

ABRIDGED PROSPECTUS

THE FINANCIAL SERVICES AUTHORITY OR OTORITAS JASA KEUANGAN ("OJK") NEITHER GIVES ITS APPROVAL OR DISAPPROVAL ON THE SECURITIES, NOR DOES THE OJK CONFIRM THE ACCURACY OR COMPLETENESS OF THE CONTENT OF THIS ABRIDGED PROSPECTUS. ANY STATEMENT CONTRARY TO BE THE ABOVE SHALL BE AGAINST THE LAW.

THIS ABRIDGED PROSPECTUS IS IMPORTANT AND REQUIRES IMMEDIATE ATTENTION. SHOULD THERE BE ANY DOUBT CONCERNING THE PROPER ACTIONS TO BE TAKEN, IT IS ADVISED TO CONSULT WITH THE COMPETENT PARTIES.

PERUSAHAAN PERSEROAN (PERSERO) PT WIJAYA KARYA TBK (THE "COMPANY") IS FULLY RESPONSIBLE FOR THE ACCURACY OF ALL MATERIAL INFORMATION, FACTS, DATA, OR REPORTS AND THE TRUTHFULNESS OF OPINIONS PRESENTED IN THIS PROSPECTUS.



PT WIJAYA KARYA (Persero) Tbk

PERUSAHAAN PERSEROAN (PERSERO) PT WIJAYA KARYA TBK

Main Business Activities:

Engaged in the construction industry, fabrication industry, leasing services, agency services, investment, agri-industry, energy, renewable energy and energy conversion industry, railway operation, port operation, airport operation, logistic, trade, engineering procurement construction, estate development and management, capacity building in construction, information technology, engineering and planning services.

Domiciled in Jakarta, Indonesia

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PUBLIC OFFERING FOR CAPITAL INCREASE WITH PREEMPTIVE RIGHTS I ("RIGHTS ISSUE I")

The Company has obtained the approval from the EGMS to issue a maximum of Rp4,037,164,144 (four billion thirty seven million one hundred sixty four thousand one hundred forty four) new shares with a nominal value of Rp100.- (one hundred Rupiah) per share ("Preemptive Rights Shares"). The estimated amount of proceeds to be received by the Company in this Rights Issue I is approximately Rp6,149,225,000,000 (six trillion one hundred forty nine billion two hundred twenty five million Rupiah). The Preemptive Rights Exercise Price ("Exercise Price") and the Preemptive Rights ratio shall be determined by the Company's Board of Directors, with the approval of the Board of Commissioners.

The Company shall have the rights to change the provisions of the Preemptive Rights with due considerations to other circumstances and factors as deemed appropriate. The provisions concerning the issuance of Preemptive Rights in Rights Issue I, including the Exercise Price and final amount of shares to be offered shall be announced in time.

All of the Preemptive Rights shares shall be issued from portfolio and shall be listed on the IDX with due considerations to the prevailing laws and regulations. The Preemptive Rights Shares shall have identical rights in all respect (including the right to receive dividends) and rank equally with the Company's existing paid-up shares. Each fraction of Preemptive Right shall be rounded down.

The Company's Shareholder, namely the Republic of Indonesia shall exercise its rights in this Rights Issue I in accordance with its portion of ownership as stipulated in Law No. 14 of 2015 concerning the State Budget of 2016 Budget Year *juncto* Law no. 12 of 2016 concerning the Amendment of Law No. 14 of 2015 concerning the State Budget of 2016 Budget Year.

In the event that the Preemptive Rights Shares offered in this Rights Issue I are not entirely subscribed by the public holders of Preemptive Rights, the remaining shall be allocated to other Preemptive Right Holders subscribing more than their rights as stated in the Preemptive Rights Certificate or the Additional Shares Subscription Form proportionally based on the exercised rights. In the event that there are remaining Preemptive Rights Shares available subsequent to the said allocation of additional share subscriptions, then, pursuant to the Remaining Shares Subscription Agreement and its amendments thereof, all of the remaining Preemptive Rights Shares must be subscribed by the Stand-by Buyer. The remaining Preemptive Rights Shares that must be subscribed by the said Stand-by Buyer shall not include the shares issued from the exercise of Preemptive Rights of the Controlling Shareholders in this Preemptive Rights I.

THIS PREEMPTIVE RIGHTS I SHALL BE EFFECTIVE UPON APPROVAL OF THE COMPANY'S EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS ("EGMS"), WHICH HAS CONVENED ON AUGUST 22, 2016, AND UPON EFFECTIVE STATEMENT FROM THE OJK ISSUED ON SEPTEMBER 28, 2016.

THE PREEMPTIVE RIGHTS SHALL BE LISTED ON THE INDONESIA STOCK EXCHANGE ("IDX"). THE PREEMPTIVE RIGHTS SHALL BE TRADABLE EITHER ON OR OUTSIDE OF THE IDX FOR A PERIOD THAT SHALL BE NO LESS THAN 5 (FIVE) BUSINESS DAYS COMMENCING ON OCTOBER 12 -18, 2016. NEW SHARES FROM THE EXERCISE OF PREEMPTIVE RIGHTS SHALL BE LISTED ON THE INDONESIA STOCK EXCHANGE ON OCTOBER 12, 2016. THE LAST DATE TO EXERCISE THE PREEMPTIVE RIGHTS SHALL BE OCTOBER 18, 2016, PROVIDED THAT THE RIGHTS THAT ARE NOT EXERCISED UP TO SUCH DATE SHALL BE NO LONGER VALID.

IMPORTANT NOTICE TO SHAREHOLDERS

IN THE EVENT THAT THE MINORITY SHAREHOLDERS DO NOT EXERCISE THEIR RIGHTS TO SUBSCRIBE TO THE PREEMPTIVE RIGHTS SHARES OFFERED IN THIS RIGHTS ISSUE I IN ACCORDANCE WITH THEIR RESPECTIVE PREEMPTIVE RIGHTS, THE PERCENTAGE OF OWNERSHIP OF SUCH MINORITY SHAREHOLDERS SHALL BE DILUTED BY A MAXIMUM OF 39.63%.

THE COMPANY'S MAIN RISK EXPOSURE IS THE BUSINESS DEVELOPMENT RISK.

THE COMPANY SHALL NOT ISSUE ANY COLLECTIVE SHARE CERTIFICATE IN THIS RIGHTS ISSUE I, HOWEVER, THE NEW SHARES FROM THE EXERCISE OF PREEMPTIVE RIGHTS SHALL BE ELECTRONICALLY DISTRIBUTED AND ADMINISTERED IN THE COLLECTIVE DEPOSITORY OF PT KUSTODIAN SENTRAL EFEK INDONESIA.

STAND-BY BUYERS

To be determined

THE INVESTORS' MAIN RISK EXPOSURE IS THE RISK OF PRICE AND LIQUIDITY OF THE COMPANY'S SHARES, WHICH SHALL BE AFFECTED BY THE CONDITION OF THE INDONESIAN CAPITAL MARKET.

This Abridged Prospectus is issued in Jakarta on October 11, 2016

TEMPORARY SCHEDULE

Date of Extraordinary General Meeting of Shareholders (EGMS)	: August 22, 2016	Distribution of Preemptive Rights Certificate	: October 11, 2016
Effective Date of the Preemptive Rights Statement of Registration	: September 28, 2016	Share Listing Date on the Indonesia Stock Exchange	: October 12, 2016
Last Recording Date to acquire Preemptive Rights	: October 10, 2016	Preemptive Rights Trading Period	: October 12 - 18, 2016
The Last Trading Date of Shares with Preemptive Rights (Cum-Right)		Preemptive Rights Registration, Payment and Exercise Period	: October 12 - 18, 2016
Regular Market and Negotiated Market	: October 5, 2016	Preemptive Rights Shares Distribution Period	: October 14 - 20, 2016
Cash Market	: October 10, 2016	Last Payment Date of Additional Shares Subscription	: October 20, 2016
The First Trading Date of Shares without Preemptive Rights (Ex-Right)		Allotment Date	: October 21, 2016
Regular Market and Negotiated Market	: October 6, 2016	Date on which the Stand-by Buyers Perform Their Obligations	: October 24, 2016
Cash Market	: October 11, 2016	Subscription Fund Refund Date	: October 25, 2016

Perusahaan Perseroan (Persero) PT Wijaya Karya Tbk (Hereinafter referred to as the “**Company**” in this Prospectus) has submitted the Statement of Registration with respect to the Rights Issue I in connection with the issuance of Preemptive Rights to the Financial Services Authority or Otoritas Jasa Keuangan (“**OJK**”) in Jakarta by letter No. SE.01.01/A.DIR.9218/2016 on August 23, 2016, in accordance with the requirements set forth in the OJK Regulation No. 32/POJK.04/2015 dated December 22, 2015, concerning the Additional Capital of Public Companies with Preemptive Rights (“**POJK No. 32/2015**”), and OJK Regulation No. 33/POJK.04/2015 dated December 16, 2015, concerning the Form and Content of Prospectus for Additional Capital of Public Companies with Preemptive Rights (“**POJK No. 33/2015**”), which are the implementation of Law of the Republic of Indonesia No. 8 of 1995 concerning the Capital Markets, State Gazette of the Republic of Indonesia No. 64 of 1995, Supplement No. 3608 (“**Capital Market Law**”) and its implementing regulations.

All the Capital Market Supporting Institutions and Professionals referred to in connection with this Rights Issue I shall be fully responsible for the data presented in accordance with their functions and positions, in accordance with the provisions of the laws and regulations in the Capital Market as well as their respective code of ethics, norms and professional standards.

With respect to this Rights Issue I, all parties, including affiliated parties, are prohibited from providing any information or issuing any statements whatsoever concerning data or matters that are not disclosed in this Prospectus without the Company's prior written approval.

The Capital Market Supporting Institutions and Professionals in this Rights Issue I are not affiliated to the Company, whether directly or indirectly, within the meaning defined in the Capital Market Law.

In the event that the Preemptive Rights Shares offered in this Rights Issue I are not entirely subscribed by the public holders of Preemptive Rights, the remaining shall be allocated to other Preemptive Right Holders subscribing more than their rights as stated in the Preemptive Rights Certificate or the Additional Shares Subscription Form proportionally based on the exercised rights. In the event that there are remaining Preemptive Rights Shares available subsequent to the said allocation of additional share subscriptions, then, pursuant to the Remaining Shares Subscription Agreement and its amendments thereof, all of the remaining Preemptive Rights Shares must be subscribed by the Stand-by Buyer. The remaining Preemptive Rights Shares that must be subscribed by the said Stand-by Buyer shall not include the shares issued from the exercise of Preemptive Rights of the Controlling Shareholders in this Preemptive Rights I. The Preemptive Rights Shares shall have identical rights in all respect (including the right to receive dividends) and rank equally with the Company's existing paid-up shares.

Pursuant to the POJK No. 32/2015, in the event that the shareholders own the Preemptive Rights Certificate (“**PRC**”) in a fraction form, the Company shall own and sell such fraction of shares and the proceeds of which shall be deposited in the Company's account.

THIS RIGHTS ISSUE I IS NOT REGISTERED PURSUANT TO LAWS AND REGULATIONS OTHER THAN THOSE PREVAILING IN INDONESIA. SHOULD ANY PARTY OUTSIDE THE JURISDICTION OF INDONESIA OBTAIN THIS PROSPECTUS OR PRC, OR OTHER DOCUMENTS RELATED TO THIS RIGHTS ISSUE I, SUCH DOCUMENTS ARE NOT INTENDED AS OFFERING DOCUMENTS TO PURCHASE ORDINARY REGISTERED SHARES RESULTING FROM THE EXERCISE OF PREEMPTIVE RIGHTS, UNLESS SUCH PURCHASE OR EXERCISE OF PREEMPTIVE RIGHTS ARE NOT IN CONTRARY TO OR DO NOT CONSTITUTE A VIOLATION TO THE PREVAILING LAWS IN SUCH JURISDICTIONS.

