

CONFIDENTIAL OFFERING MEMORANDUM

Ordinary Shares



PT WIJAYA KARYA BETON Tbk

PT Wijaya Karya Beton Tbk, a company incorporated under the laws of the Republic of Indonesia (the "Company") is conducting an initial public offering of up to 2,045,466,600 (two billion forty five million four hundred and sixty six thousand six hundred) of its shares with nominal value of Rp100 (one hundred Rupiah) per share (including the Employee Stock Allocation (the "ESA") (the "Shares") or representing 23.47% (twenty three point forty seven percent) of the total issued and paid-up capital in the Company subsequent to the Initial Public Offering. The Shares are being offered and distributed through PT Bahana Securities (Affiliated), PT Danareksa Sekuritas (Affiliated), PT Mandiri Sekuritas (Affiliated) and PT Sucorinvest Central Gani (each an "Underwriter" and together the "Underwriters" or the "Joint Lead Underwriters").

The Shares are being offered and sold outside the United States in reliance on Regulation S ("Regulation S") under the US Securities Act of 1933, as amended (the "US Securities Act"). The Shares have not been and will not be registered under the US Securities Act, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. The institutional offering consists of the offer and sale of Shares to institutional investors outside of Indonesia and in "offshore transactions" (as defined in Regulation S), including to professional investors in Hong Kong, certain investors in Malaysia, or institutional investors in Singapore, in compliance with Regulation S (the "Institutional Offer"). The public offer (including an offering to Indonesian institutions and other investors) is being conducted solely in Indonesia (the "Indonesian Offer"). The Institutional Offer and the Indonesian Offer are collectively referred to as the "Offer".

The offering memorandum for the Institutional Offer consists of (1) this confidential offering memorandum; (2) the Indonesian prospectus dated March 28, 2014 that has been prepared for the Indonesian Offer (the "Indonesian Prospectus"); and (3) the English translation of the Indonesian Prospectus (the "English Prospectus"), all of which should be read together prior to making an investment decision to buy the Shares and are referred to collectively as the "Offering Memorandum". In the event of inconsistency between the Indonesian Prospectus and the English Prospectus, the Indonesian Prospectus shall prevail. The Underwriters are not responsible for the accuracy of the translation of the Indonesian Prospectus to the English Prospectus.

Prior to the Offer, there has been no public market for the Shares. Application will be made to the Indonesia Stock Exchange ("IDX") for admission to the official list of the IDX and for official quotation on the IDX. Listing on the IDX is not automatic or guaranteed. It is expected that trading on the IDX and quotation on the IDX will commence on a conditional and deferred settlement basis on or about April 8, 2014.

For a discussion of certain risks that you should consider in connection with an investment in the Shares, see "Business Risk" in Chapter VI of the English Prospectus.

On March 28, 2014, the exchange rate between the Indonesian Rupiah and U.S. dollar as reported by Bank Indonesia on its website at www.bi.go.id was US\$1.00 = Rp11,404

Final Price: IDR590 per Share

The final price for the Shares was determined following a book-building process by an agreement between the Company and the Underwriters.

Each purchaser of the Shares was deemed to have made certain acknowledgements, representations and agreements with respect to its purchase. For a description of these acknowledgements, representations and agreements and for certain restrictions on transfers, see "Offering Restrictions" in this Offering Memorandum.

The Offering Memorandum does not constitute an offer, solicitation or invitation to subscribe for and/or purchase the Shares in any jurisdictions in which such offer, solicitation or invitation is unlawful or is not authorized or to any person to whom it is unlawful to make such offer, solicitation or invitation. No action has been or will be taken under the requirements of the legislation or regulations of, or of the legal or regulatory authorities of Hong Kong, Malaysia, Singapore, or any other jurisdictions, except for the registration of the Indonesian Prospectus in Indonesia in order to permit a public offering of the Shares and the public distribution of the Indonesian Prospectus in Indonesia. The distribution of the Offering Memorandum and the offering of the Shares in jurisdictions other than in Indonesia may be prohibited or restricted by the relevant laws in such jurisdictions. Persons who may come into possession of the Offering Memorandum are required by the Company and the Joint Lead Underwriters to inform themselves about, and observe and comply with, any such prohibitions or restrictions at their own expense and without liability to the Company and the Joint Lead Underwriters. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdictions.

The information contained in the Offering Memorandum does not constitute any legal, business, financial or tax advice and no representation is made to any person regarding the legality of an investment in the Shares under any laws or regulations. Each potential acquirer of the Shares should determine for itself the relevance of the information contained in the Offering Memorandum and its acquisition of the Shares should be based upon such independent investigations and consultations with its own tax, legal, business and other advisers as it deems necessary. You are advised to exercise caution in relation to the Initial Public Offering. If you are in any doubt about any of the contents of the Offering Memorandum, you should obtain independent professional advice.

Prospective investors should read the whole of the Offering Memorandum. The Shares are only being offered, and this Offering Memorandum is only being distributed, to those eligible investors in Indonesia, Hong Kong, Malaysia and Singapore who are permitted to subscribe for, or purchase, the Shares under applicable law.

The Offering Memorandum and its contents are confidential and should not be distributed, published, reproduced or otherwise made available in whole or in part or disclosed by recipients to any other persons. It is a condition of the issue of the Offering Memorandum that it is to be kept confidential and will not be reproduced, copied or circulated (electronically or otherwise) in whole or in part to any third party without the express written consent of the Joint Lead Underwriters.

Joint Lead Underwriters



SCHEDULE

Effective Date	:	26 March 2014
Offering Period	:	28 March - 2 April 2014
Allotment Date	:	4 April 2014
Refund Date	:	7 April 2014
Electronic Share Distribution	:	7 April 2014
Listing Date on the IDX	:	8 April 2014

OJK DOES NOT ISSUE A STATEMENT OF APPROVAL OR DISAPPROVAL OF THESE SECURITIES. IT ALSO DOES NOT STATE THE AUTHENTICITY OR ADEQUACY OF THE CONTENTS OF THIS PROSPECTUS. ANY STATEMENT TO THE CONTRARY SHALL BE A VIOLATION OF THE LAW.

PT WIJAYA KARYA BETON TBK (THE "COMPANY") AND THE JOINT LEAD UNDERWRITERS ARE FULLY RESPONSIBLE FOR THE ACCURACY OF ALL INFORMATION OR MATERIAL FACTS AND THE ACCURACY OF OPINIONS CONTAINED IN THIS PROSPECTUS.

ALL OF THE SHARES OFFERED IN THIS PUBLIC OFFERING WILL BE LISTED ON THE INDONESIA STOCK EXCHANGE ("IDX")



PT WIJAYA KARYA BETON Tbk

Main Line of Business:

Engaged in pre-cast concrete industry, construction services and other related business.

Domiciled in Bekasi, West Java, Indonesia

Head Office

JW Building
Jl. Raya Jatiwaringin No. 54, PondokGede, Bekasi, 17411
West Java- Indonesia
Telephone: (021) 84973363 (hunting)
Fax: (021) 84973391
Email: sekper@wika-beton.co.id
Website: www.wikabeton.co.id

Concrete Product Factory (CPF) Location

CPF North Sumatera Jl Binjai Km.15,5 No.1 Diski Deli Serdang 20351	CPF Lampung Jl. Raya Tegineneng Km.35 Desa Bumi Agung, Pesawaran 35363	CPF Bogor Jl. Raya Narogong Km.26 Cileungsi Bogor 16820	CPF Karawang Jl. Surya Madya 3 Kav. 1-34 Kawasan Industri Suryacipta Karawang 41361
CPF Majalengka Jl. Raya Barat Burujul Kulon Jatiwangi, Majalengka 45454	CPF Boyolali Jl. Raya Boyolali-Solo Km.4,5 Mojosongo, Boyolali 57300	CPF Pasuruan Jl. Raya Kejapanan No. 323 Gempol, Pasuruan 67155	CPF South Sulawesi Jl. Kima Raya II Kav. S/4-5-6 Kawasan Industri Makassar Makassar 90241

PUBLIC OFFERING

The Company herewith conducts a Public Offering of 2,045,466,600 (two billion forty five million four hundred and sixty six thousand six hundred) ordinary registered shares with a nominal value of Rp100.00 (one hundred Rupiah) per share or representing 23.47% (twenty three point forty seven percent) of total issued and paid-up capital in the Company subsequent to the Public Offering, which are offered to the Public at an Offer Price of Rp590.00 (five hundred and ninety Rupiah) per share, which has to be fully paid-up upon submission of the Shares Subscription Form ("SSF"). The total value of the Public Offering is amounted to Rp1,206,825,294,000.00 (one trillion two hundred and six billion eight hundred and twenty-five million two hundred and ninety-four thousand Rupiah).

All shares offered in this Public Offering are new shares issued by the Company's shares in portfolio, which grants to the holders equal and similar rights in all respect with the shares of the Company's existing issued and fully paid-up shares, including, among others, the right to cast votes in any GMS conducted by the Company and the right to receive dividend distributions. Those rights are in accordance with the provisions of Article 52 section (1) of the Limited Liability Company Law.

Based on the Decision Letter of the Company's Board of Directors No. SK.01.01/WB-0A.019/2014 dated 11 February 2014 concerning Employee Stock Allocation (ESA) Program in the Form of Allocation of Employee Award Shares and Fixed Allotment Shares, the Company determined the total ESA Program to be 3% (three percent) or equals to 61,364,000 (sixty one million three hundred sixty four thousand) shares of the Company's Public Offering, The complete information regarding the ESA Program is presented in Chapter I of this Prospectus.

JOINT LEAD UNDERWRITERS



PT Bahana Securities
(Affiliated)



PT Danareksa Sekuritas
(Affiliated)



PT Mandiri Sekuritas
(Affiliated)



SucorInvest
PT Sucorinvest Central Gani

UNDERWRITERS

PT Amantara Securities, PT BNI Securities, PT Buana Capital, PT Danpac Sekuritas, PT Equity Securities Indonesia, PT Erdikha Elit Sekuritas, PT Evergreen Capital, PT Grow Asia Capital, PT HD Capital Tbk, PT Indo Mitra Securities, PT Inti Fikasa Securindo, PT Investindo Nusantara Sekuritas, PT Jasa Utama Capital, PT Kresna Graha Sekurindo Tbk, PT Lautandhana Securindo, PT Madani Securities, PT Magenta Kapital Indonesia, PT Makinta Securities, PT Masindo Artha Securities, PT Mega Capital Indonesia, PT MNC Securities, PT NISP Sekuritas, PT Nusantara Capital Securities, PT Onix Sekuritas, PT Panca Global Securities Tbk, PT Panin Sekuritas Tbk, PT Phillip Securities Indonesia, PT Recapital Securities, PT Reliance Securities Tbk, PT Trimegah Securities Tbk, PT Valbury Asia Securities, PT Victoria Securities Indonesia, PT Wanteg Securindo, PT Waterfront Securities Indonesia, PT Woori Korindo Securities Indonesia, PT Yulie Sekurindo Tbk.

The Joint Lead Underwriters and the Underwriters shall guarantee with full commitment the Public Offering of the Company's share.

THE PRIMARY RISK FACED BY THE COMPANY IS THE RISK ASSOCIATED WITH THE DECREASE IN THE NUMBER OF ACQUIRED PROJECTS. THE COMPANY'S BUSINESS RISKS ARE DETAILED IN CHAPTER VI OF THIS PROSPECTUS.

THE COMPANY SHALL NOT ISSUE COLLECTIVE SHARES CERTIFICATES IN THIS PUBLIC OFFERING, THE SHARES SHALL BE DISTRIBUTED ELECTRONICALLY AND ADMINISTERED IN THE COLLECTIVE DEPOSITORY OF PT KUSTODIAN SENTRAL EFEK INDONESIA ("KSEI").

THE RISKS FACED BY THE INVESTOR OF THE SHARES INCLUDE THE ILLIQUIDITY OF THE SHARES OFFERED IN THIS PUBLIC OFFERING THAT MAY ARISE DUE TO, AMONG OTHER THINGS, THE LIMITED NUMBER OF THE COMPANY'S SHAREHOLDERS.

PT Wijaya Karya Beton Tbk (hereinafter referred to as the "Company"), has submitted a Share Issuance Registration Statement with respect to the Public Offering to the Financial Services Authority of Indonesia ("OJK") formerly called the Capital Market and Financial Institution Supervisory Agency (Bapepam-LK) in Jakarta pursuant to a letter No. SE.01.01/WB-OA.024/2014 dated 23 January 2014 in accordance with the terms as stipulated under Law No. 8 of 1995 regarding Capital Market (State Gazette No. 64 of 1995, Supplemental State Gazette No. 3608) and its implementing regulations and amendments thereto ("Capital Market Law").

The offered shares in this Public Offering are to be registered with the Indonesia Stock Exchange ("IDX") in accordance with the Preliminary Securities Registration Agreement dated 22 January 2014 entered into between the Company and the IDX subject to the satisfaction of the registration requirements as determined by the IDX, among others concerning the number of individual and institutional Shareholders at the IDX and each Shareholder holding at least 1 (one) share unit. If the share registration requirements are not met, the Public Offering will be terminated and the subscription money received will be returned to the subscribers in accordance with the relevant provisions of the Capital Market Law. Pursuant to the Letter from the Board of Commissioners of OJK No. S-174/D.04/2014 dated March 26, 2014, the Registration Statement submitted by the Company was declared effective.

For the purpose of this Public Offering, the Company, the Joint Lead Underwriters, the Underwriters and the Capital Market Supporting Institutions and Professionals are fully responsible for the accuracy of data, accuracy of opinions, statements and reports presented in the Prospectus pursuant to their respective areas of duty in accordance with the prevailing regulations applicable in the territory of the Republic of Indonesia as well as their respective code of ethics, norms and professional standards.

In connection with the Public Offering, no affiliated party shall give any statement or remarks or explanation whatsoever with regard to matters that have not been disclosed in this Prospectus without the prior written approval from the Company and the Joint Lead Underwriters.

PT Bahana Securities, PT Danareksa Sekuritas, and PT Mandiri Sekuritas as Joint Lead Underwriters that also act as Underwriters are affiliated with the Company, whereas PT Sucorinvest Central Gani as Joint Lead Underwriter is not affiliated with the Company. The other Underwriters, as well as the Capital Market Supporting Institution and Professionals expressly state that they are not affiliated with the Company, directly or indirectly, as such term is defined in the Capital Market Law.

This Prospectus does not constitute an offer, solicitation or invitation to subscribe for and/or purchase the Shares in any jurisdictions in which such offer, solicitation or invitation is unlawful or is not authorized or to any person to whom it is unlawful to make such offer, solicitation or invitation. No action has been or will be taken under the requirements of the legislation or regulations of, or of the legal or regulatory authorities of Hong Kong, Malaysia or Singapore or any other jurisdictions, except for the registration of this Prospectus in Indonesia in order to permit a public offering of the Shares and the public distribution of this Prospectus in Indonesia. The distribution of this Prospectus and the offering of the Shares in jurisdictions other than Indonesia may be prohibited or restricted by the relevant laws in such jurisdictions. Persons who may come into possession of this Prospectus are required by the Company and the Joint Lead Underwriters to inform themselves about, and observe and comply with, any such prohibitions or restrictions at their own expense and without liability to the Company and the Joint Lead Underwriters. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdictions.

The information contained in this Prospectus does not constitute any legal, business, financial or tax advice, and no representation is made to any person regarding the legality of an investment in the Shares under any laws or regulations. Each potential acquirer of the Shares should determine for itself the relevance of the information contained in this Prospectus and its acquisition of the Shares should be based upon such independent investigations and consultations with its own tax, legal, business and other advisers as it deems necessary.

Prospective investors should read the whole of this Prospectus. The Shares are only being offered, and this Prospectus is only being distributed, to those eligible investors in Indonesia, Hong Kong, Malaysia, and Singapore who are permitted to subscribe for, or purchase, the Shares under applicable law.

In making an investment decision, you must rely on your own examination of the Company and the terms of the Offer, including the merits and risks involved. By receiving this Prospectus, you acknowledge that (i) you have not relied on the Company or the Joint Lead Underwriters or any person affiliated with the Company or any of them, in connection with your investigation of the accuracy of any information in this Prospectus or your investment decision; and (ii) no person has been authorized to give any information or to make any representation concerning the Company or the Shares other than as contained in this Prospectus and, if given or made, any such other information or representation should not be relied upon as having been authorized by the Company or the Joint Lead Underwriters.

No representation or warranty, express or implied, is made by the Joint Lead Underwriters as to the accuracy or completeness of the information contained in this Prospectus. Neither the delivery of this Prospectus nor the offer of the Shares shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Company since the date of this Prospectus or that any information contained herein is correct as of any date subsequent to the date hereof. Where such changes occur, the Company may make an announcement of the same on the IDX. All applicants should take note of such announcement and, upon release of such announcement, shall be deemed to have notice of such changes. Save as expressly stated in this Prospectus, nothing herein is, or may be relied upon as, a promise or representation as to the future performance or policies of the Company.

Offering restrictions

The contents of this Prospectus have not been reviewed or approved by any regulatory authorities outside Indonesia, including the authorities in Hong Kong, Malaysia, or Singapore. You are advised to exercise caution in relation to the Offer. If you are in any doubt about any of the contents of this Prospectus, you should obtain independent professional advice.

Hong Kong

This Prospectus has not been delivered for registration to the Registrar of Companies in Hong Kong and its contents have not been reviewed by any regulatory authority in Hong Kong. Accordingly, the Shares have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (i) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (ii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance. No advertisement, invitation or document, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) has been issued or will be issued in Hong Kong or elsewhere other than with respect to the Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance.

Malaysia

This Prospectus has not been and will not be registered as a prospectus with the Securities Commission Malaysia under the Capital Markets and Services Act 2007 of Malaysia (“CMSA”). No prospectus in relation to the Shares which complies with the requirements of the CMSA and the guidelines of the Securities Commission Malaysia has been registered with the Securities Commission Malaysia under the CMSA or with any other regulatory body in Malaysia. As such, the Shares will only be made available and offered for sale to persons falling within any of the paragraphs 2(g)(i) to (xi) of Schedule 5 of the CMSA, provided that the distribution of such Shares is made by a holder of a Capital Markets Services License who carries on the business of dealing in securities. This Prospectus does not constitute and may not be used for the purpose of a public offering or an issue, offer for subscription or purchase, invitation to subscribe for or purchase any securities requiring the registration of a prospectus with the Securities Commission Malaysia under the CMSA.

Singapore

This Prospectus is not a prospectus as defined in the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”) and accordingly, statutory liability under the SFA in relation to the content of this Prospectus will not apply. As this Prospectus has not been and will not be lodged with, or registered as a prospectus by, the Monetary Authority of Singapore, this Prospectus and any other document or material in connection with the Offer or sale, or invitation for subscription or purchase, of the Shares may not be circulated or distributed, nor may the Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than: (a) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA; (b) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1A) of the SFA, or any person pursuant to an offer referred to in Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA; or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA.

Where the Shares are subscribed or purchased under Section 275 of the SFA by a relevant person who is:

- (i) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals; each of whom is an accredited investor; or
- (ii) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor,

shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest in that trust shall not be transferable for six months after that corporation or that trust has acquired the Shares under Section 275 of the SFA except:

- (i) to an institutional investor under Section 274 of the SFA or to a relevant person defined in Section 275 (2) of the SFA, or to any person pursuant to an offer that is made on terms that such shares, debentures and units of shares and debentures of that corporation or such rights and interest in that trust are acquired at a consideration of not less than S\$200,000 (or its equivalent foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets; or
- (ii) where no consideration is given for the transfer;
- (iii) where the transfer is by operation of law; or
- (iv) as specified in Section 276(7) of the SFA.

By accepting this Prospectus, the recipient hereof represents and warrants that he is entitled to receive such report in accordance with the restrictions set forth above and agrees to be bound by the limitations contained herein. Any failure to comply with these limitations may constitute a violation of the law.

THIS PUBLIC OFFERING IS NOT REGISTERED UNDER ANY LAW OR REGULATION OTHER THAN THOSE APPLICABLE IN THE REPUBLIC OF INDONESIA. WITH RESPECT TO ANY PERSON OUTSIDE OF THE REPUBLIC OF INDONESIA RECEIVING THIS PROSPECTUS OR OTHER DOCUMENTS RELATED TO THE PUBLIC OFFERING, THE PROSPECTUS OR SUCH DOCUMENT IS NOT INTENDED AS AN OFFER DOCUMENT TO PURCHASE THE SHARES, EXCEPT WHERE SUCH OFFER AND PURCHASE OF SHARES DO NOT CONTRADICT, OR DO NOT CONSTITUTE A VIOLATION UNDER, THE LAWS AND REGULATIONS PREVAILING IN SUCH COUNTRY.

THE COMPANY HAS DISCLOSED ALL MATERIAL INFORMATION REQUIRED TO BE DISCLOSED TO THE PUBLIC AS REQUIRED UNDER THE LAWS AND REGULATIONS OF THE REPUBLIC OF INDONESIA, AND NO MATERIAL INFORMATION HAS BEEN OMITTED WHICH MAY CAUSE THE INFORMATION CONTAINED IN THIS PROSPECTUS TO BE INCORRECT, FALSE OR MISLEADING TO THE PUBLIC.

TRANSLATION DISCLAIMER

THIS ENGLISH TRANSLATION OF THE PROSPECTUS OF PT WIJAYA KARYA BETON TBK (THE "ENGLISH TRANSLATION") HAS BEEN PREPARED BY PT WIJAYA KARYA BETON TBK FOR THE PURPOSE OF AND IS INTENDED SOLELY AS A CONVENIENCE TO THE NON-BAHASA INDONESIAN READERS.

THIS ENGLISH TRANSLATION IS NOT AN OFFICIAL DOCUMENT. IT HAS ABSOLUTELY NO LEGAL STATUS AND IT IS NOT LEGALLY BINDING IN ANY MANNER WHATSOEVER. READER RELYING ON ACCURATE AND PRECISE INFORMATION SHOULD REFER TO AND CHECK THE INDONESIAN PROSPECTUS OF PT WIJAYA KARYA BETON TBK.

SHOULD THERE BE ANY DIFFERENCES IN THE INTERPRETATION OF THE MEANING OF THE WORD(S) AND PHRASE(S) BETWEEN THE INDONESIAN PROSPECTUS OF PT WIJAYA KARYA BETON TBK, AND THE ENGLISH TRANSLATION, THE INDONESIAN PROSPECTUS OF PT WIJAYA KARYA BETON TBK SHALL PREVAIL.

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DEFINITIONS, TERMS AND ABBREVIATIONS

The meaning of the terms and expressions included in this Prospectus are as follows:

Abridged Prospectus	: Refers to the written statement or information which forms the summary of the Preliminary Prospectus which will be announced in at least 1 (one) Indonesian language newspaper with a national circulation in no later than 2 (two) Business Days following the receipt of OJK's statement in accordance with the provisions of Form Rule No. IX.A.2 attachment 9.
Account Holders	: Refers to parties registered as the holders of Securities Accounts and/or sub-Securities Accounts at KSEI, which may take the form of Securities Companies or other parties as approved by KSEI, with due adherence to the laws and regulations prevailing in the Capital Market and the regulations of KSEI.
ACF	: Refers to Allotment Confirmation Form issued by the Allotment Manager, a form which contains the final allotment result for the subscribers that serves as evidence of ownership of shares offered in the primary market.
Affiliate	: Refers to parties as defined in Article 1 point 1 of the Capital Market Law as follows: • Family relationships by either marriage or descendants up to the second degree, horizontally and vertically; • Relationship between the parties and employees, directors or commissioners of such parties; • Relationship between 2 (two) companies having 1 (one) or more common directors or commissioners; • Relationship between the company and the party which, directly or indirectly, controls or is controlled by the company; • Relationship between 2 (two) companies under common control, either directly or indirectly; or • Relationship between the company and its principal shareholders.
Allotment Date	: Refers to a maximum of 2 (two) Business Days following the end of the Offering Period, which has been determined in the Amendment to the Underwriting Agreement or Prospectus.
Allotment Manager	: Refers to PT Bahana Securities, as the Joint Lead Underwriter, the party responsible for the allotment of Offered Shares in accordance with the requirements set forth in Rule No. IX.A.7.
AMDAL	: Refers to <i>Analisis Mengenai Dampak Lingkungan</i> (Environment Impact Assessment), consisting of <i>Analisis Dampak Lingkungan Hidup</i> ("ANDAL", Environment Impact Analysis) activities, <i>Rencana Pengelolaan Lingkungan Hidup</i> ("RKL", Environment Management Plan) activities and <i>Rencana Pemantauan Lingkungan Hidup</i> ("RPL", Environment Monitoring Plan) activities.
Banking Day	: Refers to a Bank working day, i.e., the days where Bank Indonesia performs the interbank clearing process.
Bapepam	: Refers to the Capital Market Supervisory Agency as defined in Article 3 of the Capital Market Law.

