



PRESS RELEASE
April 28, 2016

WKTY's ratings assigned at "idBBB+"

PEFINDO has affirmed the ratings for PT Wika Realty (WKTY), the Company's Medium-Term Notes III/2015, and its proposed Medium-Term Notes IV/2016 at "idBBB+". The outlook for the corporate rating is "stable". The ratings reflect WKTY's strategic importance to its parent, PT Wijaya Karya (Persero) Tbk (WIKA, idA+/Stable), and its favorable asset quality and relatively diversified property locations. However, the ratings are constrained by WKTY's aggressive financial leverage and weak cash flow protection, low proportion of recurring income, and sensitivity to changes in the macroeconomic condition.

WKTY's business activities include realty development (landed houses and apartments), property management, and construction services. As of December 31, 2015, 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: April 27, 2016 – September 1, 2016
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