Press Release
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PT Wijaya Karya (Persero) Tbk

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CREDIT PROFILE

Corporate Rating — *idA/Stable*

Rated Issues
Shelf registered Bond I/2020 — *idA/Stable*
Sukuk Mudhrabah I/2020 — *idA/Stable*

Rating Period
June 10, 2021 – June 1, 2022

Rating History

SEP 2020	*idA/Stable*
2012-2016	*idA+/Stable*
APR 2010	*idA/Stable*
APR 2008	*idA/Stable*
APR 2007	*idA-/Stable*
2004-2006	*idBBB+/Stable*
OCT 2003	*idBBB/Stable*

FINANCIAL HIGHLIGHTS

As of/for the year ended	Mar-2021 (Unaudited)	Dec-2020 (Audited)	Dec-2019 (Audited)	Dec-2018 (Audited)
Total Adjusted Assets [IDR Bn]	61,722.0	67,900.5	61,696.0	59,051.5
Total Adjusted Debt [IDR Bn]	23,280.7	26,576.3	15,378.7	13,887.7
Total Adjusted Equity [IDR Bn]	16,356.3	16,149.9	18,502.1	16,738.0
Total Sales [IDR Bn]	4,137.7	17,008.6	28,152.0	31,691.2
EBITDA [IDR Bn]	461.0	1,617.1	4,008.8	3,643.7
Net Income after MI [IDR Bn]	78.9	185.8	2,285.0	1,730.3
EBITDA Margin [%]	11.1	9.5	14.2	11.5
Adjusted Debt/EBITDA [X]	*12.6	16.4	3.8	3.8
Adjusted Debt/Adjusted Equity [X]	1.4	1.6	0.8	0.8
FFO/Adjusted Debt [%]	*1.4	0.5	16.1	14.8
EBITDA/IFCCI [X]	1.4	1.3	4.4	3.7
USD exchange rate [IDR/USD]	14,572	14,105	13,901	14,481

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 "$_{id}$A" with stable outlook

PEFINDO has affirmed ratings for PT Wijaya Karya (Persero) Tbk (WIKA) and shelf registered bond I/2020 at **"$_{id}$A"**. PEFINDO has also affirmed its **"$_{id}$A$_{(sy)}$"** rating to WIKA's Sukuk Mudharabah I Year 2020. The outlook for the corporate rating is "**stable**".

An obligor rated $_{id}$A 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.

Suffix (sy) indicates the rating mandates Islamic principles compliant.

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 the Company's high financial leverage in the near to medium term, risks from expansion into new businesses, and the inherently volatile business environment.

The rating may be raised if WIKA significantly improve its financial leverage and debt service coverage on sustained basis while demonstrating more steady cash flow generation supported by a 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 state-owned enterprises (SOE) in the construction sector in Indonesia. It is expanding its business into property, realty, investment, energy, precast and construction engineering. As an SOE, WIKA has high participation in strategic government projects, such as a high-speed railway project. As of March 31, 2021, its shareholders were the Indonesian government (65.05%) and the public (34.95%).