Bapepam & LK	: Refers to the <i>Badan Pengawas Pasar Modal & Lembaga Keuangan</i> (Financial Institutions and Capital Market Supervisory Agency) as defined in Article 3 Paragraph 1 of the Capital Market Law and Decree of Finance Minister No. 184/PMK.01/2010 dated 11 October 2010 regarding Ministry of Finance Organization and Methodology.
Break Water	: Refers to a concrete product used as a wave breaker.
Business Day	: Refers to Monday to Friday, excluding national holidays determined by the Government of the Republic of Indonesia, which as a result of certain conditions are determined otherwise by the Government of the Republic of Indonesia.
Calendar Day	: Refers to every day in 1 (one) year based on the Gregorian Calendar, with no exceptions, including Saturday, Sunday and national holidays that may be determined by the Government at any time.
Capital Market Law	: Refers to the Law of the Republic of Indonesia No. 8 year 1995 regarding the Capital Market, (Supplemental State Gazette of the Republic of Indonesia, No. 3608, State Gazette of the Republic of Indonesia No. 64 year 1995).
Collective Depository	: Refers to Securities Depository services as defined in Article 1 Point 16 of the Capital Market Law.
Concrete Slab	: Refers to a concrete product used for the construction of multi-storey building floors and bridge deck.
Corrugated Concrete Sheet Pile	: Refers to a form of wave-shaped corrugated pre-cast concrete product used for the construction structure of retaining walls.
COSO	: Refers to Committee of Sponsoring Organizations, one of the framework used as the basis for preparation of Risk Management.
CPF	: Refers to Concrete Product Facility.
Custodian Bank	: Refers to commercial banks that are approved by Bapepam & LK (currently known as Financial Service Authority – <i>Otoritas Jasa Keuangan</i> (OJK)) to provide safekeeping services or custody services as stipulated in the Capital Market Law.
DAK	: Refers to <i>Divisi Air dan Ketenagaan</i> (Hydro and Power Division).
DBG	: Refers to <i>Divisi Bangunan dan Gedung</i> (Construction and Building Division).
Distribution Date	: Refers to the same date as the payment date, i.e., a maximum of 2 (two) Business Days commencing on the Allotment Date, where the Offered Shares are distributed electronically by KSEI to the Account Holders.
DKK	: Refers to <i>Divisi Komponen Konstruksi</i> (Construction Component Division).
Double Tee	: Refers to a form of pre-cast concrete product used for construction structure of bridges floors or multi-storey building floors.
DPB	: Refers to <i>Divisi Produk Beton</i> (Concrete Product Division).

DPI	: Refers to <i>Divisi Perdagangan dan Industri</i> (Industry and Trade Division).
DSU	: Refers to <i>Divisi Sipil Umum</i> (Civil Construction Division).
Effective Statement	: Refers to the OJK statements which declares that the Registration Statement has become effective: (i) on the 45th (forty-fifth) day after the date that the complete Registration Statements is received by the OJK or (ii) on the 45th (forty-fifth) day after the Company submits the last Amendment to the Registration Statement to the OJK, or (iii), on such other date based on the Effective Statement from Chairman of the OJK which declares there are no more amendments and/or additional information required, as set forth in the Rule No. IX.A.2, therefore entitling the Company, through the Underwriters, to offer and sell the Offered Shares in accordance with the prevailing laws and regulations.
EGMS	: Refers to Extraordinary General Meeting of Shareholders convening in accordance with the provisions of the Company's Articles of Association.
ESA	: Refers to of Employee Stock Allocation.
Flat Concrete Sheet Pile	: Refers to a form of flat-shaped pre-cast concrete product used for construction structure of retaining walls.
Girder	: Refers to a form of concrete product used for construction structure of bridges and jetty.
GMS	: Refers to General Meeting of Shareholders convening in accordance with the provisions of the Company's Articles of Association.
Government	: Refers to the Government of the Republic of Indonesia.
Hollow Core Slab	: Refers to a form of plate-shaped hollow pre-cast concrete product used for construction structure of multi-storey building floors.
IAPI	: Refers to <i>Institut Akuntan Publik Indonesia</i> (Indonesian Institute of Public Accountants).
IDX	: Refers to PT Bursa Efek Indonesia, a limited liability company established by virtue of the Indonesian law and regulations and domiciled in Jakarta, (or the replacement or beneficiary to its rights), which is a stock exchange as defined in the Capital Market Law, where the Company's shares are listed.
Public Offering	: Refers to the Initial Offering of Offered Shares to the Public conducted by the Company in accordance with the procedures set forth in the Capital Market Law and its implementing regulations and other relevant provisions and the provisions set forth in the Underwriting Agreement.
Public Offering Account	: Refers to the Account opened in the name of the Joint Lead Underwriters to collect the funds received from investors.
Inner Boring System	: Refers to piles erection method of placing boring in the hollow piles to obtain the planned piles depth.
ISO	: Refers to International Organization for Standardization, a quality management standardization system.
Jetty	: Refers to a maritime structure extended toward deeper waters at which ships can dock.

Joint Lead Underwriters	: Refers to Securities Companies which performs the management and administration of the Public Offering, namely PT Bahana Securities, PT Danareksa Sekuritas, PT Mandiri Sekuritas, and PT Sucorinvest Central Gani, that also acts as Underwriter.
KIW	: Refers to <i>Kawasan Industri Wijaya Karya</i> (Wijaya Karya Industrial Zone).
KSEI	: Refers to PT Kustodian Sentral Efek Indonesia, domiciled in South Jakarta, which is responsible for the administration of Securities custody in accordance with Securities Registration in Collective Depository Agreement.
Labor Law	: Refers to the Law of Republic Indonesia No. 13 Year 2003 concerning Manpower (State Gazette of the Republic of Indonesia No. 39 Year 2003, Supplemental State Gazette of the Republic of Indonesia No. 4279).
Listing Date	: Refers to the date the Offered Shares are listed for trading at the IDX, a maximum of 1 (one) Business Day following the Distribution Date, the exact date of which has been determined in the Amendments of Agreement.
Limited Liability Company Law	: Refers to the Law of Republic of Indonesia No. 40 Year 2007 concerning Limited Liability Company (State Gazette of the Republic of Indonesia No. 106 Year 2007, Supplemental State Gazette of the Republic of Indonesia No. 4756).
Minister of Law	: Refers to the Minister of Law and Human Rights of the Republic of Indonesia (previously referred to as Minister of Law of the Republic of Indonesia, Minister of Law and Human Rights of the Republic of Indonesia, or Minister of Laws and Regulations of the Republic of Indonesia or other name).
New Shares	: Refers to ordinary registered shares with a nominal value of Rp100,00 (one hundred Rupiah) that will be issued from the Company's portfolio in the Public Offering, at a maximum amount of 2,045,466,600 (two billion forty five million four hundred sixty six thousand six hundred) shares.
Offer Price	: Refers to the price of each Offered Share in the Public Offering, which amount will be determined based on agreement between the Company and the Joint Lead Underwriters, which will be incorporated in the Amendment to the Underwriting Agreement.
Offered Shares	: Refers to New Shares offered and sold to the Public by the Underwriters through the Public Offering, which will be listed on the IDX on the Listing Date.
Offering Period	: Refers to the duration for the Public to submit the Offered Shares subscriptions.
OJK	: Refers to <i>Otoritas Jasa Keuangan</i> or Financial Services Authority, an independent institution that is free from any intervention, which has the function, responsibility and authority to regulate, supervise, examine and investigate financial services activities in the Capital Market, Insurance, Pension Funds, Leasing Companies and Other Financial Services Institutions as stipulated in Law No. 21 Year 2011 dated 22 November 2011 (regarding Financial Services Authority which represents the replacement from Ministry of Finance and Capital Market and Financial Institution Supervisory Agency Commencing on 31 December 2012).

PAF	: Refers to Public Accountant Firm.
Payment Date	: Refers to the payment date of proceeds from Offered Shares to be paid by Underwriters to the Company through the Joint Lead Underwriter on the Distribution Date of the Offered Shares, as stipulated in the Prospectus.
PC-Bar	: Refers to one of prestressed pre-cast concrete material in the form of iron that has a low carbon content.
PC-Strand	: Refers to one of pre-cast concrete material in the form of spiral prestressed steel wire that has a high quality to obtain an efficient pre-cast concrete structure.
PC-Wire	: Refers to a pre-cast concrete material in the form of prestressed steel that has a high carbon content.
Pjs	: Refers to <i>Pejabat Sementara</i> (Acting Officer).
Pontoon	: Refers to a sea and river transportation device to transport heavy equipment using a separate tugboat.
Post-Tensioning	: Refers to a method of applying tension to high-quality steel bars used in a construction to obtain an efficient concrete structure.
Preliminary Offering	: Refers to the direct or indirect offering through the Preliminary Prospectus, for the purpose of learning the level of interest of the Offered Shares prospective buyers and/or estimating the securities Offer Price, immediately following the announcement of the Abridged Prospectus in the newspaper, for the purpose of learning the Public's interest in the Offered Shares in the form of indication of the number of shares to be subscribed and/or the estimated Offer Price that is non-binding and does not constitute a subscription as set forth in Rule No. IX.A.8, Annex to the Decree of the Chairman of Bapepam No. Kep-41/PM/2000 dated 27 October 2000 regarding Preliminary Prospectus and Information Memorandum and with due consideration to Rule No. IX.A.2.
Preliminary Prospectus	: Refers to the written document prepared by the Company and the Joint Lead Underwriters with regard to the Public Offering and containing all information in the Prospectus submitted to OJK as part of the Registration Statement, except for the information regarding the number of Offered Shares, Offer Price of the Offered Shares, underwriting or other matters related to offer requirements that cannot yet be determined, in accordance with Rule No. IX.A.8 and with due consideration to Rule No. IX.A.2.
Ps	: Refers to <i>Pengganti Sementara</i> (Temporary Replacement).
Public	: Refers to any individual and/or legal entity, of Indonesian or Foreign Nationality and/or Foreign Legal Entity, residing or legally domiciled in Indonesia or outside the jurisdiction of the Republic of Indonesia.
Quarry	: Refers to mining site of natural materials (Split rock and sand) that are used for construction materials.
Refund Date	: Refers to the date of refund of the subscription funds from the Joint Lead Underwriters through the Underwriters to the subscribers of Offered Shares, whose subscriptions cannot be fulfilled in part or in whole as a result of allotment or cancellation or delay of the Public Offering, in which can not be later than 2 (two) Business Days from the period of which is a maximum of 2 (two) Business Days.

Registration Statement	: Refers to the document submitted to the OJK by the Company together with the Joint Lead Underwriters prior to the offering and sale of the Offered Shares as stipulated in Article 1 Paragraph 19 of the Capital Market Law juncto Rule No. IX.C.1 and with due consideration to the provisions set forth in Rule No. IX.A.2.
Rupiah or Rp	: Refers to the official currency of the Republic of Indonesia.
SAB	: Refers to the Securities Administration Bureau, namely PT Datindo Entrycom, domiciled in Jakarta, as the party appointed by the Company to undertake the administration of the Offered Shares in the Public Offering.
SABH	: Refers to <i>Sistem Administrasi Badan Hukum</i> (Legal Entity Administration System) – Ministry of Law and Human Rights of Republic of Indonesia or its predecessor or successor.
SCF	: Refers to Shares Confirmation Form from the Issuer to KSEI.
Securities	: Refers to marketable securities, i.e., promissory notes, commercial papers, shares, bonds, debentures, Collective Investment Contract participation units, Securities related forward contracts and any Securities derivatives.
Securities Account	: Refers to the account that includes the amount of shares and/or funds owned by Shareholders that are administered by KSEI, Custodian Banks or Securities Companies based on the Securities Account Opening Agreement signed by the Shareholders.
Securities Company	: Refers to parties engaged as Underwriters, Broker Dealers, and/or Investment Managers in accordance with the provisions of Article 1 Point 21 of the Capital Market Law.
Selling Agent	: Refers to the parties assisting in the selling of shares offered and sold by the Company through the Public Offering conducted either domestically or internationally.
SGRI	: Refers to the State Gazette of the Republic of Indonesia.
Shareholders List	: Refers to the Shareholders List, which contains the information on the shareholders of the Company's shares.
Shareholders	: Refers to Public who are the beneficiary of shares in the safekeeping of and administered in: - The Company's Shareholders List; - Securities Account at KSEI; or - Securities Account at KSEI through Securities Companies.
Spiral Wire	: Refers to pre-cast concrete material in the form of steel wire with certain strength which functions as the material to resist shear forces in a concrete construction.
SSF	: Refers to Shares Subscription Form, the original of which has to be made in 5 (five) copies and each copy must be completely filled out, signed by the subscriber and submitted by prospective buyers to the Underwriter(s) upon subscribing for the Offered Shares.
SSL	: Refers to the Shares Subscription List, a list that contains the names of shares subscribers and the number of Offered Shares subscribed, prepared in accordance with the SSF issued by each Underwriter.

Stressing	: Refers to a process of stressing high-quality steel bars in the production process or within a construction work in order to obtain an efficient concrete structure.
Subsidiaries	: Refers to companies where the Company has direct or indirect share ownership of a minimum 50% of the issued and paid up capital of the respective company and/or companies whose financial statements are consolidated into the Company's financial statements in conformity with the Indonesian Financial Accounting Standards.
The Company	: Refers to PT Wijaya Karya Beton Tbk, a limited liability company established by virtue of the laws of the Republic of Indonesia and domiciled and headquartered in Bekasi, West Java.
Trailer	Refers to a land transportation device to transport heavy equipment with more than 2 (two) axles.
UKL	: Refers to <i>Upaya Pengelolaan Lingkungan Hidup</i> (Environment Management Effort).
Underwriter	: Refers to a Party that enters into an agreement with the Company to conduct the Public Offering on behalf of the Company, with or without the obligation to purchase the remaining unsold shares offered.
Underwriting Agreement or "UA"	: Refers to the agreement entered into between the Company, the Joint Lead Underwriters and Underwriters in accordance with Deed of Underwriting Agreement No. 21 dated 22 January 2014, as amended by First Amendment to the Deed of Underwriting Agreement No. 19 dated 20 February 2014, drawn up before Mochamad Nova Faisal, S.H., M.Kn., Notary in South Jakarta and last amended by Second Amendment to the Deed of Underwriting Agreement No. 25 dated 19 March 2014 drawn up before Nila Noordjasmani Soeyasa Besar S.H., M.Kn., substitute of Mochamad Nova Faisal S.H., M.Kn., Notary in South Jakarta.
UPL	: Refers to <i>Upaya Pemantauan Lingkungan Hidup</i> (Environment Monitoring Effort).
UPPB	: Refers to <i>Unit Penjualan Produk Beton</i> (Concrete Product Sales Unit).
USD or US\$	: Refers to US Dollars, the official currency of the United States of America.
Voided Slab	: Refers to a pre-cast concrete product used for the construction structure of short-span bridges.
WHT	: Refers to Withholding Tax.

ABBREVIATIONS OF COMPANY NAMES

KKMS	: Koperasi Karya Mitra Satya
WIKI	: PT Wijaya Karya (Persero), Tbk.
WIKI Kobe	: PT Wijaya Karya Komponen Beton
WIKI Krakatau Beton	: PT Wijaya Karya Krakatau Beton

SUMMARY

The summary below constitutes an inseparable part and should be read in conjunction with more detailed information, including the consolidated financial statements as well as the relevant notes on the relevant consolidated financial statements, as well as business risks, all of which are contained in this Prospectus. All financial information contained in this Prospectus originates from the consolidated financial statements of the Company presented in Rupiah currency and in accordance with the generally applicable accounting principles in Indonesia.

1. BRIEF HISTORY OF THE COMPANY

The Company was established under the name PT Wijaya Karya Beton in Jakarta, as set forth in the Deed of Establishment of Limited Liability Company "PT Wijaya Karya Beton" No. 44 dated 11 March 1997, executed before Achmad Bajumi, S.H., substitute of Imas Fatimah, S.H., Notaris in Jakarta *juncto* Deed of Submission, Issuance and Amendment of Articles of Association No. 39 dated 19 November 1997, executed before Imas Fatimah, S.H., Notary in Jakarta, which deed was approved by the Minister of Law by virtue of Decree No. C2-12776.HT.01.01.TH.97 dated 9 December 1997 and which has been registered in the Company Registry Office of South Jakarta under No. 2096/BH.09.03/I/98 dated 13 January 1998 and which has been published in the Supplement No. 2832 to the State Gazette of the Republic of Indonesia No. 43 dated 29 May 1998 ("**Deed of Establishment**").

Deed of Establishment has changed several times, the last is Deed of Shareholders Circular Resolution and Amendment to Articles of Association of PT Wijaya Karya Beton, abbreviated as PT WIKABETON No. 03 dated 8 January 2014, executed before Mochamad Nova Faisal, S.H., M.Kn., Notary in South Jakarta, which deed was approved by the Minister of Law by virtue of Decision Letter No. AHU-01257.AH.01.02.Year 2014 dated 9 January 2014 and which has been registered in the Company Registry under No. AHU-0002307.AH.01.09.Year 2014 dated 9 January 2014 and was received and registered in the SABH (*Sistem Administrasi Badan Hukum*, Database of the Administration System for Legal Entities) database under No. AHU-AH.01.10-01308 dated 10 January 2014 and which has been registered in the Company Registry under No. AHU-0002925.AH.01.09.Year 2014 dated 10 January 2014 ("**Deed No. 03/2014**"), which amended the articles of association in its entirety to comply with Rule No. IX.J.1.

The Company is engaged in the business of pre-cast concrete industry, construction services and other related business, which currently has 8 (eight) factories, 6 (six) sales area and 2 (two) sales representative office located in different areas in Indonesia. All of which are integrated and comprehensively synergized to ensure customer satisfaction through satisfactory product quality, timeliness and competitive price. In recognition of the Company's commitment, the Company received the ISO 9001:2008 quality management system certificate.

In conducting its business activities, the Company has 2 Subsidiaries, namely:

No.	Subsidiaries	Owned by*)	Legal Domicile	The Establishments**)	% Ownership	Business Activities	Status	The Inclusion
1	WIKA Kobe	(1), (3)	Karawang Regency	2012	51	Industrial business of cement and lime product for construction ***)	Operate	2012
2	WIKA Krakatau Beton	(1), (2), (4)	Cilegon City	2013	60	Industry and trade. ***)	Not yet in operation	2013

Notes:

*) Owned by :

- (1). Company
- (2). WIKA
- (3). PT Kompindo Betonjaya
- (4). PT Krakatau Engineering

**) Establishment year is the year of the Deed of Establishment of each of the companies concerned and not the year of ratification from Menkumham.

***) Based on Company Registration of each company

The Company differentiates its production processes into 2 (two) production processes as follows:

A. Spun Concrete Production Process

Production process in which the formation and compaction of concrete using centrifugal system with rotation speed (RPM) have been deployed.

The Company's products produced using the spun concrete production process include the following:

- PC Poles
 - Electricity Distribution Poles
 - Electricity Transmission Poles
 - Telecommunication Poles
 - Catenary Poles
 - Lighting Poles
 - Netting Poles
- PC Piles
 - PC Pun Piles
 - PC Spun Square Piles
- Hydro Structure Concrete Product
 - Core Type Pre-stressed Concrete Pipes
 - Low Pressure Concrete Pipes (RC Pipes)

B. Non-Spun Concrete Production Process

Production process where the process of compaction of concrete using vibration system either internally or externally, or a combination of both.

The Company's products produced using the non-spun concrete production process are as follows:

- Bridge Concrete (I Girder, U Girder, V Girder, T Girder, Box Girder, Voided Slab, Double Tee);
- Railway Sleepers (KA-Clips, DE-Clips, Pandrol, E-Clips and Vossloch), Lorry Sleepers, Wessel;
- Retaining walls (Anchoring Dock, Dock Walls, Cut-Off Walls, Basement River Embankment, and Water Control Gates), Flat Sheet Pile and Corrugated Sheet Pile;
- Marine Structure Concrete Product (Jetty Structure, Bridge, Breakwater); and
- Building Concrete Product (Pre-cast Walls, Concrete Slab, Column, Slab, Stair).

Within the past 2 (two) years, an important milestone has been achieved, i.e., the establishment of a subsidiary operating in the supply of components for concrete production, namely WIKA Kobe, a joint venture with a Japanese-based company. Cooperation with external parties continued. In 2003, the Company cooperated with PT Krakatau Engineering, a subsidiary of PT Krakatau Steel (Persero) Tbk, by establishing a joint venture named WIKA Krakatau Beton.

2. THE COMPANY'S SHAREHOLDING AND CAPITAL

Based on the Deed of Statement of Shareholders' Resolution In Lieu of the General Meeting of Shareholders and the Amendment of the Articles of Association of PT Wijaya Karya Beton abbreviated as PT Wika Beton No. 01 dated 6 January 2014, executed before Mochamad Nova Faisal, S.H., M.Kn., Notary in South Jakarta and which deed was approved by the Minister of Law as stated in his Decision Letter No. AHU-00972.AH.01.02.Year.2014 dated 8 January 2014, and which has been registered in the Company Registry under No. AHU-0001842.AH.01.09.Year.2014 dated 8 January 2014 ("**Deed No. 01/2014**"), juncto Deed No. 03/2014, the capital and shareholders composition of the Company on the issuance date of this Prospectus are as follows:

Description	Nominal Value Rp100.00 Per Share		
	Number of Shares	Nominal Value (Rp)	(%)
Authorized Capital	26,680,000,000	2,668,000,000,000	
Issued and Paid-up Capital:			
- PT Wijaya Karya (Persero) Tbk	5,229,280,000	522,928,000,000	78.40
- Koperasi Karya Mitra Satya	977,519,049	97,751,904,900	14.66
- Yayasan Wijaya Karya	86,043,000	8,604,300,000	1.29
- Treasury Shares owned by the Company	377,157,951	37,715,795,100	5.65
Total Issued and Paid-up Capital	6,670,000,000	667,000,000,000	100.00
Total Shares in Portfolio	20,010,000,000	2,001,000,000,000	

3. PUBLIC OFFERING

Number of Shares	:	2,045,466,600 (two billion forty five million four hundred and sixty six thousand six hundred) ordinary registered shares at a nominal value of Rp100.00 (one hundred Rupiah) per share or 23.47% (twenty three point forty seven percent) of total issued and paid-up shares subsequent to the Public Offering.
Nominal value	:	Rp100.00 (one hundred Rupiah) per share.
Offer Price	:	Rp590.00 (five hundred and ninety Rupiah) per share which has to be fully paid-up upon submission of the Shares Subscription Form ("SSF")
Value of the Public Offering	:	Rp1,206,825,294,000.00 (one trillion two hundred and six billion eight hundred and twenty-five million two hundred and ninety-four thousand Rupiah)
Offering Period	:	28 March - 2 April 2014
Listing Date on the IDX	:	8 April 2014

All shares offered in this Public Offering are new shares issued by the Company's shares in portfolio, which grants to the holders of the Company's existing issued and fully paid-up shares, including, among others, the rights to receive dividend distributions and the rights to cast votes in GMS conducted by the Company. Those rights are in accordance with the provisions of Article 52 section (1) of the Limited Liability Company Law. The rights of shareholders are as follows:

- To attend and to vote at the GMS;
- Receive dividend and residual assets from liquidation;
- Perform other rights based on the Limited Liability Company Law.