THE PROSPECTUS IS ISSUED IN ACCORDANCE WITH THE PREVAILING LAWS AND/OR REGULATIONS IN INDONESIA. NO PART OF THIS DOCUMENT SHALL BE CONSIDERED AS AN OFFERING TO SELL SECURITIES IN THE JURISDICTIONS PROHIBITING SUCH OFFERINGS. EVERY PARTY OUTSIDE THE JURISDICTION OF INDONESIA SHALL BE FULLY RESPONSIBLE FOR THE COMPLIANCE WITH THE PREVAILING REGULATIONS IN SUCH JURISDICTION.

THE COMPANY HAS DISCLOSED ALL INFORMATION THAT IS REQUIRED TO BE KNOWN TO PUBLIC AND THERE IS NO OTHER INFORMATION THAT HAVE NOT BEEN DISCLOSED WHICH MAY OTHERWISE MISLEAD THE PUBLIC.

ADDITIONAL CAPITAL WITH PREEMPTIVE RIGHTS

The Company has obtained the approval from the EGMS to issue a maximum of Rp4,037,164,144 (four billion thirty seven million one hundred sixty four thousand one hundred forty four) new shares with a nominal value of Rp100.- (one hundred Rupiah) per share. The estimated amount of proceeds to be received by the Company in this Rights Issue I is approximately Rp6,149,225,000,000 (six trillion one hundred forty nine billion two hundred twenty five million Rupiah). The Preemptive Rights Exercise Price and ratio shall be determined by the Company's Board of Directors, with the approval of the Board of Commissioners.

The Company shall have the rights to change the provisions of the Preemptive Rights with due considerations to other circumstances and factors as deemed appropriate. The provisions concerning the issuance of Preemptive Rights in Rights Issue I, including the Exercise Price and final amount of shares to be offered shall be announced in time.

The Preemptive Rights are tradable on or outside the IDX in accordance with POJK No. 32/2015 for 5 (five) Exchange Days, commencing on October 12, 2016 up to October 18, 2016. The Preemptive Rights Shares shall be issued from portfolio and the Shares issued from the exercise of Preemptive Rights shall be listed on the IDX on October 12, 2016. The last Preemptive Rights exercise date shall be October 18, 2016, therefore Preemptive Rights that are not exercised up to such date shall be no longer valid. The Preemptive Rights Shares shall have identical rights in all respect (including the right to receive dividends) and rank equally with the Company's existing paid-up shares. Each fraction of Preemptive Right shall be rounded down.

In the event that the Preemptive Rights Shares offered in this Rights Issue I are not entirely subscribed by the public holders of Preemptive Rights, the remaining shall be allocated to other Preemptive Right Holders subscribing more than their rights as stated in the Preemptive Rights Certificate or the Additional Shares Subscription Form proportionally based on the exercised rights. In the event that there are remaining Preemptive Rights Shares available subsequent to the said allocation of additional share subscriptions, then, pursuant to the Remaining Shares Subscription Agreement and its amendments thereof, all of the remaining Preemptive Rights Shares must be subscribed by the Stand-by Buyer. The remaining Preemptive Rights Shares that must be subscribed by the said Stand-by Buyer shall not include the shares issued from the exercise of Preemptive Rights of the Controlling Shareholders in this Preemptive Rights I.

Based on the Report from the Securities Administration Bureau, PT Datindo Entrycom, the Company's capital structure and shareholder compositions were as follows:

Shareholders	Nominal Value Rp100.00 per share		
	Share	Rupiah	%
Authorized Capital			
<i>A Series Dwiwarna Shares</i>	1	100	-
<i>B Series Shares</i>	15,999,999,999	1,599,999,999,900	
Issued and Fully Paid-up Capital			
<i>A Series Dwiwarna Shares</i>			
The State the Republic of Indonesia	1	100	-
<i>B Series Shares</i>			
The State the Republic of Indonesia	3,999,999,999	399,999,999,900	65.05
Bintang Perbowo	1,507,700	150,770,000	0.02
Public	2,147,717,300	214,771,730,000	34.93
Total Issued and Fully Paid-up Capital	6,149,225,000	614,922,500,000	100.00
Total Shares in Portfolio			
<i>A Series Dwiwarna Shares</i>	-	-	-
<i>B Series Shares</i>	9,850,775,000	985,077,500,000	

WITHIN A PERIOD OF 12 (TWELVE) MONTHS FOLLOWING THE EFFECTIVENES OF THE REGISTRATION STATEMENT WITH RESPECT TO THIS RIGHTS ISSUE I, THE COMPANY SHALL NOT ISSUE OR REGISTER ANY NEW SHARES OR OTHER SECURITIES CONVERTIBLE TO SHARES OTHER THAN THOSE OFFERED IN RIGHTS ISSUE I.

Rights Issue I

Type of Offering	:	Preemptive Rights
Nominal Value	:	Rp100 (one hundred Rupiah)
Exercise Price	:	Rp[●] ([●] Rupiah)
Conversion Ratio	:	● existing shares shall be entitled to ● Preemptive Rights.
Dilution of Ownership	:	39.63% (thirty nine point six three percent)
Preemptive Rights Trading Period	:	October 12 - 18, 2016
Preemptive Rights Trading Period	:	October 12 - 18, 2016
Securities Listing Date on the Stock Exchange	:	October 12, 2016
Listing	:	Indonesia Stock Exchange

Assuming all of the Company's shareholders exercise their Preemptive Rights which they are entitled to in this Rights Issue I, the Company's capital structure subsequent to the Rights Issue I on a proforma basis shall be as follows:

Name of Shareholder	Prior to Rights Issue I			Subsequent to Rights Issue I		
	Nominal Value Rp.100.- per share			Nominal Value Rp.100.- per share		
	Number of Shares	Total Nominal Value (Rp)	%	Number of Shares	Total Nominal Value (Rp)	%
Authorized Capital						
A Series Dwiwarna Shares	1	100		1	100	
B Series	15,999,999,999	1,599,999,999,900		15,999,999,999	1,599,999,999,900	
Total Authorized Capital	16,000,000,000	1,600,000,000,000		16,000,000,000	1,600,000,000,000	
Issued and Paid-up Capital						
A Series Dwiwarna Shares						
- The State the Republic of Indonesia A Series	1	100	-	1	100	-
B Series Shares						
- The State the Republic of Indonesia B Series	3,999,999,999	399,999,999,900	65.05	6,626,128,753	662,612,875,300	65.05
- Bintang Perbowo	1,507,700	150,770,000	0.02	1,507,700	150,770,000	0.02
- Public	2,147,717,300	214,771,730,000	34.93	3,558,752,691	355,875,269,100	34.93
Total Issued and Paid-up Capital	6,149,225,000	614,922,500,000	100.00	10,186,389,144	1,018,638,914,400	100.00
Shares in Portfolio						
A Series Dwiwarna Shares						
	-	-	-			
B Series	9,850,775,000	985,077,500,000		5,813,610,856	581,361,085,600	
Total Shares in Portfolio	9,850,775,000	985,077,500,000		5,813,610,856	581,361,085,600	

The Company's Majority Shareholder, namely the Republic of Indonesia shall exercise its rights in this Rights Issue I in accordance with its portion of ownership as stipulated in Law No. 14 of 2015 concerning the State Budget of 2016 Budget Year *juncto* Law no. 12 of 2016 concerning the Amendment of Law No. 14 of 2015 concerning the State Budget of 2016 Budget Year, which implementation shall be stipulated by a Government Regulation, which shall be issued prior to the Effective Statement from the OJK.

In the event that the minority shareholders do not exercise their rights to subscribe to the Preemptive Rights Shares offered in this Rights Issue I in accordance with their respective Preemptive Rights, the percentage of ownership of such minority shareholders shall be diluted from 34.95% to 21.10%.

Holders of the Preemptive Rights who do not exercise their rights to purchase shares with respect to this Rights Issue I may sell their rights to other parties from October 12, 2016, up to October 18, 2016, whether on the Stock Exchange or outside of the Stock Exchange in accordance with POJK No. 32/2015.

Pursuant to the Resolutions of the EGMS dated August 22, 2016, which approved the Rights Issue I plan to be conducted by the Company in the sum of approximately Rp6,149,225,000,000 (six trillion one hundred forty nine billion two hundred twenty five million Rupiah) or a maximum of 4,037,164,144 (four billion thirty seven million one hundred sixty four thousand one hundred forty four) Preemptive Rights Shares.

Pursuant to the POJK No. 32/2015, this Rights Issue I shall be effective upon approval of the Company's EGMS, which has convened on August 22, 2016, and upon effective statement from the OJK issued on September 28, 2016.

Further information considering the Rights Issue I is available in Chapter I of this Prospectus.

WITHIN A PERIOD OF 12 (TWELVE) MONTHS FOLLOWING THE EFFECTIVENESS OF THE REGISTRATION STATEMENT WITH RESPECT TO THIS RIGHTS ISSUE I, THE COMPANY SHALL NOT ISSUE OR REGISTER ANY NEW SHARES OR OTHER SECURITIES CONVERTIBLE TO SHARES OTHER THAN THOSE OFFERED IN RIGHTS ISSUE I.

USE OF PROCEEDS

The proceeds received by the Company from this Rights Issue I (net of commission, cost, fees and other issuance costs) shall be used as detailed below:

- Capital expenditure requirement to support the Government's priority infrastructure projects, among others, to finance the investment for the construction of toll road, power plants, water treatment plants, and industrial estates - approximately 71%; and
- Working capital requirements - approximately 29%

INDEBTEDNESS

Based on the Company's consolidated financial statements for the 6 (six)-month period ended June 30, 2016, presented in this Prospectus, which were audited by the Public Accountant Firm ("PAF") Soejatna, Mulyana & Partners, an independent public accountant, which expressed its unqualified opinion, the Company's total liabilities as of June 30, 2016, was Rp14,961,784,194 thousands, which consisted of:

	(In thousands of Rupiah)
	As of June 30, 2016.
Current Liabilities	
Short Term Loans	3,016,535,980
Trade Payables	
Third Parties	4,344,252,195
Related Parties	46,959,240
Other Payables	75,672,886
Taxes payable	276,774,618
Advance from Customers	388,113,916
Accrued Expenses	2,469,350,957
Unearned Revenue	173,596,658
Current Portion of Long Term Loan	
Medium Term Loan	250,000,000
Long Term Loan	259,416,393
Lease Payables	18,772,830
Total Current Liabilities	11,319,445,673
Non-Current Liabilities	
Employee Benefits Liabilities	254,910,402
Deferred Tax Liabilities	16,412,605
Advance for Long Term Projects	1,779,644,740
Current Portion of Long Term Loan after net of Current Portion of Short Term	
Medium Term Loan	975,000,000

Long Term Loan	578,645,240
Lease Payables	37,725,534
Total Non-Current Liabilities	3,642,338,521
Total Liabilities	14,961,784,194

KEY FINANCIAL HIGHLIGHTS

The key financial highlights must be read in conjunction with and with reference to the Company's consolidated financial statements (i) as of June 30, 2016, and for the six-month period ended on June 30, 2016, and 2015, and (ii) as of December 31, 2015, and 2014, and for the years then ended, and the notes to the consolidated financial statements presented elsewhere in this Prospectus.

The Company's key financial highlights presented below are derived from the Company's audited consolidated financial statements (i) as of June 30, 2016, and for the six-month period ended on June 30, 2016, and 2015, and (ii) as of December 31, 2015, and 2014, and for the years then ended, which have been prepared and presented in accordance with the Financial Accounting Standards in Indonesia and are presented elsewhere in this Prospectus. The audited consolidated financial statements as of and for the years then ended have been audited based on the standards of auditing established by the Indonesian Institute of Certified Public Accountants (*Institut Akuntan Publik Indonesia*, "IAPI" by the Public Accountant Firm Soejatna, Mulyana & Partners (a member firm of TPL & Associate Malaysia), an independent public accountant, which audit report was signed by the public accountant Drs. Safaat Widjajabrata, CA, CPA as of August 15, 2016, with unqualified opinion.

