

PT WIKA REALTY

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CREDIT PROFILE

Corporate Rating	<i>idBBB/Stable</i>
Rated Issues	
<i>MTN VI/2017</i>	<i>idBBB</i>
<i>MTN V/2017</i>	<i>idBBB</i>
Rating Period	
March 14, 2019 – December 1, 2019	
MTN IV/2016 phase II	
<i>March 14, 2019 – May 18, 2019</i>	
MTN IV/2016 phase I	
<i>March 14, 2019 – May 19, 2019</i>	
Rating History	
<i>DEC 2018</i>	<i>idBBB/Stable</i>
<i>OCT 2018</i>	<i>idBBB+/Negative</i>
<i>OCT 2017</i>	<i>idBBB+/Stable</i>
<i>OCT 2016</i>	<i>idBBB+/Positive</i>
<i>SEP 2015</i>	<i>idBBB+/Stable</i>
<i>JUN 2015</i>	<i>idA-/Negative</i>
<i>MAR 2015</i>	<i>idA-/Stable</i>

FINANCIAL HIGHLIGHTS

As of/for the year ended	Sept-2018	Dec-2017	Dec-2016	Dec-2015
	(Un-audited)	(Audited)	(Audited)	(Audited)
Total Adjusted Assets [IDR Bn]	8,137.3	6,168.1	4,998.4	2,943.3
Total Adjusted Debt [IDR Bn]	1,975.9	1,715.8	1,282.3	851.5
Total Adjusted Equity [IDR Bn]	3,925.7	2,430.8	1,787.8	974.9
Total Sales [IDR Bn]	689.6	1,527.7	2,048.5	1,435.9
EBITDA [IDR Bn]	60.3	250.4	391.9	208.7
Net Income after MI [IDR Bn]	57.0	173.7	374.7	99.2
EBITDA Margin [%]	8.7	16.4	19.1	14.5
Adjusted Debt/EBITDA [X]	*24.6	6.9	3.3	4.1
Adjusted Debt/Adjusted Equity [X]	0.5	0.7	0.7	0.9
FFO/Adjusted Debt [%]	*(1.2)	5.6	20.1	8.6
EBITDA/IFCCI [X]	0.7	2.0	4.9	3.1
USD Exchange Rate [IDR/USD]	14,929	13,548	13,436	13,795

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.

PEFINDO affirms “idBBB” rating for PT Wika Realty’s maturing MTN IV Year 2016

PEFINDO has affirmed its “idBBB” ratings to PT Wika Realty (WKTY)’s Medium Term Notes (MTN) IV Year 2016 Phase II of IDR100 billion and MTN IV Year 2016 Phase I of IDR150 billion that will mature on May 18, 2019 and May 19, 2019, respectively. The Company plans to repay its maturing MTN using corporate action. As of September 30, 2018, it had cash and cash equivalent of IDR1.6 trillion.

Debt security rated idBBB denotes adequate protection parameters relative to other Indonesian debt securities. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity on the part of the obligor to its long-term financial commitments on the debt security.

The rating reflects WKTY’s strategic importance to its parent, PT Wijaya Karya (Persero) Tbk (WIKA), as well as its moderate asset quality, and relatively diversified property locations. However, the rating is constrained by its aggressive capital structure and weak cash flow protection measures, 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 September 30, 2018, its shareholders were WIKA (93.1%), Koperasi Karya Mitra Satya (6.8%), and Yayasan Wijaya Karya (0.1%).

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