Upon sale of the entire Company's Offered Shares in this Public Offering, the Company's capital structure and shareholding composition before and after this Public Offering on a pro forma basis will be as follows:

Share Capital
Nominal Value of Rp100.00 (one hundred Rupiah) per Share

Description	Before Public Offering			After Public Offering		
	Number of Shares	Total Nominal Value (Rp)	(%)	Number of Shares	Total Nominal Value (Rp)	(%)
Authorized Capital	26,680,000,000	2,668,000,000,000		26,680,000,000	2,668,000,000,000	
Issued and Paid-up Capital:						
- PT Wijaya Karya (Persero), Tbk.	5,229,280,000	522,928,000,000	78.40	5,229,280,000	522,928,000,000	60.00
- Koperasi Karya Mitra Satya	977,519,049	97,751,904,900	14.66	977,519,049	97,751,904,900	11.21
- Yayasan Wijaya Karya	86,043,000	8,604,300,000	1.29	86,043,000	8,604,300,000	0.99
- Treasury Shares owned by the Company	377,157,951	37,715,795,100	5.65	377,157,951	37,715,795,100	4.33
- Public	-	-	-	2,045,466,600	204,546,660,000	23.47
Total Issued and Paid-up Capital	6,670,000,000	667,000,000,000	100.00	8,715,466,600	871,546,660,000	100.00
Total Shares in Portfolio	20,010,000,000	2,001,000,000,000		17,964,533,400	1,796,453,340,000	

4. EMPLOYEE STOCK ALLOCATION

Employee Stock Allocation Program (ESA) is a program provided by the Company for the allocation of shares ownership to the employees of the Company with the amount that has been determined in accordance with the provisions of the prevailing capital market regulations and in accordance with the Decree of the Board of Directors of the Company which has been approved by the General Meeting of Shareholders (GMS). Type of shares to be allocated in the ESA program are Award Shares and Fixed Allotment Shares.

The ESA Program refers to the Rule No. IX.A.7 and the Shareholders have approved the allocation of 10% (ten percent) of the shares offered, at maximum; as set forth in the Deed No. 03/2014, with due consideration to the prevailing laws and regulation.

Based on the Decision Letter of the Company's Board of Directors No.SK.01.01/WB-0A.019/2014 dated 11 February 2014 concerning Employee Stock Allocation (ESA) Program in the Form of Allocation of Employee Award Shares and Fixed Allotment Shares, the Company determined the total ESA Program to be 3% (three percent) or equals to 61,364,000 (sixty one million three hundred sixty four thousand) shares of the total shares offered in this Public Offering, which consists of:

- a. Award Shares, comprising 20% (twenty percent) of the total shares in the ESA Program
- b. Fixed Allotment Shares, comprising 80% (eighty percent) of the total shares in the ESA Program

The main objective of the ESA program is to improve a sense of belonging on the Company, which in return may increase the employees' work productivity and the Company's and Subsidiaries overall performance, as well as increasing the shares value for all of the Company's shareholders.

More information about the ESA can be found in Chapter I in the Prospectus.

5. USE OF PROCEEDS

The proceeds that will be obtained from the Public Offering, after deduction of all the costs incurred for the Public Offering, shall be used for the following purposes:

- Approximately 85% (eighty five percent) will be used for business expansion comprising of the following:
 - Approximately 14.10% for processing of natural quarry materials in Cigudeg, Donggala, Boyolali, and South Lampung;
 - Approximately 39.95% for the development of new factories in South Lampung, Pasuruan and East Kalimantan;
 - Approximately 21.30% for capacity expansion of existing factories at the factories in North Sumatera, Lampung, Bogor, Karawang, Majalengka, Boyolali, South Sulawesi, and mould product;
 - Approximately 21.14% for the services business development such as purchase of inner boring pile equipment and addition of post tensioning equipment;
 - Approximately 3.51% for the establishment of mould maker.
- Approximately 15% (fifteen percent) will be used for additional working capital.

The expansion is done in accordance with the Company's long-term strategy to diversify its business to improve competitiveness, financial performance, market expansion, experience in the relevant sector, and added value for stakeholders.

More information about the use of proceeds can be found in Chapter II in the Prospectus.

6. THE COMPANY'S BUSINESS ACTIVITIES

In accordance with Article 3 of the Articles of Association contained in the Deed of Establishment has been amended several times, the last amandement based on the Deed No. 03/2014, the scope of business activities of the Company are as follows:

1. To engage in the field of trading and concrete industry, construction services and other related business activities.
2. To achieve the aforementioned purpose and objects, the Company may carry out the following main activities:
 - a. Carry out the planning, production, selling, installation and implementation of construction of concrete products, among others:
 - Transmission poles and electricity distribution and telephone poles;
 - Concrete piles;
 - Railway sleepers;
 - Concrete products for bridges;
 - Concrete products for land supporting walls;
 - Pipes;
 - Concrete products for buildings;
 - Concrete products for marine structures; and
 - Other concrete products.
 - b. Conduct business in construction planning, implementation and supervision services in the following business fields:
 - Engineering;
 - Electrical; and
 - Post-tensioning.
 - c. Conduct planning, production and selling of products/components of building materials.
 - d. Conduct export and import business related to business activities referred to in points a, b and c.

3. In addition to the main business activities referred to above, the Company may conduct the following supporting business activities in order to optimize the utilization of available resources:
 - a. Carry out planning services, Implementation and Supervision of Construction in the following business fields:
 - Architecture;
 - Mechanic;
 - Environment planning;
 - Heavy building material components installation (heavy lifting); and
 - Other construction services.
 - b. Produce and sell ready mix concrete (ready mix);
 - c. Undertake natural resources management/quarry;
 - d. Conduct business in concrete product planning, installation and management;
 - e. Conduct utilization of coal fly ash and copper slag and B3 waste management;
 - f. Conduct planning, management, selling, purchasing, leasing and trading in ports and (jetty) business fields;
 - g. Conduct natural resources mining or quarry;
 - h. Conduct planning, production, selling and trading of natural resources/products or quarry;
 - i. Conduct planning, implementation, management, selling, purchasing, leasing and trading of sea and ground transportation services business;
 - j. Conduct industry and trading of concrete production equipments;
 - k. Conduct industry and trading of cement chemicals;
 - l. Conduct industry and trading of pre-stressed steel;
 - m. Conduct industry and trading of cement;
 - n. Conduct investment business.

The Company can also carry out any activities that are consistent with the abovementioned purpose and objects and any related activities, either independently or in cooperation with other individual or entity, in the manner and form that are required, with due consideration to the prevailing Laws and regulations.

7. COMPETITIVE ADVANTAGE

The Company believes that it has a competitive advantage and the ability to provide good services. The future business prospect will be directly related to the competitive advantage combination among others:

- Has a brand image of high quality products;
- Proven reputation and experience more than 30 years in the pre-cast concrete industry;
- Engineering support capability to client in product design and installation, resulting in customer satisfaction;
- Owns the production facility distribution and marketing network in Indonesia;
- Employs qualified human resources;
- Has customers that are loyal to the Company;
- Capable of maintaining sound financial management;
- Has the significant production capacity for pre-cast concrete in South East Asia;
- Has the products variety lines in the industry;
- The Company has product superiority and technology mastery that enable continuous innovation.
- Responsiveness in services and work execution;
- Has implemented the following Management System;
 - ISO 9001 Management System.
 - Work Health and Safety Management System.
 - Risk Management System that adopted COSO system.

More information about the competitive advantage can be found in Chapter IX of the Prospectus.

8. COMPANY'S STRATEGIES

In an efforts to maintain the competitive advantages, the Company has implemented the following strategies:

1. Upgrade factories' rated capacity through intensification and extensification in the form of new factory development and adoption of new technologies that will increase production capacity;
2. Cooperation through strategic partner to expand marketing network;
3. Improve human resources competencies in concrete product development through cooperation with notable institutions and educational institutions in Indonesia as well as overseas;
4. Acquire companies at strategic locations that are equipped with infrastructure facilities to support regional market development in South East Asia;
5. Conduct research and new product development with regard to pre-cast concrete with high technological content and reinforce existing products such as PC-Piles, PC-Poles and Girder in order to increase market share;
6. Build new factory facilities completed with jetty that are supported by natural material resources that are independently managed by the Company;
7. The Company continuously commits to deliver high-quality products that meets contract specification through continuous implementation of quality management system;
8. Develop a business approach that focuses on market development, customer satisfaction and good relationship with customers;
9. Strengthen supply chain to ensure availability of raw materials and other supporting materials through acquisition of or investment in suppliers;
10. Develop erection and pre-stressing services to strengthen market position and to complement existing and new products.

More information about business strategies can be found in Chapter IX of the Prospectus.

9. BUSINESS RISKS

There are certain risks estimated affect the Company's business activity and it's subsidiary, in general can grouped into as follows:

A. Business Risk Relating To The Company's And Its Subsidiaries Business Activities

There are several the important factor that needs to be considered by the prospective investors before taking a decision to do investment in the Company. Below are several risks faced by the Company:

1. Risk of Decrease in the Number of Projects Acquired;
2. Risk of Business Competition ;
3. Risk of Payment Default by Customers;
4. Risk of Decrease in the Number of Projects from Recurring Customers;
5. Risk of Delay of New factory Construction;
6. Risk of Supply of Natural Material Raw Material;
7. Risk of Labor Strikes;
8. Risk of Work Completion and Product Installataion Timeliness;
9. Risk of Transportation;
10. Risk as the Parent Company.

B. Risks Associated With Shares

1. The condition of the IDX may affect the price and liquidity of the Company's Shares.
2. The Offer Price on the Company's Offered Shares may not indicate the price of the Company's share that will prevail in the stock exchange, and the price of Shares Offered by the Company may fluctuate.

C. Business Risks Associated With The Conditions In Indonesia

1. Risk of Other Countries' Regulations.
2. Risk of Changes in Policies or Government Regulations.

More information about the business risk can be found in Chapter VI of the Prospectus.

10. DIVIDEND POLICY

The Company plans to distribute dividends in the form of cash at least once every year. The amount of dividend is related to the Company's current profit for the year, taking into consideration certain financial indicators and not diminish the right of GMS resolution in accordance with the Articles of Association of the Company and prevailing regulations.

After the Public Offering, the Company intends to distribute cash dividend of a maximum amount of 30% (thirty percent) of its net profit generated from the financial year 2014 (under the provisions of the current tax). Meanwhile, for the financial year 2013, the amount of dividends to be paid as would be much as by Rp20,000,000,000.00 (twenty billion Rupiah). The decision of timing, amount and payment type of the dividend distribution will follow the recommendation from the Board of Directors. However, there is no certainty that the Company is able to distribute dividend in the current or the following years. The decision of Board of Directors to distribute dividend will depend on several issues, as follows:

- a. Company's net income and cash flows availability;
- b. Financial projection and working capital requirement;
- c. Business prospects of the Company;
- d. Capital expenditures and other investment plans;
- e. Investment plan and other growth catalysts; and
- f. Economic condition and general industry climate and other relevant factors to the Board of Directors as well as existing negative covenants which prohibit dividend distribution.

There are no negative covenants that may impede the Company to make dividend distribution to shareholders.

More information about the dividend policy can be found in Chapter XII of the Prospectus.

11. MATERIAL LEGAL PROCEEDINGS FACED BY THE COMPANY

As of the date of issuance of this Prospectus, the Company is not involved in any civil dispute and criminal charges at the District Court where the Company's business resides, industrial relation disputes at the Industrial Relation Court where the Company's business resides, state administrative disputes in the State Administrative Court, disputes concerning taxation in the Tax Court, arbitral disputes to be resolved through the Indonesian National Board of Arbitration, and is not registered in bankruptcy filing, suspension of debt payment obligation, and/or liquidation in the case registry of Commercial Court and have not received any legal notice or lawsuit from any party.

12. SUMMARY OF KEY FINANCIAL HIGHLIGHTS

The summary of key financial information presented below is prepared based on, and shall be read in conjunction with and with reference to the Company's financial statements for the years ended 31 December 2013, 31 December 2012 and 2011, which were audited by PAF HLB Hadori Sugiarto Adi & Partners, signed by Djarwoto, Ak., who expressed an unqualified opinion; the financial statements for the year ended 31 December 2010, which were audited by PAF Pieter, Uways & Partners, signed by Dr. Pieter Solang, AK., who expressed an unqualified opinion and the Company's Financial Statements for the year ended 31 December 2009, which were audited by PAF Soejatna, Mulyana & Partners, signed by Drs. Mulyana Mastam, Ak, who expressed an unqualified opinion.

STATEMENT OF FINANCIAL POSITION

(in millions Rupiah)

Description	31 December				
	2009	2010	2011	2012	2013
Assets	1,596,807	1,523,408	1,838,843	2,401,100	2,917,401
Liabilities	1,337,989	1,201,307	1,409,148	1,796,770	2,187,383
Equity	258,818	322,101	429,695	604,330	730,018

STATEMENT OF COMPREHENSIVE INCOME

(in millions Rupiah)

Description	31 December				
	2009	2010	2011	2012	2013
Revenues	1,416,182	1,430,435	1,635,087	2,030,597	2,643,724
Cost of Sales	(1,270,444)	(1,282,793)	(1,428,781)	(1,765,145)	(2,255,749)
Gross Profit	145,738	147,643	206,306	265,452	387,976
Operating Expenses	(21,981)	(27,438)	(29,986)	(34,167)	(51,773)
Operating Income	123,756	120,205	176,320	231,285	336,203
Total Other – Net Income (Expense)	(13,488)	(2,343)	13,446	2,396	(7,681)
Comprehensive Income	82,260	92,074	144,423	179,368	241,206

More information about the summary of key financial highlights can be found in Chapter IV in the Prospectus.

I. PUBLIC OFFERING

The Company conducts the Public Offering of 2,045,466,600 (two billion forty five million four hundred and sixty six thousand six hundred) ordinary registered shares with a nominal value of Rp100.00 (one hundred Rupiah) per share or representing 23.47% (twenty three point forty seven percent) of total issued and paid-up shares subsequent to the Public Offering, which are offered to Public at an Offer Price of Rp590.00 (five hundred and ninety Rupiah) per share, which has to be fully paid-up upon submission of the Shares Subscription Form ("SSF"). The total value of the Public Offering is amounted to Rp1,206,825,294,000.00 (one trillion two hundred and six billion eight hundred and twenty-five million two hundred and ninety-four thousand Rupiah).

All shares issued in this Public Offering are new shares issued from the Company's portfolio, shall have equal and similar right in all respect with the holders of the Company's existing issued and fully paid-up shares, including, among others, the rights to cast votes in GMS conducted by the Company and the right to receive dividend distributions. Those rights are in accordance with the provisions of Article 52 section (1) of the Limited Liability Company Law.

Based on the Decision Letter of the Company's Board of Directors No. SK.01.01/WB-0A.019/2014 dated 11 February 2014 concerning Employee Stock Allocation (ESA) Program in the Form of Allocation of Employee Award Shares and Fixed Allotment Shares, the Company determined the total ESA Program to be 3% (three percent) or equal to 61,364,000 (sixty one million three hundred sixty four thousand) shares of the total shares offered in this Public Offering. The complete information regarding the ESA Program is presented in Chapter I of this Prospectus.



PT WIJAYA KARYA BETON Tbk

Line of Business:

Engage in precast concrete industry, construction services, and other related lines of business

Domiciled in Bekasi, West Java, Indonesia

Head Office

JW Building
Jl. Raya Jatiwaringin No. 54, Pondok Gede, Bekasi, 17411
West Java – Indonesia
Phone: (021) 84973363 (hunting)
Fax: (021) 84973391
Email: sekper@wika-beton.co.id
Website: www.wikabeton.co.id

Concrete Production Facility (CPF Location)

CPF North Sumatera
Jl. Binjai Km.15,5
No.1
Diski Deli Serdang
20351

CPF Lampung
Jl. Raya Tegineng
Km.35
Bumi Agung Village,
Pesawaran 35363

CPF Bogor
Jl. Raya Narogong
Km.26 Cileungsi
Bogor 16820

CPF Karawang
Jl. Surya Madya 3 Kav. 1-34
Kawasan Industri Suryacipta
Karawang 41361

CPF Majalengka
Jl. Raya Barat Burujul
Kulon
Jatiwangi, Majalengka
45454

CPF Boyolali
Jl. Raya Boyolali-
Solo Km. 4,5
Mojosongo, Boyolali
57300

CPF Pasuruan
Jl. Raya Kejapanan
No. 323
Gempol, Pasuruan
67155

CPF South Sulawesi
Jl. Kima Raya II
Kav. S/4-5-6
Makassar Industrial Estate
Makassar 90241

THE MAIN RISK FACED BY THE COMPANY IS THE RISK ASSOCIATED WITH THE DECREASE IN THE NUMBER OF ACQUIRED PROJECTS WHICH MAY MAY ARISE AS A RESULT OF THE DECREASE IN THE PRIVATE AND STATE BUDGET FOR CONSTRUCTION SECTOR, WHICH WILL DIRECTLY RESULT IN THE DECREASE IN DEMAND FOR PRECAST CONCRETE AND THEREBY ADVERSELY AFFECT THE COMPANY'S INCOME. THE COMPANY'S BUSINESS RISKS ARE DETAILED IN CHAPTER VI OF THIS PROSPECTUS.

The Company was established under the name PT Wijaya Karya Beton in Jakarta, as set forth in the Deed of Establishment of Limited Liability Company "PT Wijaya Karya Beton" No. 44 dated 11 March 1997, executed before Achmad Bajumi, S.H., substitute of Imas Fatimah, S.H., Notary in Jakarta *juncto* Deed of Submission, Issuance and Amendment of Articles of Association No. 39 dated 19 November 1997, executed before Imas Fatimah, S.H., Notary in Jakarta, which deed was approved by the Minister of Law by virtue of Decision Letter No. C2-12776.HT.01.01.TH.97 dated 9 December 1997 and which has been registered in the Company Registry Office of South Jakarta Municipality under registration No. 2096/BH.09.03/I/98 dated 13 January 1998 and which has been published in the Supplement No. 2832 to the State Gazette of the Republic of Indonesia No. 43 dated 29 May 1998 ("**Deed of Establishment**").

The Company's Articles of Association has been amended from time to time and the latest amendment to the Company's Articles of Association was presented in the Deed of Statement of Shareholders' Resolution of the General Meeting of Shareholders No. 03 dated 8 January 2014, executed before Mochamad Nova Faisal, S.H., M.Kn., Notary in South Jakarta and which deed was approved the Minister of Law by virtue of Decision Letter No. AHU-01257.AH.01.02. Year 2014 dated 9 January 2014 and which has been registered in the Company Registry under registration No. AHU-0002307. AH.01.09.Year 2014 dated 9 January 2014 and was received and registered in the SABH database under registration No. AHU-AH.01.10-01308 dated 10 January 2014 and which has been registered in the Company Registry under registration No. AHU-0002925.AH.01.09.Year 2014 dated 10 January 2014 ("**Deed No. 03/2014**").

Based on the Deed of Statement of Shareholders' Resolution In Lieu of the General Meeting of Shareholders and the Amendment of the Articles of Association of PT Wijaya Karya Beton abbreviated as PT Wika Beton No. 01 dated 6 January 2014, executed before Mochamad Nova Faisal, S.H., M.Kn., Notary in South Jakarta and which deed was approved by the Minister of Law as stated in his Decision Letter No. AHU-00972.AH.01.02.Year.2014 dated 8 January 2014, and which has been registered in the Company Registry under No. AHU-0001842.AH.01.09.Year.2014 dated 8 January 2014 ("**Deed No. 01/2014**"), *juncto* Deed No. 03/2014, the capital and shareholders composition of the Company on the issuance date of this Prospectus are as follows:

Share Capital
Nominal Value of Rp100.00 (one hundred Rupiah) per Share

Description	Nominal Value of Rp100.00 per Share		
	Number of Shares	Nominal Value (Rp)	(%)
Authorized Capital	26,680,000,000	2,668,000,000,000	
Issued and Paid-up Capital:			
- PT Wijaya Karya (Persero) Tbk	5,229,280,000	522,928,000,000	78.40
- Koperasi Karya Mitra Satya	977,519,049	97,751,904,900	14.66
- Yayasan Wijaya Karya	86,043,000	8,604,300,000	1.29
- Treasury Shares owned by the Company	377,157,951	37,715,795,100	5.65
Total Issued and Paid-up Capital	6,670,000,000	667,000,000,000	100.00
Total Shares in Portfolio	20,010,000,000	2,001,000,000,000	

Upon sale of the entire Company's Offered Shares in this Public Offering, the Company's capital structure and shareholding composition before and after this Public Offering on a pro forma basis will be as follows:

Share Capital
Nominal Value of Rp100.00 (one hundred Rupiah) per Share

Description	Before Public Offering			After Public Offering		
	Number of Shares	Nominal Value (Rp)	(%)	Number of Shares	Nominal Value (Rp)	(%)
Authorized Capital	26,680,000,000	2,668,000,000,000		26,680,000,000	2,668,000,000,000	
Issued and Paid-up Capital:						
- PT Wijaya Karya (Persero), Tbk.	5,229,280,000	522,928,000,000	78.40	5,229,280,000	522,928,000,000	60.00
- Koperasi Karya Mitra Satya	977,519,049	97,751,904,900	14.66	977,519,049	97,751,904,900	11.22
- Yayasan Wijaya Karya	86,043,000	8,604,300,000	1.29	86,043,000	8,604,300,000	0.99
- Treasury Shares owned by the Company	377,157,951	37,715,795,100	5.65	377,157,951	37,715,795,100	4.33
- Public	-	-	-	2,045,466,600	204,546,660,000	23.47
Total Issued and Paid-up Capital	6,670,000,000	667,000,000,000	100.00	8,715,466,600	871,546,660,000	100.00
Total Shares in Portfolio	20,010,000,000	2,001,000,000,000		17,964,533,400	1,796,453,340,000	

Simultaneously with the registration of 2,045,466,600 (two billion forty five million four hundred and sixty six thousand six hundred) ordinary registered shares with a nominal value of Rp100.00 (one hundred Rupiah) per share or equal to 23.47% (twenty three point forty seven percent) of the total issued and paid-up shares, the Company will issue 6,670,000,000 (six billion six hundred and seventy million) shares, thus the entire number of shares that will be listed on the IDX is 8,715,466,600 (eight billion seven hundred and fifteen million four hundred and sixty six thousand six hundred) shares or 100% (one hundred percent) of total issued and paid-up shares subsequent to the Public Offering.

All shareholders holding the ordinary registered shares offered to the Public in this Public Offering shall have equal and similar rights in all respect with the shareholders of the Company's existing issued and fully paid-up shares, including, among others, the right to receive dividend distributions.

With regard to the Company's share capitalization in accordance with Deed No. 01/2014 dated 6 January 2014, the Company's shareholders who participated in the aforementioned capitalization are prohibited from transferring all or a part of their ownership of the shares owned by the aforementioned shareholders of the Company for a period of 8 (eight) months following the effectiveness of the Registration Statement, with due observance to the prevailing capital market regulations and other laws and regulations.