STATEMENTS OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
(In thousands of Rupiah)

DESCRIPTION	For the year ended December 31,		For the six-month period ended June 30,	
	2014	2015	2015	2016
NET SALES	12,463,216,288	13,620,101,419	4,778,471,826	6,033,745,869
COST OF SALES	(11,038,646,789)	(11,965,441,022)	(4,282,197,456)	(5,303,404,800)
GROSS PROFIT	1,424,569,499	1,654,660,397	496,274,370	730,341,069
PROFIT LOSS FROM JOINT VENTURE	369,757,130	288,402,591	101,954,552	113,285,771
GROSS PROFIT AFTER JOINT VENTURES	1,794,326,629	1,943,062,988	598,228,922	843,626,840
OPERATING EXPENSES				
Sales Expenses	(6,838,756)	(7,695,193)	(3,527,522)	(3,689,858)
General and Administrative Expenses	(386,009,513)	(421,462,453)	(180,856,933)	(223,768,350)
Total Operating Expenses	(392,848,269)	(429,157,646)	(184,384,455)	(227,458,208)
OPERATING INCOME	1,401,478,360	1,513,905,342	413,844,467	616,168,632
OTHER INCOME (EXPENSE)				
Interest Income	73,500,762	59,686,089	40,366,199	23,521,636
Gain (Loss) in Foreign Exchange	(2,039,829)	28,350,510	16,277,449	(8,689,569)
Final Income Tax Expenses	(286,455,956)	(346,788,000)	(112,442,578)	(128,639,358)
Funding Expense (Interest)	(197,704,174)	(431,409,359)	(103,578,198)	(171,521,105)
Allowance for Impairment	(46,244,153)	(30,500,231)	(7,339,700)	(95,909)
Gain (Loss) Associated Entity	(7,123,198)	(5,514,535)	(4,081,454)	(7,160,927)
Others - Net	(82,678,307)	(36,436,057)	(8,781,202)	19,876,182
Total Others Income (Expense)	(548,744,855)	(762,611,583)	(179,579,484)	(272,709,050)
PROFIT BEFORE INCOME TAX	852,733,505	751,293,759	234,264,983	343,459,582
Income Tax Expenses	(108,964,403)	(48,288,705)	(14,384,356)	(37,943,053)
NET INCOME	743,769,102	703,005,054	219,880,627	305,516,529
OTHER COMPREHENSIVE INCOME AFTER TAX				
Other Comprehensive Income that will not reclassified Subsequently to profit or loss:				
Difference of Asset Valuation	-	-	-	-
Actuarial Gain (Loss) of Defined Benefit Plan	(7,616,608)	6,306,290	(43,211,827)	(26,471,374)
COMPREHENSIVE INCOME FOR THE YEAR	736,152,494	709,311,344	176,668,800	279,045,155
Income Attributable To:				
Parent Entity Owner	608,154,697	625,044,000	200,494,113	256,514,868
Non-Controlling Interest	135,614,405	77,961,054	19,386,514	49,001,661
Amount	743,769,102	703,005,054	219,880,627	305,516,529

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(In thousands of Rupiah)

DESCRIPTION	As of December 31		As of June 30
	2014	2015	2016
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalent	2,300,892,182	2,560,120,483	1,262,685,575
Trade Receivables			
Net of accumulated allowance for impairment of Rp167,180,436, Rp170,242,281 and Rp168,866,816 as of June 30, 2016, December 31, 2015 and 2014)			
Third Parties	1,271,025,540	1,910,721,466	1,542,320,003
Related Parties	691,807,092	871,258,690	832,670,384

(In thousands of Rupiah)

DESCRIPTION	As of December 31		As of June 30
	2014	2015	2016
Retention Receivables (Net of accumulated allowance for impairment of Rp2,620,593, Rp2,620,593 and Rp2,025,563 as of June 30, 2016, December 31, 2015 and 2014)	567,875,358	662,948,555	736,280,666
Due from Customer	2,369,859,861	3,244,397,788	4,210,195,337
Accrued Income	82,846,239	251,510,864	251,690,615
Other receivables:			
Net of accumulated allowance for impairment of Rp167,180,436, Rp15.449.931 and Rp32.409.759 as of June 30, 2016, December 31, 2015 and 2014)	108,655,649	391,270,718	370,079,174
Inventories	817,307,342	1,031,277,931	1,125,501,670
Advance	384,431,063	439,641,163	573,844,669
Prepaid Tax	425,794,117	529,036,987	733,910,977
Prepaid Expense	241,370,431	465,274,857	794,862,770
Business Guarantee	18,760,917	22,643,681	34,136,092
Real Estate Assets	90,434,701	70,033,233	122,450,155
Current portion of Long Term Lease Receivable	110,148,921	110,148,921	110,148,921
Total Current Assets	9,481,209,413	12,560,285,337	12,700,777,008
NON-CURRENT ASSETS			
Investment in Associates	227,137,428	300,607,375	394,869,948
Receivables with Maturities Greater Than 1 (one) Year:			
Account Receivables	40,182,013	13,402,337	1,194,957
Retention Receivables	16,461,906	9,564,163	2,756,832
Long Term Lease Receivables	389,074,416	278,925,495	223,868,627
Real Estate Assets			
Land for Development	142,006,418	255,036,889	192,440,671
Real Estate Inventories	745,845,647	870,590,596	1,393,862,072
Investment Property	380,048,382	392,040,421	389,293,078
Fixed Assets (net of accumulated depreciation of Rp1,065,790,006, Rp927,296,347 and Rp693,320,132 as of June 30, 2016, December 31, 2015 and 2014)	2,676,043,079	3,184,400,114	3,215,145,329
Investment in Joint Venture	1,669,608,387	1,597,379,391	1,896,849,621
Goodwill	4,847,052	4,847,052	4,847,052
Other Financial Assets	37,532,807	67,860,215	85,531,631
Other Assets	71,074,985	41,182,944	35,498,569
Deferred Tax Assets	28,147,824	26,283,705	24,651,301
Total Non-Current Assets	6,428,010,344	7,042,120,697	7,860,809,687
Total Assets	15,909,219,757	19,602,406,034	20,561,586,695
LIABILITIES AND EQUITY			
Current Liabilities			
Short Term Loans	928,515,444	1,221,822,355	3,016,535,980
Trade Payables			
Third Parties	3,842,802,356	4,287,019,827	4,344,252,195
Related Parties	60,004,589	36,378,547	46,959,240
Other Payables	71,112,786	96,482,975	75,672,886
Due to Customer	9,641,161	13,224,506	-
Tax Payables	168,940,523	177,085,029	276,774,618
Advance from Customers	316,364,321	477,381,896	388,113,916
Accrued Expenses	2,120,553,384	3,285,172,048	2,469,350,957
Unearned Revenue	178,593,992	406,959,558	173,596,658
Current Portion of Long Term Loan			
Medium Term Loan	541,000,000	249,000,000	250,000,000
Long Term Loan	221,620,359	324,706,736	259,416,393
Lease Payables	16,893,554	22,300,954	18,772,830
Total Current Liabilities	8,476,042,469	10,597,534,431	11,319,445,673
Non-Current Liabilities			
Employee Benefits Liabilities	181,284,262	200,490,168	254,910,402
Deferred Tax Liabilities	2,162,275	11,170,726	16,801,794

(In thousands of Rupiah)

DESCRIPTION	As of December 31		As of June 30
	2014	2015	2016
Advance for Long Term Projects	1,049,416,204	1,662,677,044	1,779,644,740
Current Portion of Long Term Loan after net of Current Portion of Short Term			
Medium Term Loan	800,000,000	975,000,000	975,000,000
Long Term Loan	475,104,845	671,067,024	578,645,240
Lease Payables	48,454,961	46,365,276	37,725,534
Total Non-Current Liabilities	2,556,422,547	3,566,770,238	3,642,338,521
Total Liabilities	11,032,465,016	14,164,304,669	14,961,784,194

EQUITY

Equity attributable to owners of parent entity

Share capital	614,922,500	614,922,500	614,922,500
Treasury Stock	(10,272,110)	(10,272,110)	(10,272,110)
Additional Paid-in Capital	715,858,789	715,858,789	715,858,789
Changes in Equity of Subsidiary Company	1,127,249,357	1,127,249,357	1,127,249,357
Other Component Equity			
Difference of Asset Valuation	23,526,182	14,626,146	14,626,146
Remeasurement Employee Benefit	(106,750,583)	(100,444,293)	(126,915,667)
Retained earnings	1,523,052,638	2,013,224,280	2,174,105,213
Sub Total	3,887,586,773	4,375,164,669	4,509,574,228
Non-Controlling Interest	989,167,968	1,062,936,696	1,090,228,273
Total Equity	4,876,754,741	5,438,101,365	5,599,802,501
TOTAL LIABILITIES AND EQUITY	15,909,219,757	19,602,406,034	20,561,586,695

OTHER BUSINESS INFORMATION RATIOS

DESCRIPTION	As of and for the year ended		For the six-month period	
	December 31,		ended June 30,	
	2014	2015	2015	2016
Operating ratio (%)				
Gross profit/net sales	11.43	12.15	10.39	12.10
Profit Before Income Tax /net income	9.14	8.06	7.26	7.82
Net income/net sales	5.97	5.16	4.60	5.06
Profit Before Income Tax /total equity	23.36	20.19	13.90	16.86
Net income/total equity	15.25	12.93	8.81	10.91
Profit Before Income Tax /total assets	7.16	5.60	4.07	4.59
Net income/total assets	4.68	3.59	2.58	2.97
Financial Ratio (x)				
Total current assets/total current liabilities	1.12	1.19	1.10	1.12
Total Liabilities / Total Equity (x)	2.26	2.60	2.42	2.67
Total Liabilities / Total Assets (x)	0.69	0.72	0.71	0.73

The following table reconciles the Company's profit before income tax (prepared based on the Financial Accounting Standards) in calculating EBITDA.

DESCRIPTION	For the year ended December 31,		For the six-month period ended June 30,	
	2014	2015	2015	2016
Profit before income tax	852,733,505	751,293,759	234,264,983	343,459,582
Add:				
Final Income Tax	286,455,956	346,788,000	112,442,578	128,639,358
Financing Cost	197,704,174	431,409,359	103,578,198	171,521,105
Depreciation & amortization	190,825,052	272,017,950	137,741,859	212,047,656
EBITDA	1,527,718,687	1,801,509,068	588,027,618	855,667,701

FINANCIAL RATIOS REQUIRED BY LOAN AGREEMENTS OR OTHER LIABILITIES

Financial Ratio in the Loan Agreements or Other Liabilities	The Company's Financial Ratios as of June 30, 2016.	
Minimum Ebitda/Interest Expense	150%	498.87%
Minimum Current Ratio	100%	112.20%
Maximum DER	400%	267.18%
Minimum DSCR	100%	23.14%
<i>Gearing Ratio</i>	250%	91.72%

MANAGEMENT'S DISCUSSION AND ANALYSIS

Operating Results

The period from December 31, 2015, up to June 30, 2016, compared to the Period from December 31, 2014, up to June 30, 2015

NET SALES

During the six-month period ended June 30, 2016, the Company recorded a net income of Rp6,033,745,869 thousand, an increase of Rp1,255,274,043 thousand or 26.27% compared to Rp4,778,471,826 thousand during the six-month period ended June 30, 2015. The increase was primarily due to the increase in sales for the Infrastructure and Building sector, which has increased by Rp1,093,665,545 thousand or 52.27% compared to sales for Infrastructure and Building sector as of June 30, 2015. Such increase was due to the improvement in budget absorption of Regional Governments and Central Government in infrastructure projects. The foregoing has also affected the industrial sectors, mainly the concrete industry. As seen in the increase in sales for industrial sectors by Rp455,322,411 thousand or approximately 45.08% compared to June 30, 2015.

Cost of Sales

Cost of sales has increased by Rp1,021,207,344 thousand or 23.85% from Rp4,282,197,456 thousand for the six-month period ended June 30, 2015, to Rp5,304,404,800 thousand for the six-month period ended June 30, 2016. The increase was primarily due to the increase in sales for the infrastructure and building sector and industry sector, which also resulted in the increase of cost of sales. Whereas the cost of sales for the infrastructure and building sector has increased by Rp91,228,344 thousand or approximately 47.05% compared to the six-month period ended June 30, 2015. Whereas the cost of sales for the industry sector has increased by Rp363,297,215 thousand or approximately 40.79% compared to the six-month period ended June 30, 2015.

