Press Release
October 4, 2016

PT WIJAYA KARYA BETON Tbk.

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CREDIT PROFILE

Corporate Rating *idA+/Stable*

Rated Issues
-

Rating Period
September 21, 2016 – September 1, 2017

Rating History

JUL 2015	*idA+/Stable*
JUL 2014	*idA+/Stable*
JUL 2013	*idA+/Stable*

FINANCIAL HIGHLIGHTS

As of/for the year ended	Jun-2016 (Audited)	Dec-2015 (Audited)	Dec-2014 (Audited)	Dec-2013 (Audited)
Total Adjusted Assets [IDR Bn]	4,303.7	4,456.1	3,802.7	2,917.4
Total Adjusted Debt [IDR Bn]	600.1	532.7	567.5	542.3
Total Adjusted Equity [IDR Bn]	2,328.0	2,263.4	2,202.6	711.1
Total Sales [IDR Bn]	1,518.4	2,652.6	3,277.2	2,643.7
EBITDA [IDR Bn]	226.3	322.5	495.0	397.0
Net Income after MI [IDR Bn]	109.4	173.9	329.8	242.9
EBITDA Margin [%]	14.9	12.2	15.1	15.0
Adjusted Debt/EBITDA [X]	*1.3	1.7	1.2	1.4
Adjusted Debt/Adjusted Equity [X]	0.3	0.2	0.3	0.8
FFO/Adjusted Debt [%]	*63.3	50.8	73.7	58.9
EBITDA/IFCCI [X]	9.1	5.1	10.3	42.6
USD Exchange Rate [IDR/USD]	13,180	13,795	12,440	12,189

FFO = EBITDA – IFCCI + Interest Income – Current Tax Expense
EBITDA = Operating Profit + Depreciation Expense + Amortization Expense
IFCCI = Gross Interest Expense + Other Financial Charges + Capitalized Interest; (FX Loss not included)
MI= Minority Interest **Annualized*
The above ratios have been computed based on information from the company and published accounts. Where applicable, some items have been reclassified according to PEFINDO's definitions.

PEFINDO assigns its "idA+" rating for PT Wijaya Karya Beton Tbk.

PEFINDO has assigned its "**idA+**" rating for PT Wijaya Karya Beton Tbk (WTON). The outlook for the corporate rating is "**stable**".

An obligor rated idA indicates that the obligor has a strong capacity to meet its long-term financial commitments relative to that of other Indonesian obligors. However, the obligor is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than higher-rated obligors.

The Plus (+) sign in a particular rating indicates that the rating is relatively strong within the respective rating category.

The rating reflects the Company's leading market position that will benefit from accelerated infrastructure development, its extensive network and diversified products, as well as its conservative capital structure and strong cash flow protection indicators. However, the rating is constrained by its high exposure to the volatility of the construction business and the threat of new entrants.

The rating could be raised if WTON maintains its strong market position and improves its financial profile on sustainable basis. The rating could be lowered if WTON significantly fails to achieve its revenue targets, which will burden its margins and affect its cash flow. The rating will also be under pressure if the Company's business expansion does not materialize as expected, or if its additional debt is larger than projected, which will worsen its financial profile.

WTON is one of the largest precast concrete manufacturers in Indonesia. As of June 30, 2016, PT Wijaya Karya (Persero) Tbk (idA+/Stable) was the Company's majority shareholder with 60.0% ownership, followed by Koperasi Karya Mitra Satya (8.3%), Yayasan Wijaya Karya (1.0%), WTON's treasury stock (4.3%), and the public (26.4%).

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