Based on the Decision Letter of the Company's Board of Directors No.SK.01.01/WB-0A.019/2014 dated 11 February 2014, the Company will conduct the ESA Program.

Employee Stock Allocation (ESA) Program

Based on the Deed No. 03/2014, the Shareholders have approved the ESA Program to allocate shares to the Company's Employees at a maximum amount of 10% of the shares offered by the Company in this Public Offering.

The main objective of the ESA program is to improve a sense of belonging on the Company, which in return may increase the employees' work productivity and the Company's and Subsidiaries overall performance, as well as increase the share value for all of the shareholders.

Based on the Decision Letter of the Company's Board of Directors No.SK.01.01/WB-0A.019/2014 dated 11 February 2014 concerning Employee Stock Allocation (ESA) Program in the Form of Allocation of Employee Award Shares and Fixed Allotment Shares, the Company will allocate 3% (three percent) or equals to 61,364,000 (sixty one million three hundred sixty four thousand) shares of the total shares offered in this Public Offering, which consist of:

- a. Award Shares, comprising 20% (twenty percent) of the total shares in the ESA Program or equal to 12,272,800 (twelve million two hundred seventy two thousand eight hundred) shares;
- b. Fixed Allotment Shares, comprising 80% (eighty percent) of the total shares in the ESA Program or equal to 49,091,200 (forty nine million ninety one thousand two hundred) shares.

The implementation of the ESA program will adhere to the provisions stipulated in Rule No. IX.A.7

Award Shares

Award Shares refer to allocation of shares awarded free of charge by the Company to all participants of the ESA Program, with a maximum total shares of 12,272,800 (twelve million two hundred seventy two thousand eight hundred) shares.

Award Shares have a lock-up period of 24 (twenty four) months, under the condition that in the event that a participant resigns or is dishonorably dismissed, the right over the Award Shares shall cease to be valid.

Fixed Allotment Shares

Fixed Allotment Shares refer to fixed allotment of rights to purchase shares in this Public Offering to the participants in the ESA Program, with a maximum total shares of 49,091,200 (forty nine million ninety one thousand two hundred) shares. Participants may purchase the shares offered in this Public Offering at the Offer Price in accordance with the said employees allotted portion.

Fixed Allotment Shares have a lock-up period of 8 (eight) months, under the condition that in the event that during the lock-up period there are remaining Fixed Allotment Shares as a result of shares unsubscribed by the Participants, such remaining shares will be offered to public in this Public Offering.

Mechanism of ESA Program Implementation

Participants in the ESA Program are the Company's Employees totaling approximately 1,020 employees, excluding the Company's Board of Directors and Commissioners, subject to the conditions stipulated in Article 4 paragraph (1) of the Decision Letter of the Company's Board of Directors No. SK.01.01/WB-0A.019/2014 dated 11 February 2014:

- The Company's Employees as of 31 December 2013;
- The Company's Active up to 31 December 2013;
- The Company's Employees under the Retirement Preparation Period (Masa Persiapan Pensiun, "MPP") and active MPP up to 31 December 2013;
- The Company's Employees who are not subject to administrative sanction during the implementation of the ESA Program.

Any cost incurred with regard to the ESA Program in the form of Award Shares will be borne by the Company and will be financed by the Company's cash reserve.

The Company will issue Allotment Confirmation Forms of Award Shares and Fixed Allotment Shares to the Participants; the Participants are obliged to submit the Representation and Commitment with regard to the Share Ownership Program in connection with the Company's Public Offering, which states that the Participants accept the Award Shares and shall subscribe to the Fixed Allotment Shares in accordance with the terms and conditions set forth by the Company pursuant to the ESA Program. The Company shall provide the Joint Lead Underwriters with the ESA Program Participant Register and the number of shares in the ESA Program and full payment of the entire shares of the ESA Program at the price equal to the Offer Price. Such payment shall be made in full to the bank account designated by the Joint Lead Underwriters to accept payment of shares subscriptions with regard to this Public Offering.

Tax Aspects of ESA Program

Cost of ESA Program represents remunerations received by Participants and therefore is subject to Withholding Tax Article 21 that will be charged to the Participant. Subsequent to the end of the lock-up period, Participants may enter into sale of shares through the IDX or over the counter. The following tax provisions apply for the aforementioned sale of shares:

- Sale of shares through the stock exchange is subject to a 0.1% final income tax, calculated based on the transaction amount;
- Sale of shares over the counter is subject to the prevailing progressive tax rate, calculated based on the capital gain received by the participant.

Upon sale of the entire shares offered by the Company in this Public Offering and the full implementation of the ESA program referred to above, the Company's capital structure and Shareholder's composition before and after the Public Offering will be as follows:

Share Capital Nominal Value of Rp100.00 (one hundred Rupiah) per Share

Description	Before Public Offering			After Public Offering		
	Number of Shares	Nominal Value (Rp)	(%)	Number of Shares	Nominal Value (Rp)	(%)
Authorized Capital	26,680,000,000	2,668,000,000,000		26,680,000,000	2,668,000,000,000	
Issued and Paid-up Capital:						
- PT Wijaya Karya (Persero) Tbk	5,229,280,000	522,928,000,000	78.40	5,229,280,000	522,928,000,000	60.00
- Koperasi Karya Mitra Satya	977,519,049	97,751,904,900	14.66	977,519,049	97,751,904,900	11.22
- Yayasan Wijaya Karya	86,043,000	8,604,300,000	1.29	86,043,000	8,604,300,000	0.99
- Treasury Shares Owned by the Company	377,157,951	37,715,795,100	5.65	377,157,951	37,715,795,100	4.33
- Public	-	-	-	1,984,102,600	198,410,260,000	22.76
- Employees (ESA program)*	-	-	-	61,364,000	6,136,400,000	0.70
Total Issued and Paid-up Capital	6,670,000,000	667,000,000,000	100.00	8,715,466,600	871,546,660,000	100.00
Total Shares in Portfolio	20,010,000,000	2,001,000,000,000		17,964,533,400	1,796,453,340,000	

Note: the ESA program is assumed to be fully absorbed

EFFECTIVE STATEMENT AND LISTING OF THE COMPANY'S SHARES ON THE IDX

The Company will list 8,715,466,600 (eight billion seven hundred and fifteen million four hundred and sixty six thousand six hundred) ordinary registered shares on the IDX. The total shares to be listed on the IDX is the entire amount or 100% (one hundred percent) of the Company's shares which has been and will be issued and fully paid-up after the Public Offering.

The shares offered in this Public Offering will be listed on the IDX in accordance with the Preliminary Securities Registration Agreement dated 22 January 2014 entered into between the Company and the IDX subject to the satisfaction of the registration requirements as determined by the IDX, among others concerning the number of individual and institutional Shareholders at the IDX and each Shareholder holding at least 1 (one) share unit. If the share registration requirements are not met, the Public Offering will be terminated and the subscription fund received will be refunded to the subscribers in accordance with the relevant provisions of the Capital Market Law.

AS OF THE DATE OF ISSUANCE OF THIS PROSPECTUS, THE COMPANY IS NOT PLANNING TO ISSUE, EMIT, AND/OR LIST OTHER SHARES AND/OR OTHER EQUITY SECURITIES WHICH ARE CONVERTIBLE INTO OR EXCHANGEABLE WITH THE COMPANY'S SHARES DURING THE PERIOD OF 12 (TWELVE) MONTHS AFTER THE DATE REGISTRATION STATEMENT IS ANNOUNCED EFFECTIVE BY THE OJK, LATER IF THE COMPANY IS INTENDED TO DO, THEN THE COMPANY WILL FOLLOW ALL RULES AND / OR REGULATIONS APPLICABLE.

II. USE OF PROCEEDS FROM THE PUBLIC OFFERING

The proceeds that will be obtained from the Public Offering, after deduction of all the costs incurred for the Public Offering, shall be used for the following purposes:

- Approximately 85% (eighty five percent) will be used for business expansion comprising of the following:
 - Approximately 14.10% for processing of natural quarry materials in Cigudeg, Donggala, Boyolali, and South Lampung. This is to guarantee the natural material supply both from its quantity as well as its quality aspects. The activities of processing the natural quarry materials are, amongst others, mining activities, quarry activities and distribution of processing outputs to the CPF or to the costumers;
 - Approximately 39.95% for the development of new factories in South Lampung, Pasuruan, and East Kalimantan. This is to increase the production capacity, development of new products, and expansion of marketing territory supported by production facility. The activities conducted in the construction of new factories are, amongst others, land clearing, construction of supporting facilities, construction of infrastructures, and construction of production facilities;
 - Approximately 21.30% for capacity expansion of existing factories at the factories in North Sumatera, Lampung, Bogor, Karawang, Majalengka, Boyolali, South Sulawesi and mould products. This is to meet market demands in such territories with the possibility of capacity expansion of approximately 5% per annum. The existing factory capacity expansion work is performed sustainably based on the estimation of the increase of precast concrete product market demand in the relevant territory;
 - Approximately 21.14% for the services business development such as purchase of inner boring pile equipment and addition of post tensioning equipment. This is the Company's strategy in undertaking forward integration, as an existing complementary product. The plans in purchasing inner boring pile equipment and addition of post tensioning equipment shall be conducted gradually based on the target or market demand which had started and operated in the second quarter of the year 2014;
 - Approximately 3.51% for the establishment of mould maker. This is to guarantee the supply of production equipments and a mould with specification and quality.
- Approximately 15% (fifteen percent) will be used for additional working capital. Such working capital is to finance the operation activities such as: purchasing and usage of raw materials, salary and trade debts.

In the event that the proceeds from the Public Offering are inadequate to meet the Company's investment and working capital requirements, the Company's internal funds will be utilized.

In the event that the planned use of proceeds from this Public Offering constitutes an affiliated transactions, transaction with conflict of interests, material transactions and/or change to the main business activities, the Company will adhere to the provisions set forth by the OJK Rule No. IX.E.1 and/or Rule No. IX.E.2.

The business expansion will be conducted based on the Company's long-term strategy to diversify its business to improve the Company's competitiveness, financial performance, market expansion, and experience in related sectors, and to add value for its stakeholders.

The Company represents that it shall submit an accountability report on the realization of the proceeds from this Public Offering on a periodical basis to the shareholders in the GMS and report it to the OJK in accordance with Rule No.X.K.4.

If, at any time hereafter, the Company intends to change the planned use of proceeds, then the Company shall first ask for the GMS approval and report such plan to the OJK in accordance with Rule No.X.K.4.

Pursuant to the Circular Letter issued by Bapepam and LK No. SE-05/BL/2006 dated 29 September 2006 on Disclosure of Information on Costs Incurred in an Public Offering, the estimated cost incurred by the Company is approximately 2.645% (two point six four five percent) of the total proceeds, which includes:

- Including VAT approximately 1.507% (one point five zero seven percent) which includes management fee approximately 1.232% (one point two three two percent), underwriting fee approximately 0.138% (zero point one three eight percent), and selling fee approximately 0.138% (zero point one three eight percent).
- Capital Market Supporting Professionals Fee including VAT approximately 0.180% (zero point one eight zero percent) which consists of: Public Accountant Fee approximately 0.037% (zero point zero three seven percent), Legal Consultant approximately 0.066% (zero point zero six six percent), Allotment Auditor approximately 0.005% (zero point zero zero five percent) Appraiser approximately 0.050% (zero point zero five five percent), and Notary approximately 0.022% (zero point zero two two percent).
- Capital Market Supporting Entities Fee including VAT approximately 0.073% (zero point zero seven three percent) which consists of: IDX services fee approximately 0.047% (zero point zero four seven percent), Indonesian Central Securities Depository fee approximately 0.005% (zero point zero zero five percent), Share Registrar approximately 0.022% (zero point zero two two percent).
- Other expenses (printing cost, advertisement cost, public expose, road show and others) approximately 0.885% (zero point eight eight five percent).

In the event that the proceeds from the Public Offering have not been fully utilized, the temporary placement of the proceeds from the Public Offering should be made with due consideration to the safety and liquidity of such placement, generate fair financial profit for the Company, and conform to the prevailing laws and regulations.

III. STATEMENT OF INDEBTEDNESS

In accordance with the Company's financial statements for the year ended 31 December 2013, the Company's total liabilities as of December 31, 2013 amounted to Rp2,187,383 million comprised of current liabilities amounting to Rp1,794,348 million and non-current liabilities amounting to Rp393,035 million. The figures are based on the Company's financial statements for year ended 31 December 2013 as stated in this Prospectus, audited by the PAF HLB Hadori Sugiarto Adi & Partners (Member Firm of HLB International), based on auditing standards established by the IAPI, which an expressed an unqualified opinion.

(in millions Rupiah)

Current Liabilities	Total
Short Term Loans	172,519
Trade Payables	
Third Parties	308,495
Related Party	16,605
Tax Payable	24,333
Advances Received	78,457
Unearned Revenue	911,803
Accrued Expense	254,434
Other Payable	26,466
Current Maturities of Obligations	
Under Finance Lease	1,236
Total Current Liabilities	1,794,348
Non Current Liabilities	
Obligation Under Finance Lease–Net Of Current Maturities	2,552
Medium Term Notes Payable	366,000
Post Employee Benefits Liabilities	24,483
Total Non-Current Liabilities	393,035
Total Liability	2,187,383

1. Short Term Loans

As of 31 December 2013, the Company's short term loans amounted to Rp172,519 million. A breakdown of the short term loans is as follows:

(in millions Rupiah)

Description	31 December 2013
Related Parties	
PT Bank Mandiri (Persero), Tbk	
Loan Account	2,886
Mandiri Fixed Loan	80,000
Non Cash Loan	64,426
Subtotal	147,312
PT Bank BRI (Persero), Tbk	
Loan Account	25,142
Non Cash Loan	-
Subtotal	25,142
Third Parties	
PT Bank CIMB Niaga, Tbk	
Loan Account	66
Credit Business Partner	
PT Bank Mandiri (Persero), Tbk	-
Subtotal	66
Total	172,519

PT Bank Mandiri (Persero) Tbk

On 6 May 2013 the Company approved the extension of credit facilities with PT Bank Mandiri (Persero) Tbk with agreement No.CBG.CB1/SPPK.026/2013.

The facilities are provided in the form of working capital credit with a total value of Rp130 billion and a non-cash loan facility with a limit of Rp185 billion. The interest rate ranges between 10% to 10.5% per year. The validity period of the agreement according to the extension of facilities is 11 May 2013 until 10 May 2014. Collateral for the agreement is in the form of non fixed assets (receivables & inventory) and fixed assets (land & buildings).

Negative covenants and related agreements are :

- a. Transfer the collateral;
- b. Getting a new credit facility or other loans from other financial institutions;
- c. Bind itself as guarantor of the debt or pledge assets of the Company that has been pledged to PT Bank Mandiri (Persero), Tbk to other parties.

Financial ratios that must be considered with:

- Current Ratio of at least 100% and Leverage Ratio maximum of 400%, which Current Ratio Company its better than from ratio requirement amounted to 106% and Leverage Ratio Company its better than from ratio requirement amounted 300%
- Cash loan facility that has been used by the Company is amounted to Rp82,886 million and non cash loan facility that has been used by the Company amounted to Rp64,426 million

PT Bank Rakyat Indonesia (Persero) Tbk

On 11 October 2013, PT Bank Rakyat Indonesia (Persero), Tbk, approved the extension of credit facilities with the Company with agreement No. R.II.059-ADK/DKR-2/10/2013.

The facilities are provided in the form of working capital credit with a total value of Rp125 billion and Non-Cash Loan facility with a limit of Rp58 billion.

Collateral for the agreement is in the form of non fixed assets (receivable & inventory) and fixed assets (land & buildings). The interest rate is 10% per year. The validity period of the agreement according to the extension of facilities is 13 September 2013 until 13 September 2014.

Things that should not be done (negative covenants) and related agreements are :

- a. Bind itself as guarantor for other parties and or pledge the asset of the Company to another party, except that already existing today;
- b. Apply for a declaration of bankruptcy to the Commercial Court to declare bankruptcy customers on their own;
- c. Receive aloan / financing of the new bank or other financial institution, except that already existing today;
- d. Lease assets pledged as collateral in the PT Bank Rakyat Indonesia (Persero) Tbk to other parties;

Things that should not be done (Affirmative Covenants) and related agreements are :

- a. Such investments do well to own group and other companies over Rp10 billion.
- b. Action changing board of management of the Company.
- c. Action changing of charter, changing of share capital, pay off debt to shareholder/company debt before all debt of the Company to PT Bank Rakyat Indonesia (Persero) Tbk paid off.

Financial ratios that must be complied with:

- Debt to Equity ratio maximum of 400%, which Debt Equity Ratio Company is better than from ratio requirement amounted to 300%.
- Cash loan facility that has been used amounted to Rp25,142 million and non cash loan facility have not been utilized by the Company

PT Bank CIMB Niaga,Tbk.

On 30 September 2013 the Company approved the extension of credit facilities with PT Bank CIMB Niaga Tbk with the agreement number No.337/AMD/CB/JKT/2013.

Cash loan facilities provided in the form of working capital credit amounted Rp12 billion and overdraft credit amounted Rp3 billion

The interest rate is 11.50% and 11.75% per year.

The validity period of the agreement according to the extension of facilities is 11 September 2013 until 14 July 2014.

Collateral for the agreement is in the form of non fixed assets (receivables & inventory) and fixed assets (land & building).

Things that should not be done (negative covenants) and related agreements are:

- a. Sell or otherwise transfer the rights or rent / surrender all or most wealth / assets of the Company, unless the Company in order to run the business day to day;
- b. Directly or indirectly guaranteeing an third party, except in the above endorsement letters that can be traded for purposes of payment or other billing transactions are commonly done in the operations;
- c. Entered a change of the nature and course of business that is being run by the Company today;
- d. Entered into a mergers, acquisition consolidations and reorganization, which agreement given except accordings to PT Bank CIMB Niaga Tbk considerations has fair reason for the rejection.

Cash loan facility has been used by the Company amounted to Rp66 million .

PT Bank DBS Indonesia

On 11 June 2013 the Company approved the extension of credit facilities with PT Bank DBS Indonesia with agreement No.354/PFPA-DBSI/VI/2013 agreement with the numbers.

Facilities are provided in the form of working capital credit with a total value of Rp25 billion and Non-Cash Loan facility with a limit of Rp50 billion.

The interest rate is SIBOR+2%.

The validity period of the agreement according to the extension of facilities is 25 April 2013 until 25 April 2014.

Collateral for the agreements in the form of non fixed assets (receivables & inventory) and fixed assets (land & buildings).

Cash loan and non cash loan facilities have not been utilized by the Company.

2. Trade Payables

As of 31 December 2013, the Company's trade payables amounted to Rp325,099 million. A breakdown of the trade payables is as follows:

<i>(in millions Rupiah)</i>	
Description	31 December 2013
Supplier payables	153,108
Subcontractors payables	87,773
Payable to foreman	5,689
Payables in process	78,529
Total	325,099

Supplier debt is payable on the purchase of raw materials for the execution of the work / project, such as the purchase of cement, sand, iron, plate and other connection. Debt owed to the subcontractor is a payable to third party for job given to subcontractor, such as stressing the work, installation, freight costs, reduction in beam, and peg the cost of others. Foreman payable is a debt owed for the wages of workers who carry out the work / project. Payables in process are for debt-to-order goods that have been accepted by the company in the form of the minutes of receipt of goods, but the bill has not been received.

Details of Account Payables to related parties and third parties are as follows:

<i>(in millions Rupiah)</i>	
Description	31 December 2013
Third Parties	308,495
Related Parties	16,604
Total	325,099

3. Tax Payable

As of 31 December 2013 the Company's tax payable amounted to Rp24,333 million. A description of the tax payable is as follows:

<i>(in millions Rupiah)</i>	
Description	31 December 2013
Prepaid Tax	
Value Added Tax	
PT Wijaya Karya Beton-Holding	24,293
PT Wika Kobe-Subsidiaries	8,318
PT Wika Krakatau Beton-Subsidiaries	4,200
Total	36,811

<i>(in millions Rupiah)</i>	
Description	31 December 2013
Tax Payables-Parent Entity	
Tax Article 21	467
Tax Article 23	437
Tax Article 29	23,201
Final for Construction Services Tax	198
Total	24,304

(in millions Rupiah)

Description	31 December 2013
Tax Payables-Subsidiaries	
Tax Article 23	
PT Wika Kobe-Subsidiaries	29
Final for Construction Services Tax	
PT Wika Kobe-Subsidiaries	-
Subtotal	29
Total	24,333

Kantor Pelayanan Pajak (KPP) Taxpayer Big Four audit the Value Added Tax on Goods and Services Tax Period 2007 As a result of the final examination on June 26, 2013, as many as 6 (Six) LTO issued a tax assessment letter ("SKP") the total value of Rp140.7 million and payment has been made on the date of July 10, 2013, and KPP Pratama Cileungsi at February until March to examine income tax on CPF Bogor by issuing SKP worth Rp16.2 million in August 2013.

4. Advances Received

As of 31 December 2013 the Company's advances received amounted Rp78,456 million. A description of the advances received is as follows:

(in millions Rupiah)

Description	31 December 2013
Sales Area I North Sumatra	2,309
Sales Area II South Sumatera	412
Sales Area III DKI Jakarta	37,116
Sales Area IV Central Java	15,832
Sales Area V East Java	20,363
Sales Area VI South Sulawesi	2,424
Total	78,456

The amount represents advances received from the purchaser under the contract and will be calculated on a periodic basis (proportionally) to the terms of its bill.

5. Unearned Revenue

As of 31 December 2013 the Company's unearned revenue amounted to Rp911,803 million. A description of the unearned revenue is as follows:

(in millions Rupiah)

Description	31 December 2013
Head Office	-
Sales Area I North Sumatra	70,845
Sales Area II South Sumatera	96,864
Sales Area III DKI Jakarta	217,610
Sales Area IV Central Java	217,291
Sales Area V East Java	182,178
Sales Area VI South Sulawesi	127,014
Total	911,803

The amount represents the delivery order performance obligations in connection with bills to customers has been implemented and do not meet the criteria for recognition of sales

6. Accrued Expenses

As of 31 December 2013, the Company's accrued expenses amounted to Rp254,434 million. A description of accrued expenses is as follows:

<i>(in millions Rupiah)</i>	
Description	31 December 2013
Project Management Expenses	184,874
Operating Expenses	58,069
Production Expenses	7,144
Other Expenses	4,346
Total	254,434

Project implementation expenses will be paid is a maintenance cost and installation of the products in field or which were deferred projects in relation to the time difference between the sales recognition and the time of delivery of the product.

<i>(in millions Rupiah)</i>	
Description	31 December 2013
Subcontractor	169,106
Labour	6,105
Distribution	5,662
Materials	4,001
Total	184,874

Accrued operating expenses which still have to paid represent obligations which not yet been billed from third parties relating to company public activity and administration.

Accrued production expenses represents outstanding expenditures that should be paid to third parties or temporary project workers.

7. Other Payables

As of 31 December 2013, the Company's other payables amounted to Rp26,466 million. A description of other payables is as follows:

<i>(in millions Rupiah)</i>	
Description	31 December 2013
Third Parties Payable	
Retirement Payable	28
Astek and Askes Payable	26
Others	1,122
Related Parties Payable	
Payable on Kopkar Mitra Satya	-
PT Wijaya Karya (Persero) Tbk	
Expenses cost	19,117
Land acquisition in KIW	6,174
Total	26,466

Retirement payable is payable to the Pension Fund Wijaya Karya, in accordance with Decree No. SK.01.01/A.DIR.0053/98 dated 10 June 1998, the premium to which will be charged at 5% of the basic salary and fixed allowances, while 10% of the basic salary and fixed allowances is paid by the Company.

Astek payable is a payable to PT Jamsostek for work accident insurance, fees of 2% of salary are charged to the employees, while 2.4% is paid by the company.