Gross profit

The Company recorded an increase in gross profit by Rp234,066,669 thousand or 47.16% from Rp496,274,370 thousand for the six-month period ended June 30, 2015, to Rp730,341,069 thousand for the six-month period ended June 30, 2016. The increase in the Company's gross profit was primarily due to the efficiency in production cost in the infrastructure and building sector, which resulted in the increase in the Company's gross profit.

Gross Profit after Joint Ventures

Gross profit after joint ventures has increased by Rp245,397,918 thousand or 41.02% from Rp598,228,922 thousand for the six-month period ended June 30, 2015, to Rp843,626,840 thousand for the six-month period ended June 30, 2016. The increase was primarily due to the Company's domination in KSO Projects, which resulted in the increase in profit from joint ventures.

Operating income

Operating income has increased by Rp202,324,153 thousand or 48.89% from Rp413,844,467 thousand for the six-month period ended June 30, 2015, to Rp616,168,630 thousand for the six-month period ended June 30, 2016. The increase was primarily due to the increase in gross profit and joint ventures and the control of operating cost, which resulted in the increase of the Company's operating income.

Other income (expenses)

The Company's other income (expenses) has increased by Rp(93,129,566) thousand or 51.86% from Rp(179,579,484) thousand for the six-month period ended June 30, 2015, to Rp(282,709,050) thousand for the six-month period ended June 30, 2016. The increase was primarily due to the increase in financing cost resulting from the increase in the Company's liabilities to finance the Company's working capital and capital expenditure requirements.

Net Income

Net income has increased by Rp85,635,902 thousand or 38.95% from Rp219,880,627 thousand for the six-month period ended June 30, 2015, to Rp305,516,529 thousand for the six-month period ended June 30, 2016. The increase was primarily due to the increase in net sales and the increase in profit from joint ventures.

Other Comprehensive Income for the Period

Other comprehensive income for the period has increased by Rp102,376,355 thousand or 57.95% from Rp176,668,800 thousand for the six-month period ended June 30, 2015, to Rp279,045,153 thousand for the six-month period ended June 30, 2016. The increase was primarily due to the recalculation of the value of post-employment benefit program.

The 2015 Fiscal Year compared to the 2014 Fiscal Year

NET SALES

During the fiscal year ended December 31, 2015, the Company recorded a net sales of Rp13,620,101,419 thousand, an increase of Rp156,885,131 thousand or 9.2% compared to the net sales during the fiscal years ended December 31, 2014. The increase was mainly due to the increase in sales from the infrastructure and building segment by 26.49%, from Rp4,779,450,000 thousand in 2014 to Rp6,356,200,000 thousand in 2015.

The increase in sales for such segment was in line with the increase in number of infrastructure projects in order to realize the development acceleration program promoted by the government.

Cost of Sales

Cost of sales has increased by Rp926,794,233 thousand or 8.40% from Rp11,038,646,798 thousand for the fiscal year ended December 31, 2014 from Rp11,965,441,022 thousand for the fiscal year ended December 31, 2015. The increase in cost of sales was in line with the increase in sales, although the increase in Cost of Sales was lower than the increase in sales.

Gross profit

The Company recorded an increase in gross profit by Rp230,090,898 thousand or 16.15% from Rp1,424,569,499 thousand for the fiscal year ended December 31, 2014 to Rp1,654,660,397 thousand for the fiscal year ended December 31, 2015. The increase in gross profit was due to the increase in sales and the increase in profitability of projects undertaken as a result of efficiency in the production cost without sacrificing the quality of the product. In 2015, the Company also recorded income from claim, among others from the Amurang Steam Power Plant Project in North Sulawesi.

Gross Profit after Joint Ventures

Gross profit after joint ventures has increased by Rp148,736,359 thousand or 8.29% from Rp1,794,326,629 thousand for the fiscal year ended December 31, 2014, to Rp1,934,062,988 thousand for the fiscal year ended December 31, 2015. The increase was primarily due to the increase in number of joint venture projects, followed by the increase in profitability of joint venture projects.

Operating income

Operating income has increased by Rp112,426,982 thousand or 8.02% from Rp1,401,478,360 thousand for the fiscal year ended December 31, 2014, to Rp1,513,905,342 thousand for the fiscal year ended December 31, 2015, which was primarily due to the increase in gross profit and the increase in operating expenses that were higher compared to gross profit, therefore the increase in operating income was lower compared to the increase in gross profit.

Other income (expenses)

The Company's other income (expenses) has increased by Rp213,866,728 thousand or 38.97% from Rp548,744,885 thousand for the fiscal year ended December 31, 2014, to Rp762,611,583 for the fiscal year ended December 31, 2015, which was primarily due to the increase in financing cost from Rp197,704,174 thousand to Rp431,409,359 thousand or an increase of 18.21%.

Profit Before Income Tax

In overall, profit before income tax has decreased by Rp101,439,746 thousand or 11.90% from Rp852,733,505 thousand for the fiscal year ended December 31, 2014, to Rp751,293,759 thousand for the fiscal year ended December 31, 2015, which was mainly due to the increase in other income (expenses), which was higher than the increase in operating profit.

Income Tax Expenses

Income tax expenses has decreased by Rp60,675,698 thousand or 55.68% from Rp108,964,403 thousand for the fiscal year ended December 31, 2014 to Rp48,288,705 thousand for the fiscal year ended December 31, 2015. Such decrease was in line with the patterns of transactions undertaken by the Company.

Income attributable to parent entity owner

Total Income Attributable to Parent Entity Owner for the Period has increased by Rp16,889,303 thousand or 2.78% from Rp608,154,697 thousand for the fiscal year ended December 31, 2014, to Rp625,044,000 thousand for the fiscal year ended December 31, 2015, which was mainly due to the increase in gross profit, followed by control of operating expenses. However, the Company could not avoid the relatively high increase of finance cost as a result of an increase in bank loans required for the Company's working capital and capital expenditures.

The Company's Financial Position

June 30, 2016 compared to the 2015 Fiscal Year

Assets

As of June 30, 2016, the Company recorded a Rp959,180,661 thousand or 4.89% increase in assets from Rp19,602,406,034 thousand as of December 31, 2015, to Rp20,561,586,695 thousand as of June 30, 2016. The increase was mainly due to the increase in Due from Customer, Prepaid Expense, Real Estate Inventories and Investment in Joint Venture.

The Company's current assets as of June 30, 2016, was Rp12,700,777,008 thousand, an increase of Rp140,491,671 thousand or 1.11% compared to Rp12,560,285,337 thousand as of December 31, 2015, which was mainly due to the increase in Due from Customer by Rp965,797,549 thousand or 29.76% compared to the balance of Due from Customer as of December 31, 2015. The increase in inventory by Rp94,233,739 thousand or 9.14% compared to the balance of inventory as of December 31, 2015. The increase in prepaid tax by Rp329,587,913 thousand or 70.84% compared to the balance of prepaid tax as of December 31, 2015. The increase in real estate assets by Rp52,416,922 thousand or 74.85% compared to the balance of real estate assets as of December 31, 2015.

The Company's non-current assets as of June 30, 2016, was Rp7,860,809,687 thousand, an increase of Rp819,192,827 thousand or 11.63% compared to Rp7,042,120,697 thousand as of December 31, 2015, which was primarily due to the weakening of public purchasing power in the property sector, which resulted in the increase of Real Estate Inventories, the increase in project preparation cost and the increase in the Company's consortium projects, which resulted in the increase in Investment in Joint Venture.

Cash and Cash Equivalents

The balance of cash and cash equivalents as of June 30, 2016, was Rp1,262,685,757 thousand, a decrease of Rp1,297,434,908 thousand or 50.68% compared to Rp2,560,120,483 thousand as of December 31, 2015, which was primarily due to the increase in working capital required by the Company to finance its investments, as well as the rescheduled payment of several projects.

Account Receivables

The balance of account receivables, net, as of June 30, 2015, was Rp2,374,990,378 thousand, a decrease of Rp406,989,769 thousand or 14.63% compared to Rp2,781,980,156 thousand as of December 31, 2015. The decrease in account receivables was mainly due to milestone payments or the progress of projects in accordance with schedule.

Retention Receivables

The balance of retention receivables, net, as of June 30, 2016, was Rp736,280,666 thousand, an increase of of Rp73,332,111 thousand or 11.06% compared to Rp662,948,555 thousand as of December 31, 2015. The increase in retention receivables was primarily due to the increase in production or projects undertaken by the Company.

Due from Customer

The balance of Due from Customer as of June 30, 2016, was Rp4,210,195,337 thousand, an increase of Rp965,797,549 thousand or 29.77% compared to Rp3,244,397,788 thousand as of December 31, 2015, which was mainly due to the increase in sales of milestone projects in the General Civil department and the Industrial Plant department.

Inventories

The balance of inventory as of June 30, 2016, was Rp1,125,501,670 thousand, an increase of Rp94,223,739 thousand or 9.14% compared to Rp1,031,277,931 thousand as of December 31, 2015. The increase was primarily due to the increase in the Company's inventory in order to maintain production continuity and stability of raw material price.

Prepaid Tax

The balance of prepaid tax as of June 30, 2016, was Rp733,910,977 thousand, an increase of Rp204,873,990 thousand or 38.73% compared to Rp529,036,987 thousand as of December 31, 2015. The increase was primarily due to the Company's policy, which requires restitution to be performed every 6 months and the increase in the Company's sales and purchases.

Real Estate Assets

The balance of real estate assets as of June 30, 2016, was Rp1,586,302,743 thousand, an increase of Rp460,675,258 thousand or 40.93% compared to Rp1,125,627,485 thousand as of December 31, 2015. The increase was mainly due to the construction of property in progress, among others Tamansari the Lagoon, Tamansari Sky Lounge Balikpapan, and Tamansari Iswara and the weakening of public purchasing power in the property sector, which resulted in the increase of Real Estate Inventories.

Fixed Assets, Net

The balance of Fixed Assets, net, as of June 30, 2016, was Rp3,125,145,329 thousand, a decrease of Rp59,254,785 thousand or 1.86% compared to Rp3,184,400,144 thousand as of December 31, 2015. This was primarily due to the construction of PT Wika Beton's new plants in Karawang, West Java and Lampung and the construction of Gedung Wika Tower.

Investment in Joint Venture

The balance of Investment in Joint Venture, net, as of June 30, 2016, was Rp1,896,849,621 thousand, an increase of Rp299,470,230 thousand or 18.75% compared to Rp1,597,379,391 thousand as of December 31, 2015. This was mainly due to the increase in the Company's joint venture projects.

Liabilities

The Company's liabilities as of June 30, 2016, have increased by Rp797,479,525 thousand or 5.63% to Rp14,961,784,194 thousand compared to Rp14,164,304,669 thousand as of December 31, 2015. The increase was due to the increase in the Company's Short-Term Loans.

As of June 30, 2016, the Company's non-current liabilities have increased by Rp721,911,242 thousand or 6.81% from Rp10,597,534,431 thousand as of December 31, 2015, to Rp11,319,445,673 thousand as of June 30, 2016. The increase was due to the increase in the Company's Short-Term Loans.

As of June 30, 2016, the Company's non-current liabilities have increased by Rp75,568,283 thousand or 2.12% from Rp3,566,770,238 thousand as of December 31, 2015, to Rp3,642,338,521 thousand as of June 30, 2016. The increase was mainly due to the increase Employee Benefits Liabilities and Advance for Long-Term Projects.

Short-Term Loans

The balance of short-term loans as of June 30, 2016, was Rp3,016,535,980 thousand, an increase of Rp1,794,713,625 thousand or 146.89% compared to Rp1,221,822,355 thousand as of December 31, 2015, which was mainly due to the increase in bank loans, which was in line with the Company's working capital requirement.

Tax Payables

The balance of Tax Payables as of June 30, 2016, was Rp276,774,618 thousand, an increase of Rp99,689,589 thousand or 56.29% compared to Rp177,085,029 thousand as of December 31, 2015. This was mainly due to the increase in the Company's net sales.

Advance from Customers

The balance of advance from customers as of June 30, 2016, was Rp388,113,916 thousand, a decrease of of Rp89,257,980 thousand or 18.70% compared to Rp447,381,896 thousand as of December 31, 2015. The decrease was primarily due to the completion of deliveries for most industrial and realty products.

