



PRESS RELEASE

March 16, 2015

The rating of PT Wika Realty is affirmed at “_{id}A-”

PEFINDO has affirmed its “_{id}A-” ratings on PT Wika Realty (WKTY or the Company) and its Medium Term Notes (MTN) I/2013 and MTN II/2014. PEFINDO has also assigned “_{id}A-” for proposed Medium Term Notes (MTN) III/2015 for a maximum amount of IDR175 billion which will be used to refinance MTN I/2013 (maturing on July 8, 2015), MTN II/2014 (maturing on April 24, 2015), and working capital requirement. The outlook of the corporate rating is “**stable**”. The ratings reflect WKTY’s strategic importance to its parent, PT Wijaya Karya (Persero) Tbk (_{id}A+/Stable), its favorable asset quality and relatively diversified property locations, and moderate cash flow protection indicators. However, the ratings are constrained by WKTY’s lower margins compared to peers, low proportion of recurring income, and the sensitivity to the changes in macroeconomic condition.

WKTY’s business activities include realty development (landed houses and apartments), property management, and construction services. As of December 31, 2014, the Company’s shareholders were PT Wijaya Karya (Persero) Tbk (85.3%), Koperasi Karya Mitra Satya (14.1%), and Yayasan Wijaya Karya (0.6%).

Rating Period: March 13, 2015 – March 1, 2016

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