Askes payable is payable to PT BNI Life Insurance in accordance with policy No. 258/PK-KES/0702, with period from 1 January 2013 until 31 December 2013. All fees are charged to the Company. Askes payable to PT BNI Life Insurance are for employees designated organic (popno), while skilled employees (petra) are insured with PT Asuransi Jiwa Inhealth Indonesia, with agreement No. 0113M20131033381 date 1 January 2013 until 31 December 2013. Coverage provided by the insurance includes inpatient, outpatient, dental and others.

Land acquisition in WIKA Industrial Estate (KIW) is a payable of the Company to PT Wijaya Karya (Persero), Tbk over land transfer WIKA Industrial Estate (KIW) with a value of Rp 33,079 million in accordance with the letter of request No.SE.01.01/WB-0A.522/2007 dated 27 December 2007 by the Company on land transfers Wika Industrial Estate (KIW) and has been approved and signed by both parties. The payable has no payment period and is not interest bearing.

8. Post Employee Benefits

The Company reserves the donation each year for participants/employees who will retire in order to provide compensation for the right to compensation, severance and gratuity according to Law No. 13 of 2003.

The calculation of pension post employment benefits on 31 December 2013 and 2012 was performed by an actuarial consulting firm PT Dian Artha Tama No.122/PSAK/DAT/II/2014 dated January 8, 2014, No.645/PSAK/DAT/II/2013 dated February 21, 2013, No.084/PSAK/DAT/II/2012 dated January 31, 2012, using the Projected Unit Credit.

As of 31 December 2013, the Company's post employee benefits amounted to Rp24,483 million.

The expected return on assets is determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investment are based on gross redemption yields as the end of reporting period.

9. Lease Payables

As of 31 December 2013 the Company's long term payable amounted to Rp3,788 million and consisted only of a lease payable.

The future minimum lease payments required under the Company's outstanding lease agreement as of 31 December 2013:

<i>(In millions Rupiah)</i>	
Description	31 December 2013
Below 1 year	1,588
Between 1 – 3 years	2,819
Total	4,407
Less amounts applicable to interest	619
Present value of minimum lease payments	3,788
Less current maturities	1,236
Long – term maturities	2,552

The present value of the obligation under finance lease is as follows:

<i>(in millions Rupiah)</i>	
Description	31 December 2013
Below 1 year	
PT Orix Indonesia Finance	263
PT IJB Verena Finance	972
Between 1 – 3 years	
PT Orix Indonesia Finance	496
PT IJB Verena Finance	2,056
Total	3,788

The lease payable is a debt from Subsidiary (WIKA Kobe) and held a financing agreement with PT. Orix Indonesia Finance, for the procurement of head trailer vehicles in accordance with the Lease Agreement No. L13J01879A dated 26 July 2013, 36 month term, 5.79% interest rate (flat) pa.

Leased asset of head trailer amounted Rp620.7 million. The future lease payment required under this agreement amounted to Rp518.5 million for financing principal and Rp77.4 million for financing interest expense. In 2013, the financing interest expense amounted Rp25.1 million.

The Subsidiary (WIKA Kobe) has a financing agreement from PT IBJ Verena Finance, for the procurement of crawler cranes in accordance with the Lease Agreement No. 00203-001 dated August 21, 2013, for 36 month term with an interest rate 10,84% (flat) pa.

Leased asset of crawler crane amounted Rp2,308.4 million. The future lease payment required under this agreement amounted to Rp2,222.2 million for financing principal and Rp357.9 million for financing interest expense. In 2013, the financing interest expense amounted Rp63.4 million

The Subsidiary (WIKA Kobe) held an agreement financing with PT Orix Indonesia Finance, for the procurement of vehicles dump trucks in accordance with the Lease Agreement No. L13J02142A dated 23 September 2013, 36 month term with an interest rate of 5,8% (flat) pa.

Leased Asset of Dump Truck amounted Rp289.8 million The Future Lease Payment required under this agreement amounted Rp241.2 million for financing principal and amounted Rp38.4 million for financing interest expense. In 2013, the financing interest expense amounted Rp6.8 million

The Subsidiary (WIKA Kobe) got financing from PT IBJ Verena Finance, for the procurement of Wheel Loader in accordance with the Lease Agreement No. 00203-002 dated 6 November 2013 for 36 month term with an interest rate of 11.10% (flat) pa.

Leased asset of wheel loader amounted to Rp777.8 million. The future lease payment required under this agreement amounted to Rp766.5 million for financing principal and Rp145.4 million for financing interest expense.

Lease liabilities are based on purchase agreement with Lessor deducted with security deposit payment as dependent upon obedience and the Lessee's ability to carry out all the provisions, terms, and conditions of Lease Agreement.

At the end of the Lease Agreement the Lessee has the option to purchase the Leased Property or to extend the lease period or the Title of the Leased Property will be transferred from the Lessor to the Lessee. Property rights on the Leased Property remains with the Lessor during the lease period, the Lessee therefore is not allowed to move, sell, pledge, lease or in any way release or surrender the Leased Property to the control of a third party.

10. Medium Term Notes Payable

As of 31 December 2013, the Company's long term payable amounted to Rp366,000 million.

Account securities issue as follows:

<i>(in millions Rupiah)</i>	
Description	31 December 2013
Medium Term Notes Phase 1	366,000
Less unamortized Medium Term Notes issuance cost	823
Total	365,176

On 15 November 2013, the Company issued Medium Term Notes Phase I 2013 with an overall nominal amount is Rp366,000 million with a fixed interest rate of 9.5% per annum and maturity on 15 November 2015. The Company has been rating Single A+ issued by PT Pemeringkat Efek Indonesia No.1291/PEF-Dir/VII/2013 dated 16 July 2013, while the details of the calculation as follows :

Series	Coupon Rate	Maturities	Principal (in millions Rupiah)
A	9.50% p.a	2 years	366,000

Terms - Terms of Medium Term Notes (MTN):

- MTN issued under the name of "Medium Term Notes I" of PT Wijaya Karya Beton in 2013, in the principal amount of Rp366,000 million.
- MTN is issued for a period of 24 months from the date of publication on 15 November 2013 until the maturity date on 15 November 2015, which is the principal payment date of MTN.
- The interest rate is 9.5% per annum, payable every 3 (three) months.
- Collateral is equal to 100% of the principal amount of the MTN in the form of finished goods inventory
- The Company shall submit a report actual use of proceeds from the issuance of MTN every 3 (three) months to the Monitoring Agent until the funds are depleted and at the end of the period.

By issuing Medium Term Notes, the Company aims to expand its business by increasing production capacity and operational areas, as well as working capital.

11. Agreements and Contingency

- PT Inti Sumber Bajasakti

To meet the needs of key materials, the Company entered a purchase agreement with PT Inti Sumber Bajasakti. The agreement in effect since 26 March 2013 to 30 September 2013, requires advance payment of 20% of the total price of Rp14,100 million beyond 10% VAT and subsequent payment by 80% after the bill file complete and acceptable by the Company. The realization of agreement has been 100%. The agreement was extended from November 29, 2013 until May 31, 2014, according to the production planning with total price of Rp18,437.5 million beyond 10% VAT with realized value amounted Rp5,616.8 million. Sanctions related party unity is entitled to reject the goods, if the second party does not deliver the goods in accordance with the specifications prescribed in the agreement.

- PT Sinar Indah Perkasa

To meet the needs of key raw materials, the Company entered a purchase agreement with PT Sinar Indah Perkasa. For volume tons cement based on requirements and production of the factory, payment is made 30 (thirty) days after delivery of the goods and evidence of the complete bill, the agreement is valid from 4 February to 31 December 2013, and will be extended in accordance with the requirements or production plans as well as the latest price negotiations. Realizable value as of 31 December 2013 amounted to Rp280,763.7 million

- PT Perusahaan Gas Negara (Persero) Tbk

The Company entered into a purchase agreement with PT Perseroan Gas Negara (Persero) Tbk, to meet the gas needs at the Pasuruan, Bogor and Jatiwangi factories , to support the operation of the Company. The agreement entered is in force from 1 April 2013 until 31 March 2018, the minimum usage is 10,000 m³ of gas per/month while the maximum usage is 50,000 m³ of gas per/month.

EXCEPT AS STATED IN THE MATERIAL EVENTS FOLLOWING THE DATE OF THE INDEPENDENT AUDITOR REPORT, AS OF 31 DECEMBER 2013, AND UP TO THE DATE OF SUCH INDEPENDENT AUDITOR REPORT OF 14 FEBRUARY 2014 AND SUBSEQUENT TO THE DATE OF SUCH INDEPENDENT AUDITOR REPORT AND UP TO THE EFFECTIVE DATE OF THE REGISTRATION STATEMENT, THE COMPANY HAS NO MATERIAL LIABILITIES AND OBLIGATIONS OTHER THAN THOSE REPRESENTED ABOVE AND AS DISCLOSED IN THE INDEPENDENT AUDITOR REPORT AND THE COMPANY'S CONSOLIDATED FINANCIAL STATEMENTS.

THE COMPANY HAS NO OTHER OBLIGATIONS OTHER THAN THOSE ARISING FROM ITS NORMAL COURSE OF BUSINESS AND THE OBLIGATIONS WHICH HAVE BEEN STATED IN THIS PROSPECTUS AND DISCLOSED IN THE FINANCIAL STATEMENTS AS PRESENTED IN CHAPTER IV OF THE PROSPECTUS.

THROUGH THE SYSTEMATIC MANAGEMENT OF ITS ASSETS AND LIABILITIES AND THE EXPECTED INCREASE OF ITS OPERATIONAL YIELDS IN THE FUTURE, THE COMPANY BELIEVES THAT IT IS ABLE TO DULY MEET ALL ITS OBLIGATIONS IN ACCORDANCE WITH THE AGREED TERMS.

UP TO THE DATE OF THE ISSUANCE OF THIS PROSPECTUS, THERE IS NO NEGATIVE COVENANT IMPOSED WHICH WOULD ADVERSELY AFFECT THE RIGHTS OF THE COMPANY'S PUBLIC SHAREHOLDERS.

IV. SUMMARY OF KEY FINANCIAL HIGHLIGHTS

The summary of key financial information presented below is prepared based on, and shall be read in conjunction with and with reference to the Company's financial statements for the years ended 31 December 2013, 2012 and 2011, which were audited by PAF HLB Hadori Sugiarto Adi & Partners, signed by Djarwoto, Ak., who expressed an unqualified opinion; the financial statements for the year ended 31 December 2010, which were audited by PAF Pieter, Uways & Partners, signed by Dr. Pieter Solang, AK., who expressed an unqualified opinion; the Company's financial statements for the year ended 31 December 2009, which were audited by PAF Soejatna, Mulyana and Partners, signed by Drs. Mulyana Mastam, Ak., who expressed an unqualified opinion.

STATEMENT OF FINANCIAL POSITION

(in millions Rupiah)

DESCRIPTION	31 December				
	2009	2010	2011	2012	2013
Cash and Cash Equivalent	250,444	286,940	225,720	340,319	413,027
Account Receivables					
Related Parties	122,259	98,189	153,982	123,230	199,617
Third Parties	145,960	95,984	152,973	186,189	222,289
Accrued Income	26,072	27,790	5,352	48,857	27,517
Other Receivables	434	584	502	551	1,855
Tax Prepaid	24,158	21,327	28,736	24,553	36,810
Inventories	659,686	547,337	704,070	881,217	846,027
Advance	2,898	19,790	12,682	9,632	5,453
Prepaid Expense	159,037	145,510	107,924	179,431	143,423
Total Current Assets	1,390,952	1,243,451	1,391,941	1,793,980	1,896,018
Deferred Tax Assets	1,671	8,863	13,558	18,815	5,789
Investment Property	102	-	3,700	3,700	3,487
Fixed Assets	204,082	271,095	429,644	584,605	1,012,107
Total Non-Current Assets	205,855	279,958	446,902	607,120	1,021,383
TOTAL ASSETS	1,596,807	1,523,408	1,838,843	2,401,100	2,917,401
Short Term Loans	9,962	11,168	15,857	19,492	172,519
Trade Payables					
Third Parties	154,238	109,944	326,054	387,880	308,495
Related Parties	5,126	9,160	7,177	33,120	16,605
Tax Payables	29,653	25,945	38,583	43,398	24,333
Advances Received	101,050	30,060	50,315	35,407	78,457
Unearned Revenue	751,851	688,269	631,954	962,659	911,803
Accrued Expenses	230,646	301,010	311,892	278,076	254,434
Other Payables	52,370	18,488	21,072	17,983	26,466
Current Maturities of Obligations					
Under Finance Lease	-	-	-	-	1,236
Total Current Liabilities	1,334,901	1,194,044	1,402,904	1,778,015	1,794,348
Obligation Under Finance Lease – Net Of Current Maturities	-	-	-	-	2,552
Medium Term Notes Payable	-	-	-	-	366,000
Post Employee Benefits Liabilities	3,088	7,263	6,244	18,755	24,483
Total Non-Current Liabilities	3,088	7,263	6,244	18,755	393,035
TOTAL LIABILITIES	1,337,989	1,201,307	1,409,148	1,796,770	2,187,383
Share Capital	115,000	115,000	115,000	115,000	667,000
Treasury Stock	-	-	-	-	(58,246)
Retained Earnings					
Appropriated	61,558	78,010	78,010	106,895	23,245
Unappropriated	82,260	129,091	236,684	336,172	48,074
Subtotal	258,818	322,101	429,695	558,067	680,073
Non-Controlling Interest	-	-	-	46,263	49,945
TOTAL EQUITY	258,818	322,101	429,695	604,330	730,018
TOTAL LIABILITIES AND EQUITY	1,596,807	1,523,408	1,838,843	2,401,100	2,917,401

STATEMENT OF COMPREHENSIVE INCOME

(in millions Rupiah)

DESCRIPTION	31 December				
	2009	2010	2011	2012	2013
Revenues	1,416,182	1,430,435	1,635,087	2,030,597	2,643,724
Cost of Sales	(1,270,444)	(1,282,793)	(1,428,781)	(1,765,145)	(2,255,749)
Gross Profit	145,738	147,643	206,306	265,452	387,976
Operating Expenses					
General and Administrative Expenses	(20,409)	(24,409)	(26,785)	(31,243)	(47,903)
Business Development Expenses	(677)	(1,770)	(1,936)	(1,446)	(1,977)
Marketing Expenses	(894)	(1,258)	(1,265)	(1,477)	(1,893)
Total Operating Expenses	(21,981)	(27,438)	(29,986)	(34,167)	(51,773)
Operating Income	123,756	120,205	176,320	231,285	336,203
Other Income (Expense)					
Interest (Expense) Income	(1,358)	9,287	6,211	1,900	(3,620)
Allowance for Impairment	(13,094)	(24,843)	(18,225)	(1,169)	(1,118)
Foreign Exchange	(158)	1,862	9,460	(5,795)	(5,366)
Others – Net	1,933	11,352	16,001	7,460	2,423
Total Other – Net Income (Expense)	(13,488)	(2,343)	13,446	2,396	(7,681)
Profit Before Income Tax	110,268	117,862	189,765	233,681	328,522
Total Income (Expense) Tax	(28,008)	(25,788)	(45,342)	(54,313)	(87,315)
Net Income	82,260	92,074	144,423	179,368	241,206
Other Comprehensive Income	-	-	-	-	-
Comprehensive Income	82,260	92,074	144,423	179,368	241,206
Income Attributable to					
Parent Entity Owner	82,260	92,074	144,423	178,920	242,875
Non Controlling Interest	-	-	-	448	(1,668)
Total	82,260	92,074	144,423	179,368	241,206
Total comprehensive income					
Parent entity owner	82,260	92,074	144,423	178,920	242,875
Non controlling interest	-	-	-	448	(1,668)
Total	82,260	92,074	144,423	179,368	241,206

KEY FINANCIAL RATIOS

Leverage Ratio	31 December				
	2009	2010	2011	2012	2013
Debt to equity ratio (%)	520	370	330	297	300
Debt to asset ratio (x)	0.8	0.79	0.77	0.75	0.75
Gearing ratio (x)	0.18	0.03	0.04	0.03	0.74

Liquidity and Activity Ratio	31 December				
	2009	2010	2011	2012	2013
Current Ratio (%)	104.2	104.1	99.2	100.9	105.7
Net Working Capital (Rp, million)	56,051	49,407	(10,963)	15,965	101,670
Inventory Turnover (x)	2.1	2.6	2.3	2.3	3.1
Receivable Turnover (x)	5.3	7.3	5.3	6.5	6.3
Inventory Days (day)	170	140	157	158	117
Receivable Days (day)	69	50	69	56	58
Operating cashflow to net income (x)	2.6	1.8	0.9	1.7	0.5

Profitability Ratio	31 December				
	2009	2010	2011	2012	2013
Gross Profit Margin (%)	10.3	10.3	12.6	13.1	14.7
Operating Profit Margin (%)	8.7	8.4	10.8	11.4	12.7
Pre-tax Profit Margin (%)	7.8	8.2	11.6	11.5	12.4
Net Profit Margin (%)	5.8	6.4	8.8	8.8	9.1
Return on Assets (ROA) (%)	5.2	6.0	7.9	7.5	8.3
Return on Equity (ROE) (%)	31.8	28.6	33.6	29.7	33.0

Growth Ratio	31 December				
	2009	2010	2011	2012	2013
Revenues (%)	38.6	1.0	14.3	24.2	30.2
Net Profit (%)	59.2	11.9	56.9	24.2	34.5
Total Assets (%)	16.5	(4.6)	20.7	30.6	21.5
Total Liabilities (%)	13.7	(10.2)	17.3	27.5	21.7
Total Equity (%)	33.0	24.5	33.4	40.6	20.8

FINANCIAL RATIOS REQUIRED BY CREDIT AGREEMENTS OR OTHER LIABILITIES AND THE COMPLIANCE THEREOF

Financial Ratios Required by Credit Agreements or Other Liabilities	31 December 2013
Debt to equity ratio (%)	300.0*
Current ratio (%)	105.7**

*) The debt to equity required by creditor is 400%, at the maximum. The Company has complied with the aforementioned requirement as of the year ended 31 December 2013.

**) The current ratio required by creditor is 100%, at the minimum. The Company has complied with the aforementioned requirement as of the year ended 31 December 2013.

V. MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis presented below is prepared based on, and shall be read in conjunction with and with reference to the Company's financial statements as of and for years ended 31 December 2013, 2012 and 2011, which were audited by PAF HLB Hadori Sugiarto Adi & Partners, which expressed an unqualified opinion.

A. Overview

In accordance with Deed of Shareholders Circular Resolution and Amendment to Articles of Association of PT Wijaya Karya Beton, abbreviated as PT WIKABeton No. 03 dated 8 January 2014, executed before Mochamad Nova Faisal, S.H., M.Kn., Notary in South Jakarta, which deed was approved by the Minister of Law by virtue of Decision Letter No. AHU-01257.AH.01.02.Year 2014 dated 9 January 2014 and was registered in the Company Registry under No. AHU-0002307.AH.01.09.Year 2014 dated 9 January 2014 and was received and registered in the SABH (*Sistem Administrasi Badan Hukum*, Database of the Administration System for Legal Entities) database under No. AHU-AH.01.10-01308 dated 10 January 2014 and which has been registered in the Company Registry under No. AHU-0002925.AH.01.09.Year 2014 dated 10 January 2014 ("**Deed No. 03/2014**"), which amended the articles of association in its entirety to comply with Rule No. IX.J.1.

The purpose, objects and business activities of the Company as set forth in Deed No. 03/2014 are as follows:

1. To engage in the field of trading and concrete industry, construction services and other related business fields.
2. To achieve the aforementioned purpose and objects, the Company may carry out the following main activities:
 - a. Carry out the planning, production, selling, installation and implementation of construction of concrete products:
 - Transmission poles and electricity distribution and telephone poles;
 - Concrete piles;
 - Railway sleepers;
 - Concrete products for bridges;
 - Concrete products for land supporting walls;
 - Pipes;
 - Concrete products for buildings;
 - Concrete products for marine structures; and
 - Other concrete products.
 - b. Conduct business in construction planning, implementation and supervision services in the following business fields:
 - Engineering;
 - Electrical; and
 - Post-tensioning.
 - c. Conduct planning, production and selling of products/components of building materials.
 - d. Conduct export and import business related to business activities referred to in points a, b and c.

3. In addition to the main business activities referred to above, the Company may conduct the following supporting business activities in order to optimize the utilization of available resources:
- a. Carry out planning services, Implementation and Supervision of Construction in the following business fields:
 - Architecture;
 - Mechanic;
 - Environment planning;
 - Heavy building material components installation (heavy lifting); and
 - Other construction services.
 - b. Produce and sell ready mix concrete (ready mix);
 - c. Undertake natural resources management/quarry;
 - d. Conduct business in concrete product planning, installation and management;
 - e. Conduct utilization of coal fly ash and copper slag and B3 waste management;
 - f. Conduct planning, management, selling, purchasing, leasing and trading in ports and (jetty) business fields;
 - g. Conduct natural resources mining or quarry;
 - h. Conduct planning, production, selling and trading of natural resources/products or quarry;
 - i. Conduct planning, implementation, management, selling, purchasing, leasing and trading of sea and ground transportation services business;
 - j. Conduct industry and trading of concrete production equipments;
 - k. Conduct industry and trading of cement chemicals;
 - l. Conduct industry and trading of pre-stressed steel;
 - m. Conduct industry and trading of cement;
 - n. Conduct investment business.

The Company can also carry out any activities that are consistent with the abovementioned purpose and objects and any related activities, either independently or in cooperation with other individual or entity, in the manner and form that are required, with due consideration to the prevailing Laws and regulations.

The Company is a Subsidiary of WIKA.

B. FACTORS AFFECTING THE COMPANY'S BUSINESS ACTIVITIES AND OPERATIONS

The Company's business activities and operations are affected by several key factors, which include:

1. Increase in Raw Material Prices

The Company's production activities are affected by the availability of raw materials, whether industrial raw material such as cement, steel, PC-Wire, PC-Bar, PC-Strand or natural material raw material such as split and sand. The availability and price of such materials are affected by the high domestic demand as well as changes in Rupiah exchange rate and the increase in fuel price and electricity price.

In average the increase in raw material cost will affect the production cost by 10.0%-15.0%. Therefore, the Company assumed increase in sales price of 5.0%-7.5% during the annual preparation of the Company's Work Plan and Budget.

2. Product Sales Price

Historically, the prices of the Company's products are relatively more expensive compared to those of its competitors. The price differences were mainly affected by the quality of products produced by the Company that are significantly higher than those of its competitors. Price often serves as the determining factor in each tender or sales activity; however the Company is able to justify its high product prices on technical and commercial grounds as a result of the quality and after-sales services provided by the Company.

The use of advanced technology, speed and availability of production capacity becomes key factors when the Company faces competition in product pricing. The Company's technical explanation and its ability to meet customers need according to the expected schedule assists the Company during price negotiation with customers.

3. Infrastructure Development

The majority of infrastructure development in Indonesia is funded by the State Budget. If the Government's fund allocation for infrastructure is limited and deferred, the procurement of facilities and infrastructure will decline accordingly. Since the Company is engaged in the business of supplying concrete for infrastructure, the amount of Government expenditure for infrastructure affects the Company's revenue. Because of the profile of infrastructure developments in Indonesia for the past 5 (five) years, the availability of concrete supply has been significantly less than the demand for concrete. Considering data recorded in MP3EI, the Company believes that concrete industry still has significant opportunities for the next five to ten years. To the Company, these facts are both an opportunity and a threat if the Company fails to expand its business to meet the demand.