Accrued Expenses

The balance of accrued expenses as of June 30, 2016, was Rp2,469,350,957 thousand, a decrease of of Rp815,821,091 thousand or 24.83% compared to Rp3,285,172,048 thousand as of December 31, 2015. The decrease in accrued expenses was primarily due to the change of payment instruments, which utilized banking facilities (L/C) or (NCL).

Unearned Revenue

The balance of unearned revenue as of June 30, 2016, was Rp173,596,658 thousand, a decrease of Rp233,362,900 thousand or 57.34% compared to Rp406,959,558 thousand as of December 31, 2015. This was primarily due to the faster product delivery and progress recognition, both in the industrial and realty sector, which were reflected in the increased sales compared to prior year.

Current Portion of Long Term Loan

The balance of current portion of long-term loan as of June 30, 2016, was Rp528,189,223 thousand, a decrease of Rp67,818,467 thousand or 11.38% compared to Rp596,007,690 thousand as of December 31, 2015. The decrease was mainly due to the installments of long-term loan that were due in 2016.

Employee Benefits Liabilities

The balance of employee benefits liabilities as of June 30, 2016, was Rp254,910,402 thousand, an increase of Rp54,420,234 thousand or 27.14% compared to Rp200,490,168 thousand as of December 31, 2015. The increase was primarily due to the decrease in interest rate of government bonds and the increase in number of employees, which resulted in the increase of the Company's employee benefits liabilities.

Deferred Tax Liabilities

The balance of Deferred Tax Liabilities as of June 30, 2016, was Rp16,412,605 thousand, an increase of Rp5,241,879 thousand or 46.93% compared to Rp11,170,726 thousand as of December 31, 2015. The increase was mainly due to the difference between fiscal and commercial calculation on depreciation expense, amortization expense and employee benefits liabilities.

Advance for Long Term Projects

The balance of advance for long-term projects, net, as of June 30, 2016, was Rp1,779,644,740 thousand, an increase of Rp116,967,696 thousand or 7.03% compared to Rp1,662,677,044 thousand as of December 31, 2015. This was mainly due to the increase in number of new projects.

Current Portion of Long-Term Loan, net of Current Portion short term

The balance of current portion of long-term loan, net of current portion short term as of June 30, 2016, was Rp1,591,370,774 thousand, a decrease of Rp101,061,526 thousand or 5.97% compared to Rp1,692,423,300 thousand as of December 31, 2015. The decrease was mainly due to the installments of long-term loan that were due during the year.

Equity

The balance of equity as of June 30, 2016, was Rp5,599,802,501 thousand, an increase of of Rp161,701,136 thousand or 2.97% compared to Rp5,438,101,365 thousand as of December 31, 2015. The increase was mainly due to the increase in the Company's profit.

The Company's Cash Flows

Year Ended December 31, 2015, compared to the Year Ended December 31, 2014

Cash Flows from Operating Activities

Cash flows from operating activities for the year 2015 was Rp238,405,380 thousand, an increase of Rp416,096,140 thousand or 234.17% compared to net cash flows used in operating activities for the year 2014 of Rp177,690,760 thousand. The increase in net cash flows provided by operating activities was contributed by the increase in cash receipts from customers by Rp1,784,219,729 thousand or 16.34%, offset by the increase in payment to suppliers by Rp946,561,781 thousand or 9.27%. In addition, payment of interest has also increased by Rp309,082,898 thousand or 52.67%. Payment of taxes has also increased by Rp109,628,863 thousand or 29.66%.

Cash Flows from Investing Activities

Net cash flows used in investing activities for the year 2015 was Rp325,091,864 thousand, an increase of Rp943,131,751 thousand or 74.37% compared to Rp1,268,223,615 thousand for the year 2014.

Cash Flows from Financing Activities

Net cash flows used in investing activities for the year 2015 was Rp345,914,785 thousand, a decrease of Rp2,014,184,734 thousand or 85.00% compared to Rp2,360,099,519 thousand for the year 2014. The decrease was mainly due to the payment of bank loans totaling Rp1,685,476,859 thousand.

The 6-month period ended June 30, 2016, compared to the 6-month period ended June 30, 2015

Cash Flows from Operating Activities

Net cash flows used in operating activities for the 6-month period ended June 30, 2016, was Rp2,307,233,951 thousand, a decrease of Rp1,369,980,905 thousand or 59.38% compared to the 6-month period ended June 30, 2015, of Rp937,253,046 thousand. The decrease in net cash flows used for operating activities was due to the increase in payments to suppliers by 21.76% or an increase of Rp1,508,298,409 compared to prior period. In addition, net cash flows used in payment of interest has increased by 39.61% or Rp67,942,907 thousand compared to prior period. The decrease was also due to the increase in payment of taxes by 23.33% or Rp62,060,977 thousand and the decrease in deposit interest receipt by 71.61% or Rp16,844,563 thousand. Payment to Board of Directors and employees has also decreased by 22.98% or Rp27,733,372 thousand. Payment for operating expenses and others has also decreased by 39.99% or Rp12,399,467 thousand. Whereas component of cash flows from operating activities that has increased was receipt from customers, which has increased by 4.72% or Rp245,033,112 thousand.

Cash Flows from Investing Activities

Net cash flows used in investing activities for the 6-month period ended June 30, 2016, was Rp319,845,730 thousand, a decrease of Rp156,403,370 thousand or 32.84% compared to Rp476,249,100 thousand in prior period. The decrease was mainly due to the decrease in investment in joint venture by Rp120,973,146 thousand and the decrease in investment in associated entity by 97.79% or Rp99,185,555 thousand.

Cash Flows from Financing Activities

Net cash flows provided by financing activities for the 6-month period ended June 30, 2016, was Rp660,182,985 thousand, consisting of receipts from bank loans totaling Rp1,109,503,498. The cash flows from financing activities was also offset by payment of bank loan totaling Rp312,185,840 thousand.

Capital Expenditures

The Company's capital expenditures consist of fixed assets and investment in Associated Entities and other Entities. The Company's capital expenditures for the 6-month period ended June 30, 2016 and 2015, were Rp372,798,000 thousand and Rp461,972,000 thousand, respectively, Rp1,046,820,000 thousand for the year ended December 31, 2015, and Rp1,470,250,000 thousand for the year ended December 31, 2014.

BUSINESS RISKS

As a State-Owned Enterprise construction company, the Company is not immune to risks, both internal and external.

Strategic Risk

1. Risk of Business Development
2. Risk of Project Investment
3. Risk of Investor Relation

Operational Risk

1. Contractual Risk
2. Payment Risk
3. International Trade Risk
4. Risk of High Raw Material Price
5. Risk in Sub-contractor/Supplier Partner Selection
6. Risk of Foreign Exchange

Risks Associated with Share Ownership

In addition to the risks faced by the Company, the Company's business activities and industry, share ownership involves the following risks:

1. The conditions of Indonesian Capital Market may affect the price and liquidity of the Company's shares.
2. The Company's share price may fluctuate.
3. Future sales of the Company's shares may affect the market price of such shares.
4. The ability of shareholders to participate in future private placements may be limited.
5. The buyers or shareholders may be subject to certain limitations concerning the rights of minority shareholders.

THE COMPANY'S MANAGEMENT HEREBY REPRESENTS THAT THE COMPANY HAS DISCLOSED ALL MATERIAL BUSINESS RISKS THAT ARE PREPARED IN ORDER OF SIGNIFICANCE OF SUCH RISKS TO THE COMPANY'S AND ITS SUBSIDIARIES' BUSINESS ACTIVITIES AND FINANCIAL PERFORMANCE.

SIGNIFICANT EVENT SUBSEQUENT TO THE DATE OF INDEPENDENT AUDITOR'S REPORT

There are no significant events with material impact to the Company's financial condition and operating results that occurred subsequent to the date of Independent Auditor's Report, namely June 30, 2016, for the consolidated financial statements for the period ended June 30, 2016, requiring a disclosure in this Prospectus. The said consolidated financial statements were audited by the Public Accountant Firm Soejatna, Mulyana & Partners (member firm of TPL & Associate Malaysia), an independent public accountant, which audit report was signed by the public accountant, Drs. Safaat Widjajabrata, CA, CPA as of August 15, 2016, with unqualified opinion.

DESCRIPTION OF THE COMPANY

Brief History of the Company

The Company was initially a State Company established pursuant to the Government Regulation No. 64 of 1961 dated March 29, 1961, concerning the Establishment of State Company Widjaja Karja under the name Perusahaan Negara Bangunan Widjaja Karja. Furthermore, based on Government Regulation No. 40 of 1971 dated July 22, 1971, Perusahaan Negara Bangunan Widjaja Karja was declared to be dissolved and transferred into a Limited Liability Company (Persero) established pursuant to the Laws of the Republic of Indonesia as stipulated in the deed of Limited Liability Company No. 110 dated December 20, 1972, drawn up before Dian Paramita Tamzil, acting in lieu of Djojo Muljadi, S.H., a Notary in Jakarta *juncto* deed of Amendment No. 106 dated April 17, 1973, drawn up before Kartini Muljadi, S.H., a Notary in Jakarta, which was approved by the Minister of Justice of the Republic of Indonesia by virtue of decree No. Y.A.5/165/14 dated May 8, 1973, and was registered in the Jakarta District Court under No. 1723 and 1724 dated May 16, 1973, and was announced in Supplement No. 683 to the State Gazette of the Republic of Indonesia No. 76 dated September 21, 1973 ("**The Company's Deed of Establishment**").

As stipulated in the Government Regulation No. 53 of 2007 concerning the Changes in Structure of the State's Share Ownership through the Issuance and Sale of New Shares in Perusahaan Perseroan (Persero) PT Wijaya Karya, the Company conducted an Initial Public Offering, which was followed by the change of status and name to PT Wijaya Karya (Persero) Tbk, and officially listed its shares on the Stock Exchange on October 29, 2007, ("**Initial Public Offering**").

Pursuant to Article 3 of the Company's Articles of Association as set forth in the Deed No. 03/2015, the aims and objectives of the Company is to engage in the construction industry, fabrication industry, leasing services, agency services, investment, agri-industry, energy, renewable energy and conversion energy industry, railway operation, port operation, airport operation, logistic, trade, engineering procurement construction, estate development and management, construction, information technology, engineering and planning skills update services to produce high-quality and competitive goods and/or services to generate profit in order to increase the Company's values by implementing the principles of Limited Liability Companies.

