PEFINDO
CREDIT RATING AGENCY

Press Release
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PT GRAHA WAHANA NUSANTARA

Analysts: *Agung Iskandar / Martin Pandiangan*

Phone/Fax/E-mail: *(62-21) 72782380 / 72782370 / agung.iskandar@pefindo.co.id / martin.pandiangan@pefindo.co.id*

CREDIT PROFILE

Corporate Rating *idBB+/Stable*

Rated Issues
-

Rating Period
June 21, 2017 – June 1, 2018

Rating History
-

FINANCIAL HIGHLIGHTS

As of / for the year ended	**Mar-2017** (Unaudited)	**Dec-2016** (Unaudited)	**Dec-2015** (Audited)	**Dec-2014** (Audited)
Total Adjusted Assets [IDR Bn]	1,382.6	1,303.9	729.0	66.2
Total Adjusted Debt [IDR Bn]	1,322.3	1,262.2	722.6	62.2
Total Adjusted Equity [IDR Bn]	(13.6)	(23.4)	1.1	0.9
Total Sales [IDR Bn]	50.9	45.1	-	-
EBITDA [IDR Bn]	11.4	(9.7)	(4.5)	(0.0)
Net Income After MI [IDR Bn]	9.7	(6.3)	(10.5)	(0.4)
EBITDA Margin [%]	22.3	(21.5)	n.a.	n.a.
Adjusted Debt to EBITDA [X]	*29.1	(130.2)	(161.7)	(3,553.3)
Adjusted Debt to Adjusted Equity [X]	NR	NR	676.6	73.3
FFO to Adjusted Debt [%]	*1.5	(1.7)	(0.6)	(0.6)
EBITDA to IFCCI [X]	1.8	(0.8)	(113.6)	(0.1)
USD exchange rate [IDR/USD]	13,321	13,436	13,795	12,440

FFO = EBITDA – IFCCI + Gross 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 n.a.: not applicable NR: not relevant*
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 "idBB+" rating to PT Graha Wahana Nusantara

PEFINDO has assigned its **"idBB+"** rating to PT Graha Wahana Nusantara (GWN). The outlook for the corporate rating is **"stable"**.

An obligor rated idBB has a somewhat weak capacity to meet its long-term financial commitments relative to that of other Indonesian obligors. It faces ongoing uncertainties or exposure to adverse business, financial or economic conditions, which could result in an inadequate capacity to meet its financial commitments.

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

The rating is limited by GWN's high asset concentration risk with no land bank to support future development, very aggressive capital structure and weak cash flow protection measures, and tight competition in the hotel industry. Our view of its good market position in Jakarta hotel segment and favorable asset quality reflects its credit strengths.

Any possibility of a rating upgrade in the next 12-18 months is limited. We may raise the rating if GWN significantly strengthens its market position and key credit metrics. This could be achieved through higher than projected revenue and better profitability margins on a sustainable basis. We may lower the rating if its revenue and/or EBITDA are significantly lower than projected, and/or if it incurs substantially more debt than projected.

Established in 2012, GWN owns and operates a hotel under the Westin brand in the Kuningan area of Central Jakarta. The five-star hotel, which features 272 rooms, occupies the top 20 floors of the tallest building in Jakarta. As of March 31, 2017, the Company was 70% owned by PT Wahana Nusantara and 30% by PT Perkebunan Sungai Wang.