4. Concrete Technology

In general, the development of concrete production technology is not as rapid and as the technology in the electronic or other industries, however, if the Company fails to keep up with concrete technological developments or concrete production processes, it's business strategy, particularly with regard to the types and installation methods of pre-cast concrete that are associated with the latest technological development. For example, the Company is currently developing a PC concrete piles product that can be rooted in dense locations surrounded by buildings and/or residential complexes without disturbing the surrounding areas.

C. FINANCIAL

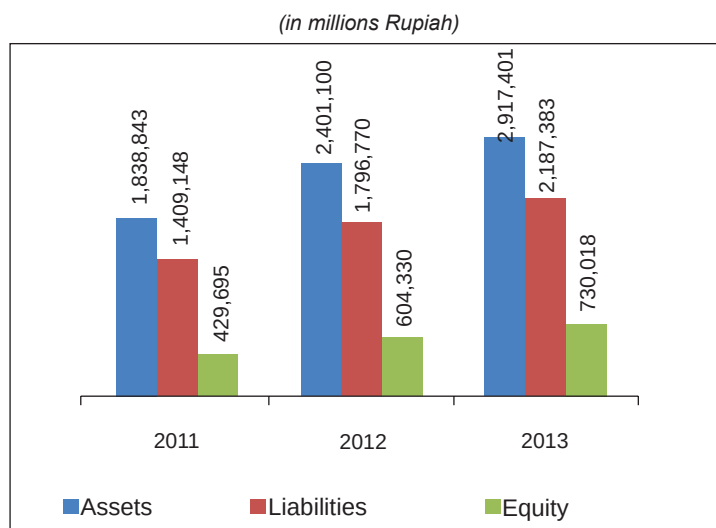
Statements of Financial Position

(in millions of Rupiah)

DESCRIPTION	31 December		
	2011	2012	2013
Cash and Cash Equivalent	225,720	340,319	413,027
Account Receivables			
Related Parties	153,982	123,230	199,617
Third Parties	152,973	186,189	222,289
Accrued Income	5,352	48,857	27,517
Other Receivables	502	551	1,855
Tax Prepaid	28,736	24,553	36,811
Inventories	704,070	881,217	846,027
Advance	12,682	9,632	5,453
Prepaid Expense	107,924	179,431	143,423
Total Current Assets	1,391,941	1,793,980	1,896,018
Deferred Tax Assets	13,558	18,815	5,789
Investment Property	3,700	3,700	3,487
Fixed Assets	429,644	584,605	1,012,107
Total Non-Current Assets	446,902	607,120	1,021,383
TOTAL ASSETS	1,838,843	2,401,100	2,917,401

DESCRIPTION	31 December		
	2011	2012	2013
Short Term Loans	15,857	19,492	172,519
Trade Payables			
Third Parties	326,054	387,880	308,495
Related Parties	7,177	33,120	16,605
Tax Payables	38,583	43,398	24,333
Advances Received	50,315	35,407	78,457
Unearned Revenue	631,954	962,659	911,803
Accrued Expenses	311,892	278,076	254,434
Other Payables	21,072	17,983	26,466
Current Maturities of Obligations Under Finance Lease maturing within 1 (one) year	-	-	1,236
Total Current Liabilities	1,402,904	1,778,015	1,794,348
Obligation Under Finance Lease – Net Of Current Maturities	-	-	2,552
Medium Term Notes Payable	-	-	366,000
Post Employee Benefits Liabilities	6,244	18,755	24,483
Total Non-Current Liabilities	6,244	18,755	393,035
TOTAL LIABILITIES	1,409,148	1,796,770	2,187,383
Share Capital	115,000	115,000	667,000
Treasury Stock	-	-	(58,246)
Retained Earnings			
Appropriated	78,010	106,895	23,245
Unappropriated	236,684	336,172	48,074
Subtotal	429,695	558,067	680,073
Non-Controlling Interest	-	46,263	49,945
TOTAL EQUITY	429,695	604,330	730,018
TOTAL LIABILITIES AND EQUITY	1,838,843	2,401,100	2,917,401

Development of Statements of Financial Position



Assets Development

The year ended 31 December 2013 compared to the year ended 31 December 2012

The Company's assets increased by 21% to Rp2,917,401 million for the year ended 31 December 2013 compared to Rp2,401,100 million for the year ended 31 December 2012. The increase was due to the increase in the Company's trade receivables by 36.4% to Rp 421,906 million from Rp309,419 million, combined with the increase in fixed assets by 73.1% to Rp 1,012,107 million from Rp584,605 million.

The Company's current assets as of 31 December 2013 was Rp1,896,018 million, an increase of Rp102,038 million or 5.7% compared to the balance as of 31 December 2012, which amounted to Rp1,793,980 million. The increase was mainly due to the increase in cash and cash equivalents by 21.4% or Rp72,707 million as a result of the increase in loan in the form of the Company's medium term notes issued in 2013 totaling Rp366,000 million. In addition, the increase was contributed by the increase in the Company's trade receivables by 36.4% to Rp421,906 million from Rp309,419 million.

The Company's non-current assets as of 31 December 2013 was Rp1,021,383 million, an increase of Rp414,263 million or 68.2% compared to the balance as of 31 December 2012, which amounted to Rp607,120 million. In general, the increase was due to the increase in fixed assets by 73.1% to Rp1,012,107 million from Rp584,605 million as a result of, among others, the purchase of land located in South Lampung totaling Rp171,105 million, the purchase of land in located in Rumpin, Bogor totaling Rp12,664 million, the purchase of land located in Palu totaling Rp2,204 million, the purchase of land located in Majalengka totaling Rp16,665 million; the purchase of equipment totaling Rp83,501 million and the purchase of moulds to support product capacity upgrades in existing factories totaling Rp40,369 million.

The Company's trade receivables as of 31 December 2013 was Rp421,906 million, increased by Rp112,487 million or 36.4% compared to the balance as of 31 December 2012, which amounted to Rp309,419 million. In general, the increase was due to the increase in total third party customers in December 2013, coupled with the increase in sales to third parties by Rp1,477,790 million.

Total accrued income as of 31 December 2013 was Rp 27,517 million, a decrease of Rp21,340 million or 43.7% compared to the balance as of 31 December 2012, which amounted to Rp48,857 million. In general, the decrease was due to the decrease in accrued income from third parties by 81.7% or Rp20,648 million compared to 31 December 2012, which amounted to Rp25,261 million.

The Company's other receivables as of 31 December 2013 was Rp1,855 million, an increase of Rp1,304 million or 236.6% compared to the balance as of 31 December 2012, which amounted to Rp551 million. In general, the increase was due to the increase in Insurance Receivables for retiring employees, where the Company paid in advance the employees' pension fund totaling Rp1,535 million that should have been paid by the pension fund. The Company, based on its policies, is allowed to pay employees' pension fund in advance, which will later be compensated by the Company's pension fund.

The Company's prepaid taxes as of 31 December 2013 was Rp5,452 million, an increase of Rp12,258 million or 49.9% compared to the balance as of 31 December 2012, which amounted to Rp24,553 million. In general, the increase was due to payment of VAT totaling Rp4,200 million for the purchase of land by the Company's Subsidiary.

The Company's advances as of 31 December 2013 was Rp5,452 million, a decrease of Rp4,180 million or 43.4% compared to the balance as of 31 December 2012, which amounted to Rp9,632 million. In general, the decrease was due to the decrease in advances from sub-contractors by 92.9% to Rp334 million compared to the balance as of 31 December 2012, which amounted to Rp4,705 million.

The Company's deferred tax assets as of 31 December 2013 was Rp5,789 million, a decrease of Rp13,026 million or 69.2% compared to the balance as of 31 December 2012, which amounted to Rp18,815 million. In general, the decrease was due to the significant temporary differences arising between the tax bases and carrying values of fixed assets as a result of the different depreciation methods used for fiscal and accounting purposes.

The Company's fixed assets as of 31 December 2013 was Rp1,012,107 million, an increase of Rp427,502 million or 69.2% compared to the balance as of 31 December 2012, which amounted to Rp584,605 million. In general, the increase was mainly due to the increase in the Company's investing activities through investment in land and the purchase of equipment and moulds in order to expand the Company's business and increase the Company's production capacity.

Year ended 31 December 2012 compared to the year ended 31 December 2011

The Company's assets increased by 30.6% to Rp2,401,100 million as of 31 December 2012 compared to Rp1,838,843 million as of 31 December 2011. The increase was due primarily to the increase in cash and cash equivalents by 50.8% to Rp340,319 million from Rp225,720 million, the increase in inventory by 25.2% to Rp881,216 million from Rp 704,070 million and the increase in fixed assets by 36.06% to Rp584,605 million from Rp429,643 million.

The Company's current assets as of 31 December 2012 was Rp1,793,980 million, an increase of Rp402,035 million or 28.9% compared to 31 December 2011, which amounted to Rp1,391,941 million. In general, the increase was due to the increase in term payments from customers resulting in an increase of cash and cash equivalents compared to 2011 and the increase in inventory and prepaid expenses as a result of the increase in revenue in 2012 to Rp2,030,596 million.

The Company's non-current assets as of 31 December 2012 was Rp607,120 million, an increase of Rp160,218 million or 35.9% compared to 31 December 2011, which amounted to Rp446,092 million. In general, the increase was due to the increase in the Company's fixed assets in 2012 by Rp154,961 million, which was mainly due to the purchase of production equipment of Rp119,951 million and the purchase of moulds of Rp25,197 million to increase production capacity.

The Company's cash and cash equivalents as of 31 December 2012 was Rp340,319 million, an increase of Rp114,599 million or 50.8% compared to 31 December 2011, which amounted to Rp225,720 million. In general, the increase was due to the increase in term payment from customers as a result of the increase in the Company's revenue in 2012 to Rp2,030,597 million and the balance was attributed to its subsidiary (WIKA Kobe) amounted Rp47,380 million. WIKA Kobe was established on 10 May 2012 and currently WIKA Kobe has commenced commercial operation but has not started production.

The Company's accrued income as of 31 December 2012 was Rp48,857 million, an increase of Rp43,506 million or 812.9% compared to 31 December 2011, which amounted to Rp5,352 million. In general, the increase was due to the increase in goods delivered but not yet billed at the end of 2012 as a result of the increased sales in 2012. Accrued Revenue from Third Parties increased by Rp23,186 million or 1,017.4% compared to previous year, which amounted to Rp2,075 million and from Related Parties increased by Rp20,320 million or 520.3% compared to prior year, which amounted to Rp3,276 million.

The Company's prepaid expenses as of 31 December 2012 was Rp179,431 million, an increase of Rp71,507 million or 66.3% compared to 31 December 2011, which amounted to Rp107,924 million. In general, the increase was due to the increase in project execution cost by 81.8% or Rp79,925 million compared to prior year, which amounted to Rp97,649 million, as a result of the increase in sales compared to 2011. Sales represent the revenue recognized by the Company upon handover of goods to customers, marked by the handover report ("*Berita Acara Serah Terima*", "BAST"). Whereas contract value refers to the value at the time the sale and purchase agreement between the Company and customer is signed.

Development of Liabilities

Year ended 31 December 2013 compared to the year ended 31 December 2012

The Company's liabilities increased by 21.7% to Rp2,187,383 million for the financial year ended 31 December 2013 compared to the balance as of 31 December 2012, which amounted to Rp1,796,770 million. The increase was due to the medium term notes payables of Rp366,000 million, combined with the increase in short-term loan by 785.1% to Rp172,519 million from the initial Rp19,492 million.

The Company's non-current liabilities as of 31 December 2013 was Rp393,035 million, an increase of Rp374,280 million or 1,995.7% compared to the balance as of 31 December 2012, which amounted to Rp18,755 million. The said increase was a result of the issuance of Medium Term Notes I Year 2013 ("2013") by the Company on 15 November 2013, with a total nominal value of Rp366,000 million, at a fixed interest rate of 9.5% per annum, which will mature on 15 November 2015. The Company was rated Single A Plus by PT Pemeringkat Efek Indonesia, by virtue of Letter No. 1291/PEF-Dir/VII/2013 dated 16 July 2013.

The Company's short-term loans as of 31 December 2013 was Rp 172,519 million, an increase of Rp153,028 million or 785.1% compared to the balance as of 31 December 2012, which amounted to Rp19,492 million. Short-term loans increased since the Company utilized its loan facilities from PT Bank Mandiri (Persero) Tbk in the form of Mandiri Fixed Loan and Overdraft totaling Rp147,312 million. In addition, the Company also utilized its loan facilities from PT Bank Rakyat Indonesia (Persero) Tbk in the form of Overdraft totaling Rp25,142 million. In general, the loan facilities were utilized to finance the Company's operational requirements.

The Company's trade payables as of 31 December 2013 was Rp325,099 million, a decrease of Rp95,900 million or 22.8% compared to the balance as of 31 December 2012, which amounted to Rp421,000 million. The decrease was due to the decrease in trade payables to third parties by Rp79,385 million or 20.5% compared to the balance as of 31 December 2012, which amounted Rp387,880 million.

The Company's taxes payable as of 31 December 2013 was Rp24,333 million, a decrease of Rp19,064 million or 43.9% compared to the balance as of 31 December 2012, which amounted to Rp43,398 million. The decrease was due to the decrease in WHT Art. 29 by Rp19,256 million or 45.4%.

The Company's advances received as of 31 December 2013 was Rp78,456 million, an increase of Rp43,049 million or 121.6% compared to the balance as of 31 December 2012, which amounted to Rp35,407 million. The increase was due to the effectiveness of the Company's policies regarding terms of payment in the sale and purchase agreement with customers, whereby the Company's operation policy requires a minimum down payment of 20% for each contract. The Company's advances received from third parties increased to Rp49,363 million compared to the prior year, which amounted to Rp 23,185 million; whereas advances received from related parties increased to Rp29,093 million compared to the prior year, which amounted to Rp12,222 million.

The Company's other payables as of 31 December 2013 was Rp26,466 million, an increase of Rp8,483 million or 47.2% compared to the balance as of 31 December 2012, which amounted to Rp17,983 million. The increase was due to the increase in payables to related parties for the cost charged by WIKA totaling Rp19,117 million.

As of 31 December 2013, the Company's lease payables net of current maturities of 1 (one) year was Rp2,552 million; whereas current maturities of obligations under finance lease maturing within 1 (one) year was Rp1,236 million. Lease payables generally consist of rental fee for head-trailers, dump trucks, wheel loaders and crawler cranes owned by the Company's Subsidiary.

The Company's post-employment benefit obligation as of 31 December 2013 was Rp24,483 million, an increase of Rp5,728 million or 30.5% compared to the balance as of 31 December 2012, which amounted to Rp18,755 million. The increase was due to the increase in number of employees in 2013.

Year ended 31 December 2012 compared to the year ended 31 December 2011

The Company's liabilities increased by 27.5% to Rp1,796,770 million as of 31 December 2012, compared to Rp1,409,148 million as of 31 December 2011. The increase was due primarily to the increase in trade payables – third parties by 19.0% to Rp387,880 million from Rp326,054 million, the increase in trade payable – related parties by 361.4% to Rp 33,120 million from Rp7,177 million and the increase in unearned revenue by 52.3% to Rp962,660 million from Rp631,954 million.

The Company's trade payables – related parties as of 31 December 2012 was Rp33,120 million, an increase of Rp25,942 million or 361.4% compared to 31 December 2011, which amounted to Rp7,177 million. The increase was due to the increase in sub-contractor payable to Rp29,177 million compared to prior year, which amounted to Rp4,465 million and the increase in the Company's sales that increased the Company's operating activities which affected the payables to business partners (suppliers, subcontractors and foremen).

The Company's advances received as of 31 December 2012 was Rp35,407 million, a decrease of Rp14,908 million or 29.6% compared to 31 December 2011, which amounted to Rp50,315 million. The decrease was due to the decrease in advances received from third parties to Rp23,185 million compared to prior year, which amounted to Rp25,162 million and the decrease in advances from Related Parties to Rp12,222 million compared to prior year, which amounted to Rp25,152 million.

The Company's unearned revenue as of 31 December 2012 was Rp962,660 million, an increase of Rp330,705 million or 52.3% compared to 31 December 2011, which amounted to Rp631,954 million. The increase was due to the increase in unearned revenue from third parties to Rp555,351 million compared to prior year, which amounted to Rp298,159 million and from related parties to Rp407,308 million compared to prior year, which amounted to Rp333,795 million.

The Company's post-employment benefit obligation as of 31 December 2012 was Rp18,754 million, an increase of Rp12,510 million or 200.4% compared to 31 December 2011, which amounted to Rp6,244 million. The increase was due to the increase in the number of employees in 2012.

Development of equity

Year ended 31 December 2013 compared to the year ended 31 December 2012

The Company's equity increased by 20.8% to Rp730,018 million as of 31 December 2013, compared to Rp604,330 million as of 31 December 2012. The increase was due to the increase in issued and paid-up capital by 480.0% to Rp667,000 million.

The Company's Issued and paid-up capital as of 31 December 2013 was Rp667,000 million, an increase of Rp552,000 million or by 480.0% compared to the balance as of 31 December 2012, which amounted to Rp115,000 million. The increase in the Company's paid-up capital referred to above was derived from reserves/profits/retained earnings/share dividends and interim dividends capitalized.

The Company's treasury stock as of 31 December 2013 was Rp58,246 million. On 20 December 2013, the Company bought back a portion of shares owned by one of the Company's Shareholder, Koperasi Karya Mitra Satya, in order to strengthen the Company's share ownership and capital structure.

The Company's Appropriated Retained Earnings as of 31 December 2013 was Rp23,245 million, a decrease of Rp83,650 million or 78.3% compared to the balance as of 31 December 2012, which amounted to Rp106,895 million. The decrease was due to the utilization of appropriated retained earnings for the capitalization of reserves/profits/retained earnings/share dividends and interim dividends in order to increase the Company's Issued and Paid-up Capital.

The Company's Unappropriated Retained Earnings as of 31 December 2013 was Rp48,074 million, a decrease of Rp288,098 million or 85.7% compared to the balance as of 31 December 2012, which amounted to Rp336,172 million. The decrease was due to the utilization of unappropriated retained earnings for the capitalization of reserves/profits/retained earnings/share dividends and interim dividends in order to increase the Company's Issued and Paid-up Capital.

Year ended 31 December 2012 compared to the year ended 31 December 2011

The Company's equity increased by 40.6% to Rp604,330 million for the year ended 31 December 2012 compared to Rp429,695 million for the year ended 31 December 2011. The increase was due to the increase in retained earnings by 29.9% to Rp558,067 million from Rp429,695 million.

The Company's unappropriated retained earnings as of 31 December 2012 was Rp336,172 million, an increase of Rp99,488 million or 42.0% compared to 31 December 2011, which amounted to Rp236,684 million. The increase was due to the increase in the Company's net profit in 2012 to Rp 179,368 million compared to 2011, which amounted to Rp144,423 million and in 2012 the Company had a controlling interest in subsidiary of Rp46,262 million.

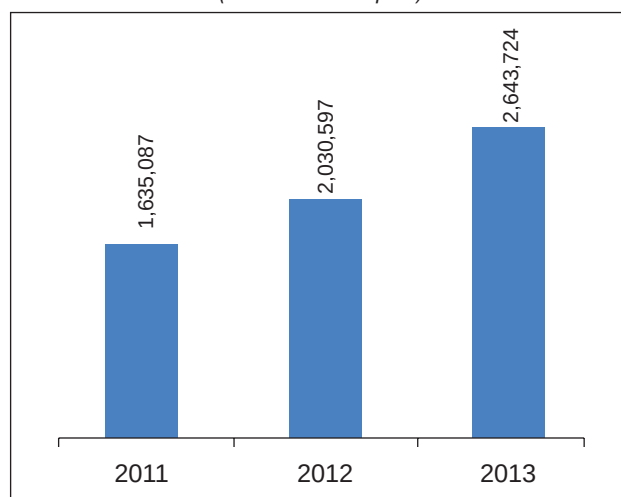
Statements of Comprehensive Income

(in millions of Rupiah)

DESCRIPTION	31 December		
	2011	2012	2013
Revenues	1,635,087	2,030,597	2,643,724
Cost of Sales	(1,428,781)	(1,765,145)	(2,255,749)
Gross Profit	206,306	265,452	387,976
Operating Expenses			
General and Administrative Expenses	(26,785)	(31,243)	(47,903)
Business Development Expenses	(1,936)	(1,446)	(1,977)
Marketing Expenses	(1,265)	(1,477)	(1,893)
Total Operating Expenses	(29,986)	(34,167)	(51,773)
Operating Income	176,320	231,285	336,203
Other Income (Expense)			
Interest (Expense) Income	6,211	1,900	(3,620)
Allowance for Impairment	(18,225)	(1,169)	(1,118)
Foreign Exchange	9,460	(5,795)	(5,366)
Others – Net	16,001	7,460	2,423
Total Other – Net Income (Expense)	13,446	2,396	(7,681)
Profit Before Income Tax	189,765	233,681	328,522
Total Income (Expense) Tax	(45,342)	(54,313)	(87,315)
Net Income	144,423	179,368	241,206
Other Comprehensive Income	-	-	-
Comprehensive Income	144,423	179,368	241,206
Income Attributable to			
Parent Entity Owner	144,423	178,920	242,875
Non Controlling Interest	-	448	(1,668)
Total	144,423	179,368	241,206
Total comprehensive income			
Parent entity owner	144,423	178,920	242,875
Non controlling interest	-	448	(1,668)
Total	144,423	179,368	241,206

Development of Revenue

(in millions of Rupiah)



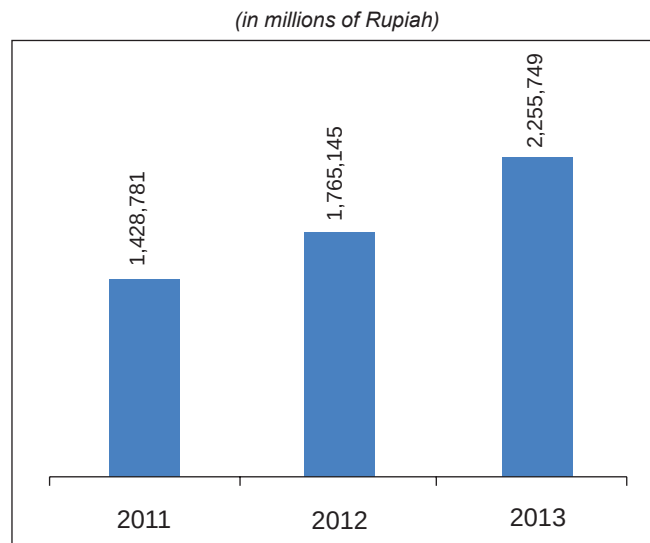
Year ended 31 December 2013 compared to the year ended 31 December 2012

The Company's revenue increased by 30.2% to Rp2,643,724 million for the year ended 31 December 2013 compared to Rp2,030,597 million for the year ended 31 December 2012. The increase was due to the Government program (MP3EI) with considerable allocation for infrastructure, which is the Company's market; demands that was higher than existing supplies and the Company's product variations that are different compared to prior period and not due to new products launched by the Company. The increase in sales prices in the year ended 31 December 2013 compared to the year ended 31 December 2012 was influenced by the supply and demand condition in the market. The Company has flexible sales price policies, adjusted with the remaining normal capacity of existing factories. In addition, sales prices are also influenced by the increase in cost of goods sold, such as natural materials, industrial materials, fuel, electricity and wages. The increase in production volume in the year ended 31 December 2013 compared to 31 December 2012 was relatively small, i.e., approximately 1.3% or 1,456.9 thousand tons in the year ended 31 December 2013 and 1,438.7 thousand tons in the year ended 31 December 2012, resulting in the Company's revenue of Rp2,030,597 million on 31 December 2013. Marketing expenses incurred by the Company for the year ended 31 December 2012 and 31 December 2013 were Rp1,477 million and Rp1,893 million, respectively; the increase in marketing expense in the year ended 31 December 2013 had relatively small contribution to the increase in the Company's revenue, where the percentage of marketing expenses to revenue was approximately 0.07%. Based on sales area, DKI Jakarta and West Java still dominated the Company's Revenue, contributing 27.9% of total Revenue, followed by East Java, Central Java and North Sumatera - as the sales area outside Java - that provided fairly substantial contribution. PC Piles product provided the largest contribution, i.e., 51.3% of the Company's total revenue, followed by Railway Sleepers, Bridge Concrete Product, PC Poles, Retaining Walls and other Building Concrete Products and Services. Several large contracts secured by the Company were, among others: Tarjun-South Kalimantan Steam Power Plant, Mixed Use Development-Pantai Indah Kapuk Jakarta, Gempol-Porong Toll Road East Java, Bogor Outer Ring Road ("BORR") and Double Track Railway Sleeper – Cilegon.