As set forth in the Deed of Resolutions of the Annual General Meeting of Shareholders of Perusahaan Perseroan (Persero) PT

Wijaya Karya Tbk, abbreviated as PT Wika (Persero) Tbk No. 82 dated April 28, 2016, drawn up before Fathiah Helmi, S.H., a Notary in Jakarta, which was received and recorded in the database of the Legal Entity Administration System under No. AHU-AH.01.03-0047903 dated May 12, 2016, and was registered in the Company Register under No. AHU-0058837.AH.01.11.Tahun 2016 dated May 12, 2016, the compositions of the Board of Commissioners and Board of Directors of the Company are as follows:

Management and Supervision

Board of Commissioners

President Commissioner	:	Mudjadi
Independent Commissioner	:	Nurrachman
Independent Commissioner	:	Imas Aan Ubudiah
Commissioner	:	Liliek Mayasari
Commissioner	:	Freddy R. Saragih
Commissioner	:	Eddy Kristanto

Board of Directors:

President Director	:	Bintang Perbowo
Director	:	Gandira Gutawa Sumapradja
Director	:	Destiawan Soewardjono
Director	:	I Gusti Ngurah Askhara Danadiputra
Director	:	Bambang Pramujo
Director	:	Antonius Nicholas Stephanus Kosasih

Description of Subsidiaries

As of June 30, 2016, the Company has 6 directly owned Subsidiaries and 1 indirectly owned Subsidiary with more than 50% ownership, which are consolidated in the Company's financial statements. The companies are:

Subsidiaries

Company Name	Domicile	Lines of Business :	Percentage of Ownership	Year of Investment	Year of Commercial Operation
SUBSIDIARIES (DIRECT OWNERSHIP)					
WTON	Bekasi	Engage in the concrete trading and industry, construction service and other related business fields.	62.71%	1997	1997
WR	Jakarta	Engage in the real estate, property and services, except legal and tax services.	85.41%	2000	2000
WKG	South Jakarta	Conduct business activities in (i) construction and engineering industry; (ii) wholesale construction service with milestone or turnkey/Build Operate Transfer (BOT) scheme; (iii) management and lease of buildings/integrated trade centers; (iv) Trade and maintenance of construction equipment and material; (v) construction and engineering skill upgrade service, particularly those that conform to the principles of limited liability companies; (vi) Real Estate, as real estate developer; (vii) Property, as property investor; (viii) supporting industry for building construction.	99%	2008	2008
WIK	East Jakarta	Engage in the factory industry, conduct general trading, services, agri-industry, mining, energy and construction services.	96.5%	2000	2000

Company Name	Domicile	Lines of Business :	Percentage of Ownership	Year of Investment	Year of Commercial Operation
WRK	South Jakarta	Conduct business activities in construction services, engineering procurement and construction services, fabrication services, operation and maintenance services and investment activities supporting the said business activities.	90.04%	2008	2008
BITUMEN	South East Sulawesi	Conduct business activities in mining, construction and mining material industry, trade and distribution, transportation and port services.	99%	2013	2013
SUBSIDIARIES (INDIRECT OWNERSHIP)					
CLT	Batam	Engage in the concrete trading and industry, construction service and other related business fields.	99.5% Through WTON	2014	2014

BUSINESS ACTIVITIES AND PROSPECTS

Overview

The Company's vision in conducting its business activities is to become one of the best companies in Engineering, Procurement & Construction (EPC). The Company's main strategies to achieve its vision is to have diversified business, while remaining focused on the Company's main business through vertical integration between owned businesses (backward and forward integration), which allows the Company to provide comprehensive solutions to customers. The vision affirms the Company's activities with the aims and objectives to create a sustainable growth for stakeholders.

The Company's ability to provide superior services, comprehensive services, and continuous business prospects are directly related to its competitive advantages, among others, as follows:

- Leading SOE engaged in the construction sector
- Proven track records
- Experienced management and experts
- Operational Areas

Business Activities

The Company presently has 4 (four) business segments, including Infrastructure & building, Energy and Industrial Plant, Realty & Property, and Industry. In carrying out the five business segments referred to above, the Company is supported by 8 (eight) Operation Departments and 6 (six) Subsidiaries and 12 (twelve) Associated Entities.

Presented below is the description of the Company's four business segments:

A. Infrastructure & Building Business Segment

The construction business segment is comprised of 3 Strategic Business Units (SBUs), namely the Civil Construction SBU, Building Construction SBU, and Steel Construction SBU. The construction business segment is managed by the General Civil Department 1, General Civil Department 2, General Civil Department 3, Overseas Department, Building Department, and two subsidiaries: WIKA Industri & Konstruksi, WIKA Gedung.

B. Energy and Industrial Plant Business Segment

The Energy and Industrial Plant business segment is comprised of two scope of works, namely the Engineering, Procurement & Construction (EPC) SBU and Operation & Maintenance SBU.

C. Industrial Business Segment

The business segment is comprised of 2 sub-segments, namely the Precast Concrete Industry Segment, Steel Fabrication Segment and Bitumen Segment. To support its core competencies, the pillar of the Company's manufacturing industry, the Company provides an array of products supporting construction services such as:

- Precast Concrete, namely: Precast concrete product and natural resources management
- Industry Facilities, namely: Steel Fabrication that produces Steel Construction products, aluminium casting, plastic injection.
- Bitumen, namely: granular asphalt, extraction asphalt.

D. Realty & Property Business Segment

The Realty & Property Business Segment is managed by PT WIKA Realty. The Company has 85.26% ownership in PT WIKA Realty. The Realty & Property business segment carries out works in the realty, property service and service business such as the landed house, high-rise (apartment, condotel, mixed use office), and industrial estate conditioning. To strengthen its market presence, the Company incorporates an umbrella brand under the name Tamansari.

This business segment is operated by the Building Department, which undertakes the government and SOE projects under the Building Department, while projects from the private sectors are managed by separate subsidiaries, namely WIKA Gedung and WIKA Realty. In this business segment, the Company also perform works for facilities buildings such as hospitals, airport terminals and train stations, educational facilities, sport facilities, office buildings, malls and other recreational facilities.

Marketing

In an effort to fulfill its vision to become one of the best EPC companies in South East Asia by 2020, the Company will continue to pursue various business opportunities in the construction industry, both in Indonesia and in other countries.

The Company has also expanded its construction market share to a number of countries in Asia and Africa, such as Aljazair, Libya, United Arab Emirates, Brunei Darussalam and Timor Leste. In addition to the expansion of construction market, the Company has also developed its precast concrete industry in overseas by opening a factory in Aljazair, and plans to open a precast concrete factory in Myanmar in the near future.

The Company's marketing efforts are decentralized, in accordance with the authority of each Business Department and Subsidiary. In the construction service business, new marketing activities can be performed if the users have trusted the contractor. The foregoing is related to the nature of the construction service, which offers something intangible at a price, quality and time of delivery that have been determined. The production process, in the form of project execution, is performed at the user's site based on the mutually agreed contract between the User and Service Provider.

Marketing activities cover marketing areas in all parts of Indonesia, which are served by 7 regional offices and 5 overseas representative offices.

The projects secured by the Company originate from tender and appointment. The following table presents the history of contracts secured by the Company from 2011 up to June 30, 2016:

(In millions of Rupiah)

Description	2011	2012	2013	2014	2015	June 30, 2016
Tender in which the Company participated	30,341,000	42,766,776	43,971,413	43,460,529	85,374,936	69,158,763
Tender Won	13,568,485	17,125,319	17,731,027	17,631,937	25,221,756	9,105,950
Competitiveness (%)	44.72	40.04	40.32	40.57	29.54	13.17

Whereas the contracts secured during the year by business segment from 2011 up to June 30, 2016, are as follows:

(In millions of Rupiah)

Description	2011	2012	2013	2014	2015	June 30, 2016
Infrastructure & Building	6,411	9,443	9,182	9,817	19,077	4,651
Energy & Industrial Plant	4,215	3,595	4,325	3,634	1,034	2,244
Industry	2,141	2,624	2,992	2,828	3,734	1,582
Realty & Property	801	1,463	1,244	1,354	1,376	232
Amount	13,568	17,125	17,743	17,633	25,221	8,709

Competition and Customers

Competition

Set out below are a number of major construction companies, which are the Company's competitors and which shares are listed on the Indonesia Stock Exchange:

No.	Company Name	Business Activities	Competitor in terms of
1.	Adhi Karya	Construction Service	Sales
2.	Waskita Karya	Construction Service	Sales
3.	Real Estate Development	Construction Service	Sales

Given the competition in the construction industry, the Company believes that the Company's average market share is 2%, i.e. calculated by comparing the market secured by the Company to the potential construction market which information is available for public as detailed below:

(In trillions of Rupiah)

Description	2011	2012	2013	2014	2015	e 30, 2016
National*	304	368	445	454	505	655
The Company's Share Realization (%)	13	17	17	17	25	38
	4.2	4.6	3.1	3.0	4.9	6

Note *): Based on Statistics Indonesia

Customer

The Company's main customers include the Government of Indonesia and SOEs such as the Public Works Agency, PT Pertamina (Persero) and PT Perusahaan Listrik Negara (Persero). However, in line with Indonesia's economic development, the private construction industry continues to grow. The Company views this development as a substantial market opportunities.

The Company's customers can be categorized into 3 (three) main groups, namely, the Government, SOE, and Private Sector. The following table presents the contribution of each group for the last 5 (five) years:

Year	Government		SOE		Private Sector		Total
	(Rp billion)	%	(Rp billion)	%	(Rp billion)	%	(Rp billion)
2011	3,932	28.98%	5,768	42.51%	3,868	28.51%	13,568
2012	3,136	18.31%	5,249	30.65%	8,740	51.04%	17,125
2013	4,312	24.30%	7,221	40.70%	6,210	35.00%	17,743
2014	2,697	15.30%	5,112	29.00%	9,810	55.70%	17,631
2015	3,111	29.86%	322	3.09%	6,988	67.05%	10,423
June 30, 2016	1,426	18.82%	1,914	25.26%	4,237	55.92%	7,578

Business Strategies

The Company aims to be one of the largest companies in South East Asia. In order to achieve such goal, the Company specifically implements a number of main strategies, among others:

- Marketing Strategy: Selective Market
- Financial Strategy: Centralized and Independent Financing
- Operational Strategy: QSHE, Centralized Procurement, Efficiency Program and Risk Mitigation
- Investment Strategy: Strengthened Forward-Backward Integration
- Human Capital Strategy: Competency and Dignity-Based Development

CONSOLIDATED EQUITY

The following table presents the Company's consolidated equity as of June 30, 2016, December 31, 2014, 2015, and 2016, which are derived from the Company's consolidated financial statements which have been audited with unqualified opinion for the six-month period ended June 30, 2016, and December 31, 2015, and 2014 and the years then ended by the Public Accounting Firm KAP Soejatna, Mulyana & Partners.

DESCRIPTION	As of December 31		As of June 30
	2014	2015	2016
<i>(In thousands of Rupiah)</i>			
EQUITY			
Equity attributable to owners of parent entity			
Share capital	614,922,500	614,922,500	614,922,500
Treasury Stock	(10,272,110)	(10,272,110)	(10,272,110)
Additional Paid-in Capital	715,858,789	715,858,789	715,858,789
Changes in Equity of Subsidiary Company	1,127,249,357	1,127,249,357	1,127,249,357
Other Component Equity			
Difference of Asset Valuation	23,526,182	14,626,146	14,626,146
Remeasurement Employee Benefit	(106,750,583)	(100,444,293)	(126,915,667)
Retained earnings	1,523,052,638	2,013,224,280	2,174,105,213
Sub Total	3,887,586,773	4,375,164,669	4,509,574,228
Non-Controlling Interest	989,167,968	1,062,936,696	1,090,228,273
Total Equity	4,876,754,741	5,438,101,365	5,599,802,501

DIVIDEND POLICY

The Company has a policy to distribute cash dividends to all of the Company's shareholders, with due consideration to the Company's financial position or soundness and without prejudice to the rights of the Company's General Meeting of Shareholders to determine such dividend distributions, which shall be determine in the Company's General Meeting of Shareholders.

Presented below are the descriptions of the Company's dividend payments for the 2011 up to 2015 fiscal year, which are paid on the following year.

Year	Dividend (IDR)	Ratio	Dividend/share (IDR)	Payment Date
2015	125,014,252,275	20%	20.35	May 27, 2016
2014	123,036,754,103	20%	20.03	May 22, 2015
2013	170,813,909,760	30%	27.82	May 13, 2014
2012	136,277,605,800	29%	22.32	June 14, 2013
2011	104,151,182,400	29%	17.28	June 11, 2012

TAXATION

Prospective Preemptive Right holders in this Rights Issue I are expected to consult their respective tax consultants about the tax consequences that may arise from the purchase, possession and sale of Preemptive Rights acquired through this Rights Issue I.

CAPITAL MARKET SUPPORTING INSTITUTIONS AND PROFESSIONALS

The Capital Market Supporting Institutions and Professionals participating in this Rights Issue I are as follows:

Public Accountant : Public Accounting Firm Soejatna Mulyana & Partners
Legal Consultant Tumbuan & Partners

Notary Notary Office of Fathiah Helmi, S.H.

TERMS OF THE COMPANY'S SHARE SUBSCRIPTION

1. Eligible Subscribers

The Shareholders whose names are recorded in the Company's SR as of October 10, 2016, shall be entitled to submit the Preemptive Right Share subscription with respect to this Rights Issue I, provided that each holder of ● (●) existing share shall be entitled to ● (●) Preemptive Right, whereas every 1 (one) Preemptive Right shall be entitled to subscribe 1 (one) Preemptive Right Share at a nominal value of Rp[●] ([●] Rupiah) per share at an Exercise Price of Rp[●] ([●] Rupiah) per share.

