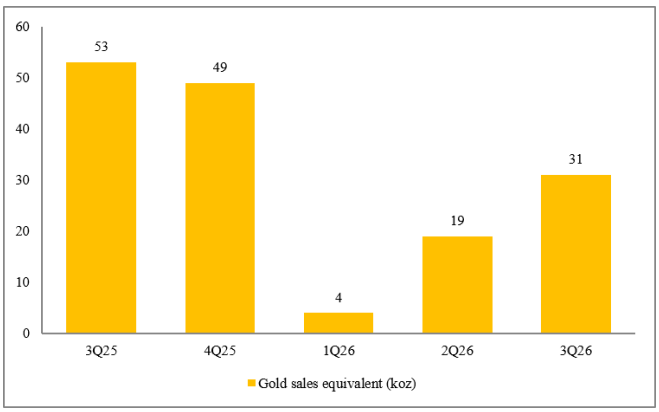
Source : Company, NHKSI Research

Exhibit 5. Client's Coal Production and Overburden Removal (3Q25 – 3Q26)



Source : Company, NHKSI Research

Exhibit 6. UNTR Gold Sales Volume (Koz, 3Q25 – 3Q26)



Source : Company, NHKSI Research

Summary of Financials

INCOME STATEMENT

(IDR bn)	2025/12A	2026/12F	2027/12F	2028/12F
Revenue	**131.301**	**122.159**	**140.291**	**151.769**
Growth (% y/y)	*-2,3%*	*-7,0%*	*14,8%*	*8,2%*
Cost of Revenue	(101.597)	(97.585)	(108.139)	(116.192)
Gross Profit	**29.704**	**24.574**	**32.152**	**35.577**
Gross Margin	*22,6%*	*20,1%*	*22,9%*	*23,4%*
Operating Expenses	(7.904)	(9.730)	(9.543)	(9.993)
EBIT	**21.800**	**14.844**	**22.609**	**25.584**
EBIT Margin	*16,6%*	*12,2%*	*16,1%*	*16,9%*
Depreciation	12.167	11.777	12.380	12.546
EBITDA	**33.967**	**26.621**	**34.989**	**38.130**
EBITDA Margin	*25,9%*	*21,8%*	*24,9%*	*25,1%*
EBT	**20.182**	**10.589**	**21.509**	**24.884**
Income Tax	(5.005)	(3.635)	(6.453)	(7.465)
Minority Interest	(366)	146	(500)	(600)
Net Profit	**14.810**	**7.100**	**14.557**	**16.819**
Growth (% y/y)	*-24,2%*	*-52,1%*	*105,0%*	*15,5%*
Net Profit Margin	*11,3%*	*5,8%*	*10,4%*	*11,1%*

PROFITABILITY & STABILITY

	2025/12A	2026/12F	2027/12F	2028/12F
ROE	14,4%	6,8%	13,1%	14,0%
ROA	8,3%	3,9%	7,5%	8,3%
Inventory Turnover	6,07x	5,94x	6,08x	6,19x
Receivables Turnover	6,48x	5,89x	6,08x	6,19x
Payables Turnover	2,73x	2,83x	2,81x	2,81x
Dividend Yield	6,9%	3,0%	7,0%	8,3%
Dividend Payout Ratio	40,0%	40,0%	45,2%	45,8%
DER	0,72x	0,75x	0,73x	0,69x
DAR	0,42x	0,43x	0,42x	0,41x
Equity Multiplier	1,72x	1,75x	1,73x	1,69x
Current Ratio	1,36x	1,17x	1,25x	1,34x
Quick Ratio	1,04x	0,89x	0,96x	1,04x
Total Shares (bn)	3,73	3,73	3,73	3,73
Share Price (IDR)	24.025	27.600	27.600	27.600
Market Cap (IDR tn)	89,6	103,0	103,0	103,0

BALANCE SHEET

(IDR bn)	2025/12A	2026/12F	2027/12F	2028/12F
Cash	26.571	22.173	26.719	32.221
Receivables	20.255	20.750	23.062	24.533
Inventories	16.730	16.423	17.776	18.782
Total Current Assets	**72.141**	**68.238**	**76.448**	**84.427**
Net Fixed Assets	65.478	65.805	66.612	67.574
Other Non Current Assets	40.018	48.473	49.873	50.973
Total Non Current Assets	**105.496**	**114.278**	**116.485**	**118.547**
Total Assets	**177.637**	**182.516**	**192.934**	**202.974**
Payables	37.222	34.462	38.515	41.383
ST Debt	11.604	15.646	13.546	11.746
LT Debt	7.313	10.430	9.030	7.830
Total Liabilities	**74.501**	**78.251**	**81.433**	**82.662**
Capital Stock + APIC	10.636	10.636	10.636	10.636
Retained Earnings	85.734	87.228	95.882	105.594
Shareholders' Equity	**103.136**	**104.265**	**111.500**	**120.312**

VALUATION INDEX

	2025/12A	2026/12F	2027/12F	2028/12F
Price / Earnings	5,89x	13,41x	6,50x	5,55x
Price / Book Value	0,87x	0,99x	0,92x	0,86x
EV / EBITDA	2,41x	4,01x	2,82x	2,37x
EV (IDR bn)	81.962	106.855	98.809	90.307
Basic EPS (IDR)	4.082	2.058	4.244	4.976
BVPS (IDR)	27.649	27.952	29.892	32.254

CASH FLOW STATEMENT

(IDR bn)	2025/12A	2026/12F	2027/12F	2028/12F
Operating Cash Flow	27.445	21.533	30.455	31.717
Investing Cash Flow	(13.747)	(18.609)	(14.587)	(14.607)
Financing Cash Flow	(12.470)	(2.655)	(10.501)	(11.608)
Net Changes in Cash	**1.478**	**(5.777)**	**3.994**	**4.506**

OWNERSHIP

Shareholders	**%**
PT Astra International Tbk	59,50
Treasury Stocks	8,22
Public	32,28
By Geography*	**%**
Indonesia	83,9
United States	10,1
Malaysia	1,7
Others	4,3

Source : Bloomberg, NHKSI Research

NH Korindo Sekuritas Indonesia (NHKSI) Stock Ratings

1. Based on a stock's forecasted absolute return over a period of 12 months from the date of publication
2. Rating system based on a stock's potential upside from the date of publication

- Buy : Greater than 15%
- Overweight : +5% to 15%
- Hold : -5% to +5%
- Underweight : -5% to -15%
- Sell : Less than -15%

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