Year ended 31 December 2012 compared to the year ended 31 December 2011

The Company's revenue increased by 24.2% to Rp2,030,597 million for the year ended 31 December 2012 compared to Rp1,635,087 million for the year ended 31 December 2011. The increase was due to the increase in projects secured in all of the Company's sales areas. The increase in sales prices for the period ended 31 December 2012 compared to 31 December 2011 was mainly triggered by the supply and demand condition in the market. In addition, sales prices are also influenced by the increase in cost of goods sold, such as natural materials, industrial materials and wages. The increase in sales value for the period ended 31 December 2012 compared to the period ended 31 December 2011 was considerable, i.e., approximately 33.3% or 1,438.7 thousand tons in the period ended 31 December 2012 from 1,078.9 thousand tons in the period ended 31 December 2011, resulting in the Company's revenue of Rp2,030,597 million on 31 December 2012. The marketing expenses incurred by the Company in the period ended 31 December 2011 and 31 December 2012 were Rp1,265 million and Rp1,477 million, respectively; the increase in marketing expense in the period ended 31 December 2012 had relatively small contribution to the increase in the Company's revenue, where the percentage of marketing expenses to revenue was approximately 0.1%. DKI Jakarta and West Java, East Java and North Sumatera and Central Java Operational Areas contributed fairly substantial project acquisition, whereas North Sumatera and South Sulawesi Operational Areas remain fairly stable. The PC Piles still provided the largest contribution, i.e., 56.24% of the Company's total Revenue. Several large contracts secured including Development of factory in Krakatau-Cilegon industrial zone; Pangkalan Susu-North Sumatera Steam Power Plant; Non-toll road Kampung Melayu-Antasri Jakarta; LNG Jetty & Marine-Gorgon Barrow Island; and Merah Putih Bridge-Ambon.

Development of Cost of Sales



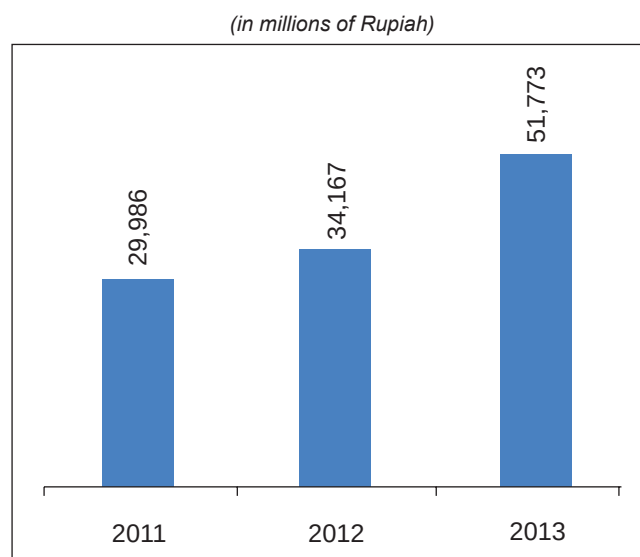
Year ended 31 December 2013 compared to the year ended 31 December 2012

The Company's cost of sales increased by 27.8% to Rp2,255,749 million for the financial year ended 31 December 2013 compared to Rp1,765,145 million for the year ended 31 December 2012. The increase was due to the increase in the Company's revenue as a result of the increase in contract value. Products' Direct Cost accordingly increased substantially, in line with the increase in production volume to meet the increased demand from customers.

Year ended 31 December 2012 compared to the year ended 31 December 2011

The Company's cost of sales increased by 23.5% to Rp1,765,145 million for the year ended 31 December 2012, compared to Rp1,428,781 million for the year ended 31 December 2011. The increase was due to the increase in the Company's revenue as a result of the increase in contract value. Products' direct cost increased substantially, in line with the increase in production volume to meet the increased demand from customers.

Development of Operating Expenses



The composition of the Company's operating expenses is presented in the summarized table below:

DESCRIPTION	31 December		
	2011	2012	2013
General & Administrative Expenses	89.3%	91.4%	92.5%
Business Development Expense	6.5%	4.2%	3.8%
Marketing Expense	4.2%	4.3%	3.7%
Total	100.0%	100.0%	100.0%

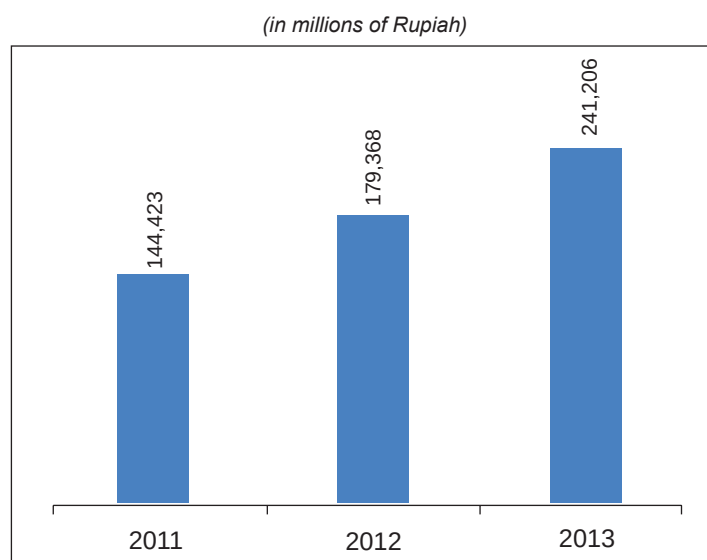
Year ended 31 December 2013 compared to the year ended 31 December 2012

The Company's operating expense increased by 51,5% to Rp51,773 million for the financial year ended 31 December 2013 compared to Rp34,167 million for the financial year ended 31 December 2012. The increase was due to the increase in general & administrative expense by 53.3% to Rp47,903 million from Rp31,243 million, which was mainly comprised of personnel expense.

Year ended 31 December 2012 compared to the year ended 31 December 2011

The Company's operating expenses increased by 13.9% to Rp34,167 million for the year ended 31 December 2012 compared to Rp29,986 million for the year ended 31 December 2011. The increase was due to the increase in general & administrative expense by 16.6% to Rp31,243 million from Rp26,785 million, particularly personnel expense.

Development of Comprehensive Income



Year ended 31 December 2013 compared to the year ended 31 December 2012

The Company's comprehensive income increased by 34.5% to Rp241,206 million for the financial year ended 31 December 2013 compared to Rp179,368 million for the financial year ended 31 December 2012. The increase was mainly due to the increase in the Company's revenue by 30.19% to Rp2,643,724 million for the financial year ended 31 December 2013 compared to Rp2,030,597 million for the financial year ended 31 December 2012.

Year ended 31 December 2012 compared to the year ended 31 December 2011

The Company's comprehensive income increased by 24.2% to Rp179,368 million for the year ended 31 December 2012 compared to Rp144,423 million for the year ended 31 December 2011. The increase was due to the increase in the Company's revenue by 24.2% to Rp2,030,596 million compared to Rp1,635,086 million for the period ended 31 December 2011.

Solvency and Profitability

Solvency

Solvency is the Company's ability to service all of its liabilities using all of its assets or equity. Solvency is measured by comparing (i) total liabilities to total equity (Debt to Equity Ratio) (ii) total liabilities to total assets (Debt to Asset Ratio) and (iii) interest bearing liabilities to total equity (Gearing Ratio). Presented below are the values of the three solvency ratios:

Description	31 December		
	2011	2012	2013
Debt to Equity Ratio (%)	99.2	297	300.0
Debt to Asset Ratio (x)	0.77	0.75	0.75
Gearing Ratio (x)	0.04	0.03	0.74

Profitability

The Company's profitability can be measured and compared to other companies by using its profitability ratios.

Description	31 December		
	2011	2012	2013
Gross Profit Margin (%)	12.6	13.1	14.7
Operating Profit Margin (%)	10.8	11.4	12.7
Profit Before Tax Margin (%)	11.6	11.5	12.4
Net Profit Margin (%)	8.8	8.8	9.1
ROA (%)	7.9	7.5	8.3
ROE (%)	33.6	29.7	33.0

Cash Flows

The Company's Cash Flows provided by Operating Activities are, among others, receipt from customers, payment to suppliers, board of directors and employees, interest income, payment of interest, payment of tax, other receipts and payments.

The Company's Cash Flows used in Investing Activities are, among others, for the acquisition of fixed assets.

The Company's Cash Flows provided by Financing Activities are, among others, receipts and payment of bank loan, loan repayment, and payment of lease payables and dividend payments.

Presented below are the Company's liquidity levels for the nine for the years ended 31 December 2013, 2012 and 2011:

(in millions of Rupiah)

Description	31 December		
	2011	2012	2013
CASH FLOWS FROM OPERATING ACTIVITIES			
Received from customers	1,609,038	2,465,168	2,716,664
Payment to suppliers	(1,288,328)	(1,875,821)	(2,266,464)
Payment to Directors and Employees	(46,274)	(57,956)	(88,911)
Payment of Income Tax	(108,229)	(157,807)	(124,796)
Interest Received	10,663	3,565	7,279
Interest Paid	(1,172)	(1,838)	(10,968)
Payment of Other Operating	(40,538)	(81,462)	(109,038)
Net Cash Provided by (Used for) Operating Activities	135,160	293,848	123,764
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of Fixed Assets	(162,239)	(174,250)	(454,305)
Net Cash Provided by (Used for) Investing Activities	(162,239)	(174,250)	(454,305)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipt of Bank Loans	72,180	77,896	439,213
Payment of Bank Loans	(67,492)	(76,260)	(286,185)
Payment of loan from Related Parties	(2,000)	(1,901)	-
Payment Obligation Under Finance Lease	-	-	(260)
Paid Up Capital Stock Non Controlling	-	45,815	5,350
Proceed from issued MTN	-	-	366,000
Treasury Stock	-	-	(58,246)
Payment of Dividend			
Parent Entity	(28,874)	(39,630)	(49,096)
Non Controlling Interest	(7,955)	(10,918)	(13,526)
Net Cash Provided by (Used for) Financing Activities	(34,141)	(4,999)	203,248
INCREASE (DECREASE) OF NET CASH AND CASH EQUIVALENTS	(61,220)	114,599	72,707
BEGINNING BALANCE OF CASH AND CASH EQUIVALENTS	286,940	225,720	340,319
ENDING BALANCE OF CASH AND CASH EQUIVALENTS	225,720	340,319	413,026

Year ended 31 December 2013 compared to the year ended 31 December 2012

Cash flows of the Company for the year ended 31 December 2013 were provided by operating, investing and financing activities, each contributing a surplus of Rp123,764 million, a deficit of Rp454,305 million and a surplus of Rp403,248 million, respectively.

Cash flows provided by operating activities decreased by Rp170,084 million or 56.5% from a surplus of Rp293,848 million for the year ended 31 December 2012 to a surplus of Rp123,764 million for the year ended 31 December 2013. Cash inflows were derived from receipts from customers that increased to Rp2,716,664 million for the year ended 31 December 2012 compared to the year ended 31 December 2012, which amounted to Rp2,465,168 million. The cash outflows for operating activities were utilized for payment to suppliers of Rp2,266,464 million, payment to employees and the board of directors of Rp88,911 million, payment of tax of Rp124,796 million, interest receipt of Rp7,279 million, interest payment of Rp10,968 million and the Company's other operational activities of Rp109,037 million. The increase in receipt from customers was a strategy to offset interest on loan; the increase in payment to suppliers increased as a result of the Company's strategy to reduce cost of goods sold and material by expediting payment to suppliers.

Cash Flows deficit from investing activities increased by Rp280,055 million from a deficit of Rp174,250 million for the year ended 31 December 2012 to a deficit of Rp454,305 million for the year ended 31 December 2013. The increase in deficit was due to the increase in the Company's investment activities, in line with the Company's corporate actions in an effort to increase production capacity through additions of new factories to fulfill the Company's Long-term Plan. During the year, the Company's capital expenditure was allocated to acquire land in South Lampung, with a total area of ± 60 Ha, and land in Kalimantan and Palu. Investing activities will continue to increase until the end of the year as a result of the Company's plan to expand existing factories, among others expansion of factories in Pasuruan, Makassar, Majalengka and Lampung.

Cash Flows from financing activities increased by Rp408,247 million from (Rp4,999) million for the year ended 31 December 2012 to Rp403,248 million for the period ended 31 December 2013. Cash inflows from financing activities was derived from short-term loan from Bank totaling Rp439,213 million, issuance of Medium Term Note ("MTN") totaling Rp366,000 million to support the Company's planned corporate action and capital contribution from non-controlling interest. Whereas cash outflows consisted of payment of short-term bank loan totaling Rp286,185 million, payment of lease payables totaling Rp261 million, payment of dividends totaling Rp62,621 million and buy-back of the Company's shares from KKMS totaling Rp58,246 million.

Year ended 31 December 2012 compared to the year ended 31 December 2011

Cash Flows of the Company for the period ended 31 December 2012 was derived from operating, investing and financing activities contributing a Rp293,848 million surplus, Rp174,250 million deficit and Rp4,999 million deficit, respectively.

Cash Flows provided by operating activities increased by Rp158,689 million or 117% from a surplus Rp135,160 million for the year ended 31 December 2011 to a surplus of Rp293,848 million for the period ended 31 December 2012. Cash inflow was derived from receipts from customers that increased to Rp2,465,168 million compared to prior year, which amounted to Rp1,609,038 million and cash outflows for operating activities consisted of payment to suppliers of Rp1,875,821 million, payment to employees and the board of directors of Rp57,956 million, payment of tax of Rp157,807 million, interest receipts of Rp3,565 million, payment of interest of Rp1,838 million and the Company's operational activities of Rp81,462 million. Net cash flows used for operating activities as of 31 December 2012 increased by 117% or equaled to Rp158,689 million. The increase in receipt from customers was a strategy to offset interest on loan; the increase in payment to suppliers increased as a result of the company's strategy to reduce cost of goods sold and material by expediting payment to suppliers.

Cash Flows used for investing activities increased by Rp12,011 million or 7% from a deficit of Rp162,239 million for the period ended 31 December 2011 to a deficit of Rp174,250 million for the period ended 31 December 2012. This was due to the increase in financing for procurement of production equipment and moulds for existing factories, as part of the Company's strategy to maintain its position as the leader in terms of production capacity.

Cash Flows used for financing activities decreased by Rp29,142 million or 85% from a deficit of Rp34,141 million for the year ended 31 December 2011 to a deficit of Rp4,999 million for the year ended 31 December 2012. Cash inflows of financing activities was derived from non-controlling entity capital contribution of Rp45,815 million and proceeds from bank loan totaling Rp77,896 million, whereas cash outflows of financing activities consisted of payment of bank loan totaling Rp76,260 million, payment of loan from related parties totaling Rp1,901 million and payment of dividends totaling Rp50,547 million. Cash flows used in Financing Activities was impacted during the period of 2011-2012 by the Company's strategy to minimize loans by prioritizing funding sources from its own capital to maintain low cost of funds.

Risk Management

The success of the Company's activities is highly affected by proper risk management. Management is highly aware of the importance of risk management to achieve its expected objectives. The Company is committed to implement risk management not only on top level management but also on the entire Company in carrying out the Company's activities. The Company provides training and socialization related risk management in accordance with the proportion required. To ensure proper implementation of risk management activities, management considers it necessary to conduct supervision in the form of integrated internal audits through the Company's programs, Internal Quality Management ("IQM") and risk-based audits from Internal Supervisory Unit ("ISU").

Risks are closely monitored and periodically reviewed. There are several forums used to monitor risks and mitigation steps, among others internal meetings of the relevant work unit, carried out at least once per week. Coordination in smaller level or at a more specific level is also conducted on a need basis in order to mitigate risks, either formally or informally as well as through intense communication with the relevant parties.

Financial Risks:

1. Risk of Payment from Supplier

There are several risks related to payment from suppliers which may result in delayed payment, among others, due to the condition of project implementation, customers' financial condition, customers' character, technical conditions or other conditions. The various measures taken by the Company's management to minimize risks in terms of securing payment from customers are, among others:

- Link good delivery with payment progress
- Require the use of banking instruments in the form of local LC or SKBDN as well as vendors' credit facilities as payment method
- Set limit of customers' receivable value
- Implement advance payment policies for all works secured
- Set limits of customers outstanding receivables
- Periodically monitors trade receivables, aging and payment progress.

2. Risk of Increase in Interest Rate

The increase in bank interests rate directly impacts the interest expense on loans borne by the Company. In certain conditions, the Company utilizes short-term loans from banks to finance its working capital in addition to utilizing credits from vendors. To reduce interest expense as well as the amount of bank loan, the following measures are taken by the Company:

- Early repayment of short-term bank loans by using idle funds.
- Invest remaining idle funds in short term deposits in accordance with the estimated time such funds will be used
- Strive to obtain early payment from customers or expedite goods delivery to customers
- Optimize the use of credit from vendors

To date, all of the Company's loan facilities from banks are subject to fixed interest rate, except for the working capital credit facilities and loan from PT Bank DBS Indonesia, which has not been utilized (based on the credit agreement with PT Bank DBS Indonesia dated 11 June 2013, No.354/PFPA-DBSI/VI/2013, for which an interest rate of SIBOR + 2% applies). In normal economic conditions, the impact of interest rates and its respective fluctuation will not substantially affect the Company's ability to repay its loans or service its obligations.

The Company does not have any outstanding interest payables as of the statement position dated 31 December 2013, 31 December 2012 and 31 December 2011.

3. Risk of Changes in Foreign Exchange Rate

Risk of foreign exchange arises from the purchase of production raw material in the form of steel bars, PC wires and PC Bars which are priced in USD. Some of the raw materials are purchased by the Company in foreign currencies, although substantially all of the Company's raw materials are purchased in Rupiah currency. The raw materials referred to above are PC Wire, PC Bar and PC Strands that are priced in USD. Although such materials are sold by domestic producers, the sales prices and payment terms refers to foreign currency as the raw materials for the goods traded are imported. Therefore, the increase in foreign exchange rate will affect the Company's production cost. The Company renegotiates the sales price from vendor. The Company also uses umbrella contracts for the procurement of such materials with certain value and volume to guarantee the supply of goods and price for a certain period of time. Although majority of the Company's sales are in Rupiah, sales to the oil & gas and power plant market segments and foreign customers are denominated in USD, therefore a portion of foreign exchange risks on the purchase of imported raw materials are covered by a natural hedge. Furthermore, if the Company has loans in foreign currencies, the Company will be exposed to the changes in the said foreign exchange currency to Rupiah.

4. Risk of Changes in Government Policies

Government policies on price changes for commodities or services under its authorities cannot be avoided by the Company. All parties will be affected by Government policies which affect the society's economic condition. For example, the increase in Industrial Electricity Base Rate (*Tarif Dasar Listrik*, "TDL"), and the increase in fuel prices for industry. In response to the changes in Government policies resulting in the increase of Cost of Sales, the Company proposed escalation for projects affected by the increase in prices. Internally, the Company implements efficiency programs in the form of value engineering, efficient use of fossil energy, development of renewable energy utilization and others.

The Government's monetary, fiscal and other policies with regard to Indonesia's economy may also affect the Company. For example, in the event of (i) a highly significant increase in interest rate, which may affect the Company's ability to repay its liabilities and may also limit the Company's ability to source for alternative fundings; if the condition persists the Company's performance will be affected; (ii) changes in government's policies on regional free trade may increase business competition, which may affect the Company's business activities.

With regard to the Government's fiscal policies, material changes in tax regulations concerning, among others, Withholding Taxes (WHT) and Value Added Tax (VAT), may also affect the Company's liquidity.

To the extent of the Company's knowledge, there are no abnormal and rarely occurring events/conditions that affect the Company's income, except for the economic crisis in 1998 and 2010.

VI. BUSINESS RISK

Investing in the Company's shares involve various risks, prospective investors should carefully consider the following risk factors as well as other information contained in this Prospectus before investing in the Company's Shares. The risks described below are not the only risks that may affect the Company's Shares. Certain risks not presently known to the Company or not presently considered material may also affect the Company's business, cash flow, operational results, financial performance or business prospects.

In general, investment over shares of companies incorporated in developing countries such as Indonesia contains risks which may differ from investment over shares of companies incorporated in other countries with a more advanced economic condition. In the event of changes to the global economic, social and political condition, there is a possibility that the price of the Company's Shares in the stock exchange may decline and investors may face potential loss in their investment.

The risks described below are risks that are considered material by the Company and have been prepared based on their materiality to and end potential effect on the Company's financial performance.

A. BUSINESS RISKS RELATING TO THE COMPANY'S AND ITS SUBSIDIARIES BUSINESS ACTIVITIES

1. Risk of Decrease in the Number of Projects Acquired

The risk arises in the event of tightening of the Private and the State Budget in the construction sector that will directly resulted in declining demand for pre-cast concrete and may have adverse effect on the Company's revenue. Historically, the Government and Private Sectors' expenditures in construction are highly sensitive to Indonesia's economic growth.

Although the Company continuously develops a wide array of product type and develop and expand its marketing span to South East Asia region, a slow-down of economic growth in the region may result in the decline of demand for the Company's products.

2. Risk of Business Competition

The growth and prospects of infrastructure developments in Indonesia has encouraged new companies similar to the Company to enter the industry. Tight competition may result in the decrease in projects acquired and the decrease of the Company's profit margin. If the condition persists, revenue may decline and adversely affect the Company's financial performance.

The Company has implemented policies to maintain its reputation and the high quality of its products, to maintain good relationship with customers, and to apply marketing strategy to secure new projects so that have enabled the Company to secure projects at favorable prices. However, there is a risk of a decrease in the Company's market as certain customers prioritize low prices over product quality.

3. Risk of Payment Default by Customers

Delay and default of payments from customers may adversely affect the Company's working capital turnover. Which will affect the Company's ability to finance capital expenditures in the short-term.

The Company directly enters into contracts with suppliers and business partners, therefore the Company is obliged to pay the fees and costs stipulated in the agreed contract. The Company generally makes periodical payments on a timely basis to its suppliers and business partners regardless of whether the Company has received payment from its customers. Delay or absence of payment from customers will adversely affect the Company's operating cash flows.

4. Risk of Decrease in the Number of Projects from Recurring Customers

The Company has maintained good relationships with and gained the trust of its main customers. Acquiring new projects from new customers that are not aware of the quality of the Company's products is generally more difficult compared to acquiring projects from existing customers, who understands and are used to the quality of products offered by the Company. Based on internal analysis, since 2011, 2012 and 2013, approximately 70% (seventy percent) of the Company's revenue is derived from the Company's recurring customers.

There is no guarantee that the Company's recurring customers will continue to appoint the Company as their business partners, accordingly this may adversely affect the Company's revenue, financial performance, operational result and growth.

