ABSTRACT

In the midst of overflow information and rumors in addition of investor inability in interpreting corporate fundamental value make investor prefer to speculate rather than investing in capital market. The consequence is capital market in Indonesia always driven by rumors and give bad impact in maturity of the capital market itself. The thesis of Analysis and Valuation of PT United Tractors, Tbk is made as an example of valuing a company based on its fundamental value. Using secondary data which come from company’s annual report from year 2004 to 2008 and another published data from trusted sources, writer try to analyze United Tractors’ performance based on its ratio and its revenue growth compare with its industry in wholesale production goods, especially in its main business, heavy equipment industry. Finally, writer will try to make a projection of 5-years revenue growth to get company’s fundamental value as of December 2008. The conclusion of this thesis that United Tractors has better performance in competing in both wholesale production goods and heavy equipment industry although there are some weaknesses which must be a concern for management. Based on the analysis, its stock price of Rp 4,400 (1.32x P/BV and 5.5x PER) in December 2008 was under-valued if it was compared by its average multiple along year 2008 (3.0x P/BV and 12.55x PER). Fundamental value of Rp 15,742 is become target price of UT although if compared by average industry per December 2008, the company’s P/BV and PER was higher than industry (0.86x of P/BV and 4.07x of PER).

Keywords: United Tractors, UT, wholesale production goods industry, heavy equipment industry, valuation, industry analysis