Subscribers entitled to purchase new shares are:

- a. The holders of Preemptive Rights Certificates whose names are stated on the Preemptive Rights Certificate or those who have legitimately acquired Preemptive Rights in accordance with the provisions of the prevailing laws and regulations; or
- b. The holders of Electronic Preemptive Rights registered in the Collective Depository at KSEI up to the last date of the Preemptive Rights trading period.

The subscribers may consist of individuals, Indonesian and/or Foreign Citizen and/or Institutions and/or Legal Entities/Business Entities, whether Indonesian/Foreign as stipulated in the Capital Market Law and the implementing regulations thereof.

In order to facilitate the process and ensure the eligible shareholders registration schedule is met, the shareholders of the Company's shares in the form of certificates intending to exercise their rights to acquire Preemptive Rights and have not registered their transfer of share ownerships are advised to register at the Securities Administration Bureau before the final deadline for the registration of Shareholders, which shall be October 18, 2016.

2. Distribution of Preemptive Rights

For Shareholders whose shares are administered in the Collective Depository system at KSEI, the Preemptive Rights shall be distributed electronically to the Securities Accounts at KSEI through the Securities Accounts of the respective Members of the Stock Exchange or Custodian Banks at KSEI by no later than 1 (one) Exchange Day after the date of registration of shareholders entitled to Preemptive Rights in the SR, which shall be October 11, 2016. The Prospectuses and implementation guidelines shall be distributed by the Company through KSEI, which may be obtained by the Company's shareholders from their respective Members of Stock Exchange or Custodian Banks.

For shareholders whose shares are not administered in the Collective Depository at KSEI, the Company shall issue a Preemptive Right Certificate under the name of the shareholders, which may be obtained by the eligible shareholders or their representatives at the SAB on every business days during working hours starting from October 11, 2016 by presenting:

- a. A photocopy of valid personal identification (for individual shareholders) and a photocopy of the Articles of Association for (for legal entity/institutional shareholders) The Shareholders shall also be required to present the original of such photocopies.
- b. The original copy of power of attorney (in the event of representative), supplemented with photocopies of other valid personal identification, both for the principal and the agent (the original copy of identifications of the principal and agent must be presented).

3. Preemptive Rights Exercise/Registration Procedures

Preemptive Rights may be exercised from October 12, 2016 until October 18, 2016.

- a. The holders of Preemptive Rights in the Collective Depository at KSEI intending to exercise their Preemptive Rights shall file a request to exercise such rights through the Members of the Stock Exchange/Custodian Banks appointed as their securities manager. Subsequently, Members of the Stock Exchange/Custodian Banks shall submit the exercise request or instruction through the Central Depository - Book Entry Settlement System (C-BEST) in accordance with the procedures stipulated by KSEI. In carrying out the exercise instruction, Members of the Stock Exchange/Custodian Banks must comply with the following provisions:
 - i. Holders of Preemptive Rights shall provide the Preemptive Rights exercise fund upon submission of such request.
 - ii. The adequacy of Preemptive Rights and payment fund to exercise the Preemptive Rights must be available at the Securities Accounts of the holders of Preemptive Rights exercising their rights.

On the next business day, KSEI shall submit the Preemptive Rights Holder Register exercising their rights to the Collective Depository at KSEI and deposit the payment fund to exercise such Preemptive Rights to the Company's Bank Account.

New Shares from exercised Preemptive Rights shall be distributed by the Company/the Company's SAB electronically to the accounts determined by KSEI to be further distributed by KSEI to each security account of the respective Holders of Preemptive Rights who exercised their rights. New Shares from exercised Preemptive Rights shall be distributed by the Company/the Company's SAB by no later than 2 (two) business days from the receipt of such request to exercise by KSEI and after the payment funds are received in good fund at the Company's Bank Account.

- b. The holders of Preemptive Rights in the form of certificate/Preemptive Rights Certificate intending to exercise their Preemptive Rights shall submit the request to exercise such Preemptive Rights to the Company's SAB, by submitting the following documents:
- i. The original copy of signed and complete Preemptive Right Certificate.
 - ii. The original payment slip by way of transfer/book-entry settlement/giro/cheque/cash to the Company's account from the bank where the payment is deposited.
 - iii. Photocopy of valid Resident Card (KTP)/Passport/Temporary Stay Permit Card (KITAS) (for individual), or a photocopy of Articles of Association and supported by Board of Directors/Management composition (for Institution/Legal Entity).
 - iv. The original copy of power of attorney (in the event of representative) with Rp6,000 (six thousand Rupiah) stamp duty, supplemented with photocopies of valid Resident Card (KTP)/Passport/Temporary Stay Permit Card (KITAS) of the Principal and Agent.
 - v. In the event that the holders of the Preemptive Rights intend to have the New Shares from exercised Preemptive Rights in electronic form, the exercise request shall be submitted to the Company's SAB through the appointed Members of the Stock Exchange or Custodian Banks by submitting the following additional documents:
 - The original copy of power of attorney from the holders of the Preemptive Rights to the Members of the Stock Exchange or Custodian Banks to submit the request to exercise Preemptive Rights and undertake the securities management of shares from exercised Preemptive Rights at the Collective Depository at KSEI on behalf of the Principal.
 - The original copy of signed and complete Securities Deposit Form issued by KSEI. The Company shall issue the shares from exercised Preemptive Rights in the physical form of Collective Share Certificate (CSC) in the event that the holders of Preemptive Rights Certificate do not intend to have their shares from exercised Preemptive Rights to be administered in the Collective Depository at KSEI.

Each and every conversion cost pertaining to the transfer of the Company's shares from certificate to electronic form and/or vice versa from electronic form to certificate shall be entirely paid and borne by the concerned shareholders of the Company.

Registration to exercise Preemptive Rights Certificates shall be conducted at the office of the Company's SAB's during business days and working hours (Monday to Friday, 09.00 - 15.00 Western Indonesian Time).

In the event that the Preemptive Rights Certificates are not completed in accordance with the shares subscription guidelines/requirements stated on the Preemptive Rights Certificate and in the Prospectus, the subscription may be rejected. Preemptive Rights shall be deemed exercised only when such payments have been proved to be in good funds in the Company's Bank Account in accordance with the requirements stipulated in the terms of subscription.

4. Additional Shares Subscription

Eligible Shareholders who do not sell their Preemptive Rights or buyers/holders of Preemptive Rights whose names are stated on the Preemptive Rights Certificate, or the holders of Preemptive Rights in the Collective Depository at KSEI, may file additional shares subscription in addition to their existing rights by filling in the additional shares subscription column provided on the Preemptive Rights Certificate or Additional Share Subscription Form in a sum of no less than 100 shares or any multiples thereof.

- a. Holders of Preemptive Rights in the form of certificate/Preemptive Rights Certificate intending to have the New Shares from their allotment in electronic form shall file a request to the Company's SAB through the Members of Stock Exchange/Custodian Bank by submitting the following documents:
- The original copy of Additional Share Subscription Form (SSF) that has been filled in completely and correctly.
 - The original copy of the power of attorney from the Holders of Preemptive Rights to the Members of Stock Exchange or Custodian Banks to file the Additional New Shares Subscription requests and undertake the securities management of New Shares from allotment in the Collective Depository at KSEI and other authorizations which may have been given in relation to the subscription of Additional New Shares on behalf of the Principal.
 - Photocopy of valid Resident Card (KTP)/Passport/Temporary Stay Permit Card (KITAS) (for individual), or a photocopy of Articles of Association and supported by Board of Directors/Management composition (for Institution/Legal Entity).
 - The original payment slip by way of transfer/book-entry settlement/giro/cheque/cash to the Company's account from the bank where the payment is deposited.
 - The original copy of Securities Deposit Form issued by KSEI, which has been filled in completely for the purpose of distributing shares from exercised preemptive rights by the SAB.
- b. Holders of Preemptive Rights in the form of certificate/Preemptive Rights Certificate intending to have the New Shares from their allotment to remain in the the physical form/certificates shall file a request to the Company's SAB through the Members of Stock Exchange/Custodian Bank by submitting the following documents:
- The original copy of Additional SSF that has been filled in completely and correctly.
 - Photocopy of valid Resident Card (KTP)/Passport/Temporary Stay Permit Card (KITAS) (for individual), or a photocopy of Articles of Association and supported by Board of Directors/Management composition (for Institution/Legal Entity).

- The original copy of power of attorney (in the event of representative) with Rp6,000 (six thousand Rupiah) stamp duty, supplemented with photocopies of valid Resident Card (KTP)/Passport/Temporary Stay Permit Card (KITAS) of the Principal and Agent.
 - The original payment slip by way of transfer/book-entry settlement/giro/cheque/cash to the Company's account from the bank where the payment is deposited.
- c. Holders of Preemptive Rights in the Collective Depository at KSEI shall fill in and submit the Additional SSF which have been distributed supplemented by the following documents:
- The original copy of settled exercise instructions conducted in C-BEST according to the name of the concerned Holders of Preemptive Rights (only for holders of Preemptive Rights in the Collective Depository at KSEI who have exercised their rights on the C-BEST system).
 - The original copy of Securities Deposit Form issued by KSEI, which has been filled in completely for the purpose of distributing shares from exercised preemptive rights by the SAB.
 - The original payment slip by way of transfer/wire/giro/cheque/cash to the Company's account from the bank where the payment is deposited.

Payment for such additional subscription shall be made and must be received in good funds in the Company's bank account by no later than October 20, 2016. Subscriptions that fail to meet the guidelines according to the terms of subscription may be rejected.

5. Allotment of Additional Shares Subscription in the Rights Issue I

The allotment of additional shares subscription will be determined on October 21, 2016, subject to the following provisions:

- a. In the event that all subscribed shares, including additional shares subscription, do not exceed the total number of shares offered in this Rights Issue I, then all subscription of additional shares shall be fulfilled;
- b. In the event that all subscribed shares, including additional shares subscription, exceed the total number of shares offered in this Rights Issue I, then the subscribers placing additional shares subscriptions shall be subject to the allotment system in proportion to the additional subscription of Preemptive Rights exercised by each shareholder placing such additional share subscriptions.

6. Terms of Payment for Holders of Preemptive Rights Certificates (Outside KSEI's Collective Depository) and Additional New Shares Subscriptions

Payment of the shares subscriptions in relation to the Rights Issue I which subscriptions are filed directly to the Company's SAB shall be paid in full and in good funds in Rupiah currency upon subscriptions, by way of cash/cheques/bilyet giro/book-entry settlement/transfer by stating the Preemptive Rights Certificate Number or Additional SSF Number and such payments shall be transferred to the Company's bank account (the "Company's Bank") stated below:

Bank ●
Branch: Jl. [●]
Account Number: A/C. [●]
Under the name of: PT ●

All cheques and bank drafts received shall be immediately endorsed upon receipt. In the event that such cheques or bank drafts are dishonored by the drawing bank upon endorsement, the Preemptive Rights Shares subscriptions shall be considered void. In the event of payment by way of cheques/book-entry settlement/bilyet giro, then payment date shall be considered based on the date that such cheques/book-entry settlement/bilyet giro are received in good funds in the Company's bank account stated above.

For subscriptions of additional Preemptive Rights Shares, payments shall be made on the day of subscription, where such payments shall be received in good funds in the Company's bank account by no later than October 20, 2016.

All costs that may arise with respect to the shares subscriptions in relation to this Rights Issue I shall be borne by the subscribers. Shares subscriptions that fail to satisfy the terms of payment shall be considered void.

7. Receipt of Share Subscription

The Company, through the Company's SAB receiving the Preemptive Rights Share subscription requests shall provide stamped and signed Receipt of Share Subscriptions to the subscribers as evidence of Preemptive Rights Share Subscription, which shall subsequently be used as one of the evidence during the collection of the Preemptive Rights Shares. Holders of Preemptive Rights in the Collective Depository at KSEI shall receive confirmation on the requests to exercise Preemptive Rights from C-BEST at KSEI through the Account Holders at KSEI.

8. Cancellation of Share Subscription

The Company reserves the right to cancel the Preemptive Rights Share subscriptions, whether in part or in whole, with due consideration to the prevailing requirements. Notification concerning cancellation of the Preemptive Rights Share subscriptions shall be delivered by allotment confirmation form and the refund of subscription fund to the members of the stock exchange/custodian banks/or holders of shares in the form of certificates.

Other matters that may result in the cancellation of the Preemptive Rights Share subscriptions are, among others, as follows:

- a. Failure to complete the Preemptive Right Certificates or Additional SSF in accordance with the guidelines/terms of subscription of New Shares stated on the Preemptive Right Certificates and in the Prospectus;
- b. Failure to satisfy the terms of payment;
- c. Failure to satisfy the requirements concerning the completeness of subscription documents.

In the event that there are parties that are prohibited to exercise their Preemptive Rights as such conversion of Preemptive Rights to shares is prohibited by the prevailing law, but such parties continues to subscribe to the Shares and pay the subscription fund, the Company shall have the right to deem such Preemptive Rights or other Preemptive Rights documentation submitted by such parties as invalid and to return all the subscription fund paid in Rupiah currency by transferring such fund to the bank account under the name of the said subscribers. The Company shall refund the subscription by no later than 2 (two) Business Days subsequent to the Allotment Date. Refunds made until such date shall not be subject to interest.

9. Refund of Subscription

In the event of failure to fulfill the additional Preemptive Rights Shares, whether in part or in whole, or in the event of cancellation of share subscriptions, the Company shall refund such subscriptions, whether in part or in whole, in Rupiah currency by way of transfer to the bank account under the name of the subscribers. The Company shall refund the subscription on October 25, 2016, (by no later than 2 (two) Business Days subsequent to the Allotment Date). Refunds made until October 25, 2016, shall not be subject to interest.

In the event of lateness in refunding the subscription by more than 2 (two) Business Days subsequent to the Allotment Date, the refund sum shall include the penalty, which shall be calculated starting the 3rd (third) business day subsequent to the Allotment Date until the date of refund, which shall be calculated based on the annual interest rate of 1 (one) month time deposit at the bank where such fund is placed. The Company shall not be subject to fine for the lateness in refunding the share subscription fund if such lateness is due to the subscribers' error in stating the name of the bank and the bank account number.

Refund for Holders of Preemptive Rights in the collective depository at KSEI who exercise their rights through KSEI shall be performed by KSEI.

10. Delivery of Shares from Exercised Preemptive Rights

Shares from Exercised Preemptive Rights for subscribers exercising their Preemptive Rights according to their rights through KSEI, shall have their shares credited to the securities account in 2 (two) business days after the instructions to exercise Preemptive Rights are received from KSEI and the payments have been received in good funds in the Company's bank account.

Shares from exercised Preemptive Rights for holders of Preemptive Rights in the form of certificate exercising their Preemptive Rights according through their rights shall receive the Collective Share Certificate or shares in the form of certificates by no later than 2 (two) business days after the requests are received by the Company's SAB and the payments have been effective (in good funds) in the Company's bank account.

Whereas the Collective Share Certificate of the Preemptive Rights Shares from the allotment of additional Preemptive Rights Shares subscription shall be available or shall be distributed electronically to the Collective Depository at KSEI by no later than 2 (two) business days after the allotment.

Preemptive Rights Share Certificates from the exercised Preemptive Rights shall be available for collection on every Business Day (Monday - Friday, 9.00 - 15.00 Western Indonesian Time), starting from October 14, 2016. Whereas the Collective Share Certificates from share allotment shall be available for collection starting from October 25, 2016. Collection may be conducted in the SAB's office by presenting/submitting the following documents:

- a. Photocopy of valid Resident Card (KTP)/Passport/Temporary Stay Permit Card (KITAS) (for individual); or
- b. Photocopy of Articles of Association (for Institution/Legal Entity) and supported by valid Board of Directors/Management composition;
- c. The original copy of power of attorney (for institutions/legal entity or individuals with representative) with Rp6,000 (six thousand Rupiah) supplemented with photocopies of Resident Card (KTP)/Passport/Temporary Stay Permit Card (KITAS) of the Principal and Agent.
- d. The original Receipt of Share Subscription.

11. Allocation of Remaining Shares Unsubscribed by the Holders of Preemptive Rights

In the event that the shares offered in this Rights Issue I are not entirely subscribed by the holders of Preemptive Rights, the remaining shares shall be allocated to other holders of Preemptive Rights whose subscriptions exceed their respective rights as stated in the Preemptive Rights, in proportion to the amount of their respective exercised Preemptive Rights.

DESCRIPTION OF PREEMPTIVE RIGHTS

Shares offered in this Rights Issue I shall be issued based on the Preemptive Rights issued by the Company to the eligible shareholders. Preemptive Rights are tradable during the trading period by transferring the ownership of Preemptive Rights through book-entry settlement of Preemptive Rights between Securities Account at KSEI.

Holders of Preemptive Rights intending to trade shall open the Securities Accounts at the Members of Stock Exchange or Custodian Banks which have been registered as Account Holders in KSEI. Several important terms which shall be considered with respect to this Preemptive Rights are as follows:

1. Parties Entitled to Preemptive Rights Certificate

Shareholders entitled to acquire Preemptive Rights shall be the Shareholders whose names are registered in the Company's SR on October 10, 2016 at 16.00 Western Indonesian Time.

2. Legitimate Preemptive Rights Certificate Holders

Legitimate Preemptive Rights Certificate Holders are:

- a. The Company's shareholders whose name are legitimately registered in the Company's SR as of October 10, 2016, up to 16.00 Western Indonesian Time, whose Preemptive Rights are not sold until the end of the Preemptive Rights trading period.
- b. The buyers of Preemptive Rights whose names are stated on the Preemptive Rights Certificate until the end of the Preemptive Rights trading period.
- c. The holders of Preemptive Rights administered in the Collective Depository at KSEI up to the last date of the Preemptive Rights trading period.

3. Trading of Preemptive Rights Certificate

Holders of Preemptive Rights may trade their Preemptive Rights Certificate during the trading period, which shall commence from October 12, 2016, up to October 18, 2016.

Trading of scripless Preemptive Rights shall duly consider the provisions of the prevailing laws and regulations in the jurisdictions of the Unified State of the Republic of Indonesia, including but not limited to, tax regulations and the regulations in the Capital Market, including the regulations of stock exchange where such Preemptive Rights are traded, namely PT Bursa Efek Indonesia and the regulations of PT Kustodian Sentral Efek Indonesia (KSEI). In the event that the holders of Preemptive Rights are in doubts as to what decision should be taken, you are advised to consult investment consultants, stockbrokers, investment managers, legal counsels, public accountant or other professional consultants, at your own cost,

Preemptive Rights administered in the Collective Depository at KSEI shall be traded on the Indonesian Stock Exchange, where as Preemptive Rights in the form of Preemptive Rights Certificate may be traded solely outside of the stock exchange.

Settlement of Preemptive Rights trading on the Stock Exchanges shall be made by way of book-entry settlement between securities accounts under the name of Custodian Banks or Members of Stock Exchange at KSEI.

All costs and taxes that may arise from the trading and transfer of Preemptive Rights shall be the responsibility and cost of the holders of Preemptive Rights or prospective holders of Preemptive Rights.

4. Forms of Preemptive Right Certificates

For the Company's shareholders whose shares are not administered in the Collective Depository at KSEI, the Company shall issue Preemptive Rights Certificates which shall state the name and address of the Preemptive Rights holders, number of shares owned, the number of Preemptive Rights that may be exercised to purchase Preemptive Rights Shares, the number of Preemptive Rights Shares to be purchased, the sum to be paid, the amount of additional Preemptive Rights Share subscriptions, endorsement column and other required information.

For shareholders whose shares are administered in the Collective Depository at KSEI, the Company shall not issue Preemptive Rights Certificate, but shall credit the Preemptive Rights to the securities accounts under the name of the Custodian Banks or Securities Companies appointed by each shareholder at KSEI.

5. Request for Preemptive Right Certificate Split

Holders of Preemptive Rights Certificate intending to sell or transfer a portion of their Preemptive Rights may contact the Company's SAB to obtain the desired denomination of Preemptive Rights. Holders of Preemptive Rights split the Preemptive Rights Certificate from October 12, 2016, until October 18, 2016.

Each split shall be subject to a charge of Rp[●] ([●] Rupiah) per each new Preemptive Right Certificate as a result of such split. Such charge is inclusive of Value Added Tax.

The Preemptive Right Certificate resulting from such split shall be available for collection within 1 (one) Exchange Day after the complete request is accepted by the Company's SAB.

6. Value of Preemptive Rights

The value of Preemptive Rights offered by the legitimate holders of Preemptive Rights shall vary from one another, based on the existing demand and supply in the market.

For example, the calculation of Preemptive Rights value presented below is one of the methods to calculate the Preemptive Rights value, but such calculation shall not guarantee that the result of Preemptive Rights value shall reflect the actual value of the Preemptive Rights.

The following elucidation is expected to provide a general overview on calculating Preemptive Rights value:

- The share closing price on the last exchange day prior to the trading of Preemptive Rights = Rp a
 - Exercise Prices of Rights Issue = Rp b
 - Outstanding Shares Prior to Rights Issue I = A
 - Shares Issued in Rights Issue I = B
 - Theoretical Price of the Preemptive Right Share = $\frac{(Rp\ a \times A) + (Rp\ b \times B)}{(A + B)}$
- = Rp c
= Rp a - Rp c

Therefore, theoretically the price of Preemptive Rights per share is

7. Use of Preemptive Right Certificate

The Preemptive Right Certificate is an evidence of the rights granted by the Company to the Holders of Preemptive Rights to purchase Preemptive Right Shares. The Preemptive Right Certificates are issued solely for the eligible Shareholders who have not convert their shares and to be used to subscribe Preemptive Right Shares. Photocopies of Preemptive Right Certificates are not valid. Preemptive Right Certificates cannot be exchanged with cash or any other forms by the Company. Evidence of ownership of Preemptive Rights for holders of Preemptive Rights administered in the Collective Depository at KSEI shall be delivered by KSEI through their respective Members of the Stock Exchange or Custodian Banks.

8. Fraction of Preemptive Rights

Pursuant to the POJK No. 32/2015, in the event that shareholders own Preemptive Rights in the form of a fraction, the rights over such fraction of securities must be sold by the Company, and the proceeds of such sales shall be deposited to the Company's account.

9. Others

All costs incurred in relation to the transfer of Preemptive Rights shall be borne by the Holders of Preemptive Rights Certificate or prospective holders of the Preemptive Rights.

DISTRIBUTION OF PROSPECTUS AND PREEMPTIVE RIGHT CERTIFICATES (PRC)

The Company has announced key information with regard to this Rights Issue I through advertisement in the newspapers.

1. For Shareholders whose shares are administered in the Collective Depository system at KSEI, the Preemptive Rights shall be distributed electronically to the Securities Accounts of their respective Members of the Stock Exchange or Custodian Banks at KSEI by no later than 1 (one) Business Day after the registration date in the SR for Rights Issue I, which shall be October 11, 2016. The Prospectus and additional SSF are available at the Company's SAB.
2. For Shareholders whose shares are not administered in the Collective Depository system at KSEI, the Company shall issue Preemptive Right Certificates under the name of the shareholders, and such shareholders may obtain the Preemptive Right Certificates, Prospectus, Additional SSFs and other forms starting October 11, 2016, by presenting the original copy of valid identification (Resident Card (KTP)/Passport/Temporary Stay Permit Card (KITAS)) and submit the photocopies thereof and the original Power of Attorney for those unable to obtain the documents referred by themselves to the Company's SAB:

Jl. Jenderal Sudirman, Kav. 34, Jakarta
Phone. 021 - 5709009
Fax. 021 - 5709026

In the event that the Company's shareholders whose names are registered in the Shareholder Register on October 10, 2016, at 16.00 Western Indonesian Time have not obtained the Prospectus and Preemptive Right Certificates and do not contact PT Datindo Entrycom as the Company's SAB, then all risks of losses shall not be the responsibility of PT Datindo Entrycom or the Company, but shall remain as the responsibility of the concerned shareholder.

SUPPLEMENTARY INFORMATION

In the event of any uncertainties concerning this Prospectus or in the event that the shareholders require additional information concerning this Rights Issue I, the shareholders may contact:

Corporate Secretary and Investor Relation
PT Wijaya Karya (Persero) Tbk

Head Office

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