5. Risk of Delay in New Factory Construction

In 2014, the Company plans to open a new factory in South Lampung on an area of 66 (sixty six) hectares, that is equipped with jetty infrastructures for loading and unloading of finished goods and is complemented with the availability of natural materials required to guarantee the supply of natural materials. During the preliminary phase, the production capacity of the new factory is planned to be 100,000 (one hundred thousand) tons per year. During the same year, the Company's subsidiary will build a new factory in Cilegon with a capacity of 50,000 (fifty thousand) tons per year on an area of 3 (three) hectares.

In addition, also in 2014, the Company also plans to build a new production line in Pasuruan Factory II on an area of 4.2 (four point two) hectares, with a rated capacity of 100,000 (one hundred thousand) tons per year and build a new factory in East Kalimantan on a phased basis to support marketing in East, North, Central and South Kalimantan.

Moreover, in 2014, the Company will start the exploration phase of natural material raw materials in the mining sites owned by the Company in Cigudeg-West Java, Palu and South Lampung. These steps are taken to guarantee the availability of natural materials required by the Company to ensure production of high quality.

These projects are subject to several risks, such as delay in construction or cost overruns the budget. The Company also requires the necessary permits with regard to the operation of the above projects, which are subject to the risk of delay and rejection. These and other factors may affect the success of factory development and may adversely affect the Company, and its Subsidiaries' business activities and financial performance.

6. Risk of Supply of Natural Material Raw Material

The Company requires natural materials in the form of sand and split to produce pre-cast concrete. To facilitate the Company's operation and in order to produce a high quality product, the Company requires high quality sand and splits. The Company has entered into short term sand and splits purchasing contract with miners and traders of sand and splits. However, there is no guarantee that these suppliers will always be able to meet the Company's demand and the specifications required, either on a timely basis or at all. The risks arise due to weather and seasonal factors. In the long run, the Company's inability to obtain sand and splits that meet the Company's quality requirements may adversely and materially affect the Company's business activities, financial performance, business performance and prospects.

7. Risk of Labor Strike

The Company requires a large number of manpower to carry out its business and operational activities. Mass labor strikes may hinder the production process that may result in failure to meet production target.

8. Risk of Work Completion and Product Installation Timeliness

The Company may accept works that include product installations in accordance with the contract entered into with customers. In carrying out works that require product installations, the Company is subject to risks of delay in installation work completion time, which may be triggered by several factors such as the weather, scarcity of supporting materials, scarcity of equipment, scarcity of human resources on site. As a result of delays in work completion, the Company may be subject to claims for late fines from its customers. In the event that the claims are significant, such claims will adversely affect the Company's image and may result in a failure to the Company's financial targets.

9. Risk of Transportation

To date, the Company transports its product to project location defined in the contract by using land and/or sea transportation. Land transportations mainly use trailers whereas sea transportations use pontoons. In accordance with the characteristics of the Company's products, the products transported are heavy, breakable and fragile if the lifting, placing and safekeeping of products during transportation are not conducted in accordance with the required work instructions. Weather related factors such as floods and high tides may hinder timely delivery of products in accordance with the schedule specified in the contract. The Company will experience losses in the event that additional cost are required for the product delivery, such as for product safekeeping, additional charges for pontoon unloading waiting time and charges to accelerate deliveries that are delayed due to weather related factors.

10. Risk as the Parent Company

As a Parent Company, the Company is dependent on the Subsidiaries activities and income. Any decline in the Subsidiaries' performance in activities and income may result in a decrease of the Company's income. The Company cannot guarantee that such decline will not occur or whether the Company will be able to minimize the impact of such decline.

B. BUSINESS RISKS ASSOCIATED WITH SHARES

1. The Condition of Indonesia Stock Exchange may Affect the Price and Liquidity of the Company's Shares

The Company has submitted its application for the listing of the Offered Shares in IDX. Currently, there is no similar company listed in the stock exchange, therefore, there is no guarantee that the market the offered shares will develop, or, if the market develops, the Company's shares will be liquid. Indonesia's capital market is relatively less liquid and has different reporting standards compared to capital market in developed countries. In addition, securities prices in Indonesia's capital market are generally more volatile compared to securities prices in other capital markets. Therefore, the Company is unable to predict that the market for the trading of the Company's shares will developed or whether such market will be liquid.

2. The Offer Price on the Company's Offered Shares may not indicate the price of the Company's share that will prevail in the stock exchange, and the price of Shares Offered by the Company may fluctuate

The Offer Price of the shares offered by the Company is determined after the book-building process and is based on the agreement between the Company and the Joint Lead Underwriters, which may not indicate the price that will prevail in the capital market. The Shareholders of the Company's shares may not be able to dispose of its Shares at the expected price.

Share price offered after the offering may widely fluctuates and the shares may be traded at the price significantly below the Offer Price, depending on several factors, including:

- Difference between realization of the Company's financial condition and actual business result compared to that expected by investors and analysts.
- Announcements made by the Company in relation to operational activities or corporate actions.
- Changes in analysts' recommendation or perception about the Company and Indonesia;
- Changes in general economic, political and market conditions in Indonesia.
- The Company's involvement in court or dispute;
- Sale of Offered Shares by the Company's Shareholders.
- Changes in companies' shares prices, particularly those in Asia and developing countries
- Fluctuation in capital market index.

C. BUSINESS RISKS ASSOCIATED WITH THE CONDITIONS IN INDONESIA

1. Risk of Other Countries' Regulations.

The responsibilities of the majority Shareholders, Board of Commissioners and Board of Directors to the minority Shareholders based on the Indonesian Law may be more limited compared to other jurisdictions. Therefore, minority Shareholders may not be able to protect their interest based on the the prevailing laws in Indonesia to similar extent as they would as Shareholders of a company incorporated in another jurisdiction. The Company's legal principles, for instance, legality of action taken by the company, fiduciary duties owed by the Management, Board of Commissioners, Board of Directors and controlling Shareholders, and the rights of Minority Shareholders are governed by the Limited Liability Company Law and the Company's Articles of Association. The legal principles may differ from those prevailing had the Company been incorporated in another jurisdiction outside Indonesia. Specifically, concepts relating to management's fiduciary duties have not been tested in Indonesian courts of law. Derivative lawsuits with respects, to the Board of Commissioners and Board of Directors' action are rarely filed on behalf of the respective Company nor have they been tested in the Indonesian courts of law, and the rights of Minority Shareholders were first regulated in 1995 and have not been proven in practice. Eventhough such lawsuits are feasible based on Indonesian laws, the absence of court precedents may hinder the civil suit process. Therefore, there is no assurance that the Minority Shareholders' rights or indemnity are equal to, or as extensive as those in other jurisdictions, or that they are sufficient to protect the Minority Shareholders' interests.

2. Risk of Changes in Policies or Government Regulations

The laws and regulations issued by Government Institutions, in particular the regulations imposed by the Ministry of Environment, Ministry of SoE, Ministry of Trade, Ministry of Industry, Ministry of Finance, Ministry of Manpower and Transmigration and Regional Regulations may affect the Company in carrying out its business activities.

The Company is required to comply with the prevailing regulations in carrying out its production processes, marketing activities and product distributions. The regulations stipulate issues related to product standards, environment, health, labor, taxation and safety. The Company is also requires to comply with regulations related to license requirements, trade practices, price regulations and taxation. Despite the Company's belief that its business conducts has complied with all of the prevailing regulations, failure to adhere to new regulations or its changes or interpretations or implementations and changes to interpretations or implementations of existing laws and regulations may have a material adverse effect on the Company's activities and operational performance. In addition, the Company's failure to comply with the prevailing laws and regulations may result in the Company being subjected to civil sanctions, including fines, punishment or product recalls and other criminal sanctions.

The risks may arise for projects originated from the Government, private parties, SOEs/ROEs, or foreign customers. These may result in delays of works/projects, which may reduce the Company's income. In addition, there are projects originating from overseas where there are different regulations issued by the local Governments which limit the flow of fund between countries, which may affect the Company's income and cash inflows.

In addition, manpower regulations, and changes to the laws and regulations which stipulate the minimum wage and liberty of the labor unions, may also give rise to additional issues in industrial relationships, which, in the event of mass labor strikes, may have material adverse effects to the Company's operational activities.

THE COMPANY'S MANAGEMENT HEREBY REPRESENTS THAT ALL BUSINESS RISKS HAVE BEEN DISCLOSED AND PREPARED BASED UPON THE LEVEL OF SUCH RISK AGAINST THE COMPANY'S MAIN BUSINESS ACTIVITIES AND FINANCIAL PERFORMANCE.

VII. MATERIAL EVENTS OCCURRING SUBSEQUENT TO THE INDEPENDENT AUDITOR'S REPORT

There are no material events that have had a material impact on the financial condition and business results of the Company subsequent to the date of the Independent Auditor's Report dated 14 February 2014 on the financial statements ended 31 December 2013, audited by Public Accountant Firm HLB Hadori Sugiarto Adi & Partners with an unqualified opinion, except for the followings:

1. Affirmation of Asfiah Mahdiani as Independent Commissioner as set forth in the Deed of Shareholders Circular Resolution PT Wijaya Karya Beton, abbreviated PT Wika Beton Tbk No. 17 dated 19 February 2014, executed before Mochamad Nova Faisal, S.H., M.Kn., Notary in South Jakarta, which was received and recorded in the SABH database under No. AHU-AH.01.10-06990 dated 26 February 2014 and was registered in the Company Registry under No. AHU-0015322.AH.01.09. Tahun 2014 dated 26 February 2014;
2. Approval of the Financial Statements as of 31 December 2013, which have been approved by the Company's Annual GMS as set forth in the Deed of Shareholders Circular Resolution PT Wijaya Karya Beton, abbreviated PT Wika Beton Tbk No.18 dated 20 February 2014, executed before Mochamad Nova Faisal S.H., M.Kn., Notary in South Jakarta;
3. Changes of the Company's Audit Committee Member as specified in the Decision Letter of the Board of Commissioners of PT Wijaya Karya Beton Tbk No. MJ.04.01/WB-0A.037/2014 dated 21 February 2014.
4. The appointment of Priyo Suprobo as the Company's Independent Commissioner and Muhammad Zulkarnain as the Company's Independent Director, as set forth in the Deed of Shareholders Circular Resolution PT Wijaya Karya Beton Tbk, abbreviated PT Wika Beton Tbk No. 16 dated 14 March 2014, drawn up before Nila Noordjasmani Soeyasa Besar, S.H., M.Kn., substitutes of Mochamad Nova Faisal, S.H., M.Kn., Notary in South Jakarta, which was received and recorded in the SABH database under No. AHU-AH.01.10-11876 dated 19 March 2014 and was registered in the Company Registry under No. AHU-0023527.AH.01.09. Tahun 2014 dated 19 March 2014.

VIII. DESCRIPTION OF THE COMPANY AND ITS SUBSIDIARIES

A. BRIEF HISTORY OF THE COMPANY

The Company was established under the name PT Wijaya Karya Beton in Jakarta, as set forth in the Deed of Establishment of Limited Liability Company "PT Wijaya Karya Beton" No. 44 dated 11 March 1997, executed before Achmad Bajumi, S.H., substitute of Imas Fatimah, S.H., Notary in Jakarta *juncto* the Deed of Submission, Issuance and the Amendment of the Articles of Association No. 39 dated 19 November 1997, executed before Imas Fatimah, S.H., Notary in Jakarta, which deed was approved by the Minister of Law by virtue of Decision Letter No. C2-12776.HT.01.01.TH.97 dated 9 December 1997 and which has been registered at the Company Registry Office of South Jakarta Municipality under No. 2096/BH.09.03//98 dated 13 January 1998 and which has been published in the Supplement No. 2832 to the State Gazette of the Republic of Indonesia No. 43 dated 29 May 1998 ("**Deed of Establishment**").

The Company started its operational activities on 11 March 1997.

The Company's Articles of Association set forth in the Deed of Establishment has been amended several times, changes of the Company's articles of association to conform to Law No. 40 Year 2007 concerning Limited Liability Company as set forth in the Deed of Minutes Resolution and the Amendment of the Articles of Association No. 67 dated 8 August 2008, executed before Imas Fatimah, S.H., Notary in Jakarta, which deed was approved by the Minister of Law by virtue of Decision Letter No. AHU-65006.AH.01.02.Year 2008 dated 17 September 2008, and which was published in the Supplement No. 401 to the State Gazette of the Republic of Indonesia No. 4 dated 12 January 2010, ("**Deed No. 67/2008**").

The Company's Articles of Association has been amended several times, and the amendments of the Company's articles of association subsequent to the amendment of the Company's articles of association to conform to the Limited Liability Company Law as set forth in Deed No. 67/2008 are as set forth in the following deeds:

1. Deed of Statement of Shareholders' Resolution of the General Meeting of Shareholders' No. 94 dated 15 July 2011, executed before Sri Ismiyati, S.H., Notary in Jakarta, which deed was approved by the Minister of Law by virtue of Decision Letter No. AHU-37586.AH.01.02.Year 2011 dated 26 July 2011 and which has been registered at the Company Registry under No. AHU-0061529.AH.01.09. Year 2011 dated 26 July 2011, which amended the provisions of Article 3 concerning the Company's purpose, objects and business activities and Article 11 concerning the Duties, Authorities and Responsibilities of the Board of Directors.
2. Deed of Statement of Shareholders' Resolution of the General Meeting of Shareholders' No. 9 dated 16 January 2013, executed before Karin Christiana Basoeki, S.H., Notary in Jakarta, which deed was approved by the Minister of Law by virtue of Decision Letter No. AHU-04015.01.02.Year 2013 dated 4 February 2013, which amended the provisions of Article 1 paragraph 1 concerning the Company's domicile and Article 3 Paragraph 3 concerning the Company's business activities.
3. Deed of Statement of Shareholders' Resolution of the General Meeting of Shareholders' No. 57 dated 23 August 2013, executed before Sri Ismiyati, S.H., Notary in North Jakarta, which deed was approved by the Minister of Law by virtue of Decision Letter No. AHU-46501.AH.01.02. Year 2013 dated 3 September 2013, which amended the provisions of Article 3 concerning the Company's purpose, objects and business activities ("**Deed No. 57/2013**").

4. Deed of Statement of Shareholders' Resolution of the General Meeting of Shareholders and the Amendment to the Articles of Association of PT Wijaya Karya Beton, abbreviated as PT WIKABeton No. 01 dated 6 January 2014, executed before Mochamad Nova Faisal, S.H., M.Kn., Notary in South Jakarta, which deed was approved by the Minister of Law by virtue of Decision Letter No.AHU-00972.AH.01.02.Year 2014 dated 8 January 2014, which amended the provisions of Article 4 concerning the increase in the Company's authorized capital, issued and paid-up capital, which was registered at the Company Registry under No. AHU-0001842.AH.01.09.Year 2014 dated 8 January 2014 ("**Deed No. 01/2014**").
5. Deed of Statement of Shareholders' Resolution of the General Meeting of Shareholders and the Amendment to the Articles of Association of PT Wijaya Karya Beton, abbreviated as PT WIKABeton No. 03 dated 8 January 2014, executed before Mochamad Nova Faisal, S.H., M.Kn., Notary in South Jakarta, which deed was approved by the Minister of Law by virtue of Decision Letter No. AHU-01257.AH.01.02.Year 2014 dated 9 January 2014 and which has been registered at the Company Registry under No. AHU-0002307.AH.01.09.Year 2014 dated 9 January 2014 and was received and registered in the SABH database under No. AHU-AH.01.10-01308 dated 10 January 2014 and which has been registered at the Company Registry under No. AHU-0002925.AH.01.09. Year 2014 dated 10 January 2014 ("**Deed No. 03/2014**"), which amended the articles of association in its entirety to comply with Rule No. IX.J.1.

The purpose, objects and business activities of the Company as set forth in Deed No. 03/2014 are as follows:

1. To engage in the field of trading and concrete industry, construction services and other related business activities.
2. To achieve the aforementioned purpose and objects, the Company may carry out the following main activities:
 - Carry out planning, production, selling, installation and implementation of construction of concrete products, among others:
 - a) Transmission poles and electricity distribution and telephone poles;
 - b) Concrete piles;
 - c) Railway sleepers;
 - d) Concrete products for bridges;
 - e) Concrete products for land supporting walls;
 - f) Pipes;
 - g) Concrete products for buildings;
 - h) Concrete products for marine structures; and
 - i) Other concrete products.
 - Carry out business in construction planning, implementation and supervision services in the following business fields:
 - a) Engineering;
 - b) Electrical; and
 - c) Post-tensioning.
 - Carry out planning, production and selling of products/components of building materials.
 - Carry out export and import business related to business activities referred to in point a, b and c.
3. In addition to the main business activities referred to above, the Company may conduct the following supporting business activities in order to optimize the utilization of available resources:
 - Carry out planning services, Implementation and Supervision of Construction in the following business fields of:
 - a) Architecture;
 - b) Mechanic;
 - c) Environment planning;
 - d) Heavy building material components installation (heavy lifting); and
 - e) Other construction services.
 - Produce and sell ready mixed concrete (*ready mix*);
 - Undertake natural resources management/quarry;

- Perform business planning, and installation of concrete products;
- Conduct utilization of coal fly ash and copper slag and management well as management of toxic and hazardous waste;
- Conduct planning, management, sales, purchase, lease and trade in the ports and (jetties) business fields;
- Conduct natural resources mining or quarry;
- Conduct planning, production, sales and trade of natural resources/products or quarry;
- Conduct planning, implementation, management, sales, purchase, lease and trade of services in the sector of land and sea transportation;
- Conduct industry and trading of concrete production equipments;
- Conduct industry and trading of chemical cement materials;
- Conduct industry and trading of pre-stressed steel;
- Conduct industry and trading of cement; and
- Conduct Investment Business.

The Company can also carry out any activities that are consistent with the abovementioned purpose and objects and any related activities, either independently or in cooperation with other individual or entity, in the manner and form that are required, with due consideration to the prevailing Laws and regulations.

B. PERMITS/LICENSES REQUIRED WITH REGARD TO THE COMPANY'S PRODUCTION PROCESS

No.	Location	Industrial Business License
1.	CPF Karawang Jl. Surya Madya III Kav. 1-34, Kawasan Industri Surya Cipta, Kutaneegara Village, Ciampel Sub-district, Karawang Regency	Decision of the Head of Industry, Trade, Mines and Energy Agency of Karawang Regency No. 503/636/16/UI/PERINDUSTRIAN dated 26 May 2011 concerning Industrial Business License for the Company's factory located on Jl. Surya Madya III Kav. 1-34, Kawasan Industri Surya Cipta, Kutaneegara Village, Ciampel Sub-district, Karawang Regency, West Java Province that is valid as long as the Company carries out its activities.
2.	CPF Bogor Jl. Raya Narogong Km.26 kembang Kuning Village, Klapanunggal Sub-district, Bogor Regency, West Java	License Letter No. 96/11/IPI-Kimia/B/XI/08 dated 27 November 2008, issued by the Head of Industry and Trade Agency of Bogor Regency concerning Industry Expansion for the Company to operate a company engaged in the lime and cement product for construction that is valid up to 27 November 2013. Note: <i>According to the Company's explanation, it is currently in the process of extending the industrial business permit as validated by Receipt of Registration Documents dated 13 January 2014 issued by Integrated Licensing Services Board of West Java Province. However, in carrying out its business activities, the Company has obtained the Domestic Capital Investment Principal License No. 07/32/IP/PMDN/2014, Company No 9389.2014 dated 4 February 2014.</i>
3.	CPF Boyolali Jl. Raya Boyolali-Solo Km. 4,5 Mojosongo Village, Sub-district. Mojosongo, Boyolali Regency	Industrial Business License No. 073/11.32/SIUI.B/VI/2012-P2 dated 25 June 2012, issued by the Head of the Investment Agency and Integrated Licensing Services Agency of Boyolali Regency for the Company and is valid up to 14 July 2017.
4.	CPF North Sumatera Jl. Medan-Binjai Km. 15,5 No. 1 Diski, Sei Semayang Village, Sunggal Sub-district, Deli Serdang Regency	Excerpt of the Decision of the Regent of Deli Serdang No. 12.536/DU-IB/993/012/XII/2011 dated 14 December 2011 concerning the Extension of Industrial Business License to the Company, whereby the Company is obligated to perform re-registration every 5 years by 10 October 2016, at the latest.
5.	CPF Malajengka Jl. Raya Burujul Kulon, Jatiwangi Sub-district, Majalengka Regency	Industrial Business License No. 530/001/1UI-Her/XI-BPPTPM/2013 dated 22 November 2013, issued by the Head of Integrated Services Agency of Majalengka Regency on behalf of the Majalengka Regent for the Company.
6.	CPF South Sumatera Jl. Kima Raya Kav. S/4-5-6, Makassar	Decision of the Mayor of Makassar No. 503/0022/UI-P/13/KPAP dated 24 October 2013, issued by the Head of Administration Licensing Service Agency on behalf of the Mayor of Makassar concerning Industrial Business License that is valid up to 24 October 2018.

No.	Location	Industrial Business License
7.	CPF Pasuruan Jl. Raya Kejapanan No. 323. Gempol Pasuruan	Decision of the Head of Licensing and Investment Agency of Pasuruan Regency No. 530/56/424.061/2003 dated 6 October 2003 concerning Large Industrial Business of Lime and Cement Goods for Construction (by means of the in Principle Approval) for the Company that is valid as long as the Company carries out its activities.
8.	CPF Lampung Jl. Raya Tegineneng Km. 34,5 Bumi Agung Village, Tegineneng Sub-district, Pesawaran Regency, Lampung Province	Industrial Business License No. 503/02/KPMPPT/UII/2012 dated 19 March 2012, issued by the Head of the Investment and Integrated Licensing Services Agency of Pesawaran Regency on behalf of the Regent of Pesawaran for the Company that is valid as long as the Company carries out its activities.

C. DEVELOPMENT OF THE COMPANY'S SHAREHOLDING AND CAPITAL

The development of the Company's capital subsequent to its establishment in 1997 up to the date of issuance of this Prospectus is as follows:

Year 1997

As set forth in the Deed of Establishment, the Company's shareholding composition and capital structure as of the date of establishment were as follows:

Description	Nominal Value Rp1,000,000.00 Per Share		
	Number of Share	Nominal Value (Rp)	(%)
Authorized Capital	40,000	40,000,000,000	
Issued and Paid-up Capital:			
- PT Wijaya Karya (Persero)	12,350	12,350,000,000	95.00
- Yayasan Kesejahteraan Pegawai PT Wijaya Karya (Persero)	650	650,000,000	5.00
Total Issued and Paid-up Capital	13,000	13,000,000,000	100.00
Total Shares in Portfolio	27,000	27,000,000,000	

Year 1999

On 12 August 1999, the Company's EGMS approved the increase of the authorized capital from Rp40,000,000,000 to Rp44,500,000,000 and the increase of the issued and paid-up capital from Rp13,000,000,000 to Rp44,500,000,000 that were fully subscribed by the Company's shareholders, i.e., PT Wijaya Karya (Persero) with a total of 31,260 shares, with a total nominal value of Rp31,260,000,000 and Yayasan Kesejahteraan Pegawai PT Wijaya Karya with a total of 240 shares, with a total nominal value of Rp240,000,000. The resolutions of the Company's EGMS were as set forth in the Deed of Meeting Resolutions No. 37 dated 12 August 1999, executed before Imas Fatimah, S.H. Notary in Jakarta, which deed was approved by the Minister of Law by virtue of Decision Letter No. C-18081. HT.01.04.Th.99 dated 25 October 1999, and which has been registered at the Company Registry Office of East Jakarta Municipality under No. 246/BH.09.04/IV/2000 dated 19 April 2000, and which has been published in the Supplement No. 3970 to the State Gazette of the Republic of Indonesia No. 59 dated 25 July 2000. Subsequent to the increase in the Company's authorized and issued and paid-up capital referred to above, the Company's shareholding composition and capital structure were as follows:

Description	Nominal Value Rp1,000,000.00 Per Share		
	No. of Shares	Total Nominal Value (Rