Press Release
March 26, 2021

PT WIJAYA KARYA BETON Tbk.

Analysts: *Umar Hareddy / Aryo Perbongso*
Phone/Fax/E-mail: *(62-21) 50968469 / 50968468 / umar.hareddy@pefindo.co.id / aryo.perbongso@pefindo.co.id*

CREDIT PROFILE

Corporate Rating *idA/Stable*

Rated Issues
N/A

Rating Period
March 15, 2021 – March 1, 2022

Rating History

JUL 2019	*idA+/Stable*
APR 2018	*idA+/Stable*
SEP 2016	*idA+/Stable*
JUL 2015	*idA+/Stable*
JUL 2014	*idA+/Stable*
JUL 2013	*idA+/Stable*

FINANCIAL HIGHLIGHTS

As of/for the year ended	Dec-2020 (Audited)	Dec-2019 (Audited)	Dec-2018 (Audited)	Dec-2017 (Audited)
Total Adjusted Assets [IDR Bn]	8,509.0	10,337.9	8,881.8	7,068.0
Total Adjusted Debt [IDR Bn]	2,788.3	2,912.3	1,946.2	1,518.8
Total Adjusted Equity [IDR Bn]	3,390.6	3,508.4	3,136.8	2,747.9
Total Sales [IDR Bn]	4,803.4	7,083.4	6,930.6	5,362.3
EBITDA [IDR Bn]	403.5	1,049.2	959.3	714.2
Net Income after MI [IDR Bn]	128.1	512.3	486.4	337.1
EBITDA Margin [%]	8.4	14.8	13.8	13.3
Adjusted Debt/EBITDA [X]	6.9	2.8	2.0	2.1
Adjusted Debt/Adjusted Equity [X]	0.8	0.8	0.6	0.6
FFO/Adjusted Debt [%]	9.7	26.2	35.6	33.7
EBITDA/IFCCI [X]	3.6	7.1	9.8	7.5
USD Exchange Rate [IDR/USD]	14,105	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
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 "idA" rating to PT Wijaya Karya Beton Tbk

PEFINDO has assigned its "**idA**" rating to PT Wijaya Karya Beton Tbk (WTON). 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 our view on WTON's position as a strategically important subsidiary of its controlling shareholder, PT Wijaya Karya (Persero) Tbk (WIKA, idA/Stable), strong market position as one of the largest precast concrete manufacturers, and its extensive network with diversified services and products. However, the rating is constrained by its moderate financial profile, sensitivity to changes in macroeconomic conditions, and threat of new entrants.

The rating may be raised if WTON strengthens its market position and significantly improves its financial profile on a sustained basis. On the other hand, the rating may be lowered if WTON's revenue and/or EBITDA significantly falls short of its targets, which will affect its cash flow, and if its new debt exceeded projections without a corresponding revenue increase, worsening its financial profile on a sustained basis. The rating will also be under pressure if we view that WTON is no longer considered as a strategically important subsidiary to WIKA which may be indicated by significant decline in WIKA's ownership and control over the Company.

WTON is one the largest precast concrete manufacturer in Indonesia. As of December 31, 2020, WIKA was its majority shareholder with 60.0% ownership, followed by Koperasi Karya Mitra Satya (KKMS, 5.9%), Yayasan Wijaya Karya (1.0%), key management (0.9%), and the public (32.3%).

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.