

## PT Wijaya Karya (Persero) Tbk

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| <b>CREDIT PROFILE</b>                         |                     | <b>FINANCIAL HIGHLIGHTS</b>       |                  |                  |                  |                  |
|---|---------------------|-----------------------------------|------------------|------------------|------------------|------------------|
|   |                     | <b>As of/for the year ended</b>   | <b>Jun-2020</b>  | <b>Dec-2019</b>  | <b>Dec-2018</b>  | <b>Dec-2017</b>  |
|   |                     |                                   | <b>(Audited)</b> | <b>(Audited)</b> | <b>(Audited)</b> | <b>(Audited)</b> |
| <b>Corporate Rating</b>                       | <i>idA/Stable</i>   | Total Adjusted Assets [IDR Bn]    | 59,970.0         | 61,696.0         | 59,051.5         | 45,539.8         |
| <b>Rated Issues</b>                           |                     | Total Adjusted Debt [IDR Bn]      | 20,675.7         | 15,378.7         | 13,887.7         | 9,014.6          |
| <i>N.A</i>                                    |                     | Total Adjusted Equity [IDR Bn]    | 15,800.6         | 18,502.1         | 16,738.0         | 14,487.9         |
| <b>Rating Period</b>                          |                     | Total Sales [IDR Bn]              | 7,380.0          | 28,152.0         | 31,691.2         | 26,749.1         |
| <i>September 18, 2020 – September 1, 2021</i> |                     | EBITDA [IDR Bn]                   | 710.3            | 4,008.8          | 3,643.7          | 3,318.9          |
| <b>Rating History</b>                         |                     | Net Income after MI [IDR Bn]      | 250.4            | 2,285.0          | 1,730.3          | 1,202.1          |
| <i>2012-2016</i>                              | <i>idA+/Stable</i>  | EBITDA Margin [%]                 | 9.6              | 14.2             | 11.5             | 12.4             |
| <i>APR 2010</i>                               | <i>idA/Stable</i>   | Adjusted Debt/EBITDA [X]          | *14.6            | 3.8              | 3.8              | 2.7              |
| <i>APR 2008</i>                               | <i>idA/Stable</i>   | Adjusted Debt/Adjusted Equity [X] | 1.3              | 0.8              | 0.8              | 0.6              |
| <i>APR 2007</i>                               | <i>idA-/Stable</i>  | FFO/Adjusted Debt [%]             | *1.8             | 16.2             | 14.6             | 23.7             |
| <i>2004-2006</i>                              | <i>dBBB+/Stable</i> | EBITDA/IFCCI [X]                  | 1.2              | 4.5              | 3.6              | 4.9              |
| <i>OCT 2003</i>                               | <i>idBBB/Stable</i> | USD exchange rate [IDR/USD]       | 14,302           | 13,901           | 14,481           | 13,548           |

*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.*

### PT Wijaya Karya (Persero) Tbk rated "idA" with stable outlook

PEFINDO has assigned its "idA" ratings for PT Wijaya Karya (Persero) Tbk (WIKA). The outlook for the corporate rating is "stable".

An obligor rated idA 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 corporate rating reflects WIKA's strong market position in the national construction industry, diversified revenue sources, and strong financial flexibility. The rating is constrained by high financial leverage in the near to medium term, risks from expansion into new businesses, and relatively volatile business environment.

The rating may be raised if WIKA significantly strengthens its market position in the domestic construction industry, reflected by achieving its targeted revenue and EBITDA on a sustained basis, while demonstrating more steady cash flow generation supported by more diversified business. The rating may be lowered if it incurs significantly higher debt than projected without a corresponding increase in EBITDA on a sustained basis.

Established in 1961, WIKA is one of the largest construction state-owned enterprises (SOE) in Indonesia. It is expanding its business into property, realty, investment, energy, precast and construction engineering. As an SOE construction company, WIKA has high participation in strategic government projects, such as high-speed railway project. As of June 30, 2020, its shareholders were the Indonesia government (65.05%) and the public (34.95%).

**DISCLAIMER**

*The rating contained in this report or publication is the opinion of PT Pemeringkat Efek Indonesia (PEFINDO) given based on the rating result on the date the rating was made. The rating is a forward-looking opinion regarding the rated party's capability to meet its financial obligations fully and on time, based on assumptions made at the time of rating. The rating is not a recommendation for investors to make investment decisions (whether the decision is to buy, sell, or hold any debt securities based on or related to the rating or other investment decisions) and/or an opinion on the fairness value of debt securities and/or the value of the entity assigned a rating by PEFINDO. All the data and information needed in the rating process are obtained from the party requesting the rating, which are considered reliable in conveying the accuracy and correctness of the data and information, as well as from other sources deemed reliable. PEFINDO does not conduct audits, due diligence, or independent verifications of every information and data received and used as basis in the rating process. PEFINDO does not take any responsibility for the truth, completeness, timeliness, and accuracy of the information and data referred to. The accuracy and correctness of the information and data are fully the responsibility of the parties providing them. PEFINDO and every of its member of the Board of Directors, Commissioners, Shareholders and Employees are not responsible to any party for losses, costs and expenses suffered or that arise as a result of the use of the contents and/or information in this rating report or publication, either directly or indirectly. PEFINDO generally receives fees for its rating services from parties who request the ratings, and PEFINDO discloses its rating fees prior to the rating assignment. PEFINDO has a commitment in the form of policies and procedures to maintain objectivity, integrity, and independence in the rating process. PEFINDO also has a "Code of Conduct" to avoid conflicts of interest in the rating process. Ratings may change in the future due to events that were not anticipated at the time they were first assigned. PEFINDO has the right to withdraw ratings if the data and information received are determined to be inadequate and/or the rated company does not fulfill its obligations to PEFINDO. For ratings that received approval for publication from the rated party, PEFINDO has the right to publish the ratings and analysis in its reports or publication, and publish the results of the review of the published ratings, both periodically and specifically in case there are material facts or important events that could affect the previous ratings. Reproduction of the contents of this publication, in full or in part, requires written approval from PEFINDO. PEFINDO is not responsible for publications by other parties of contents related to the ratings given by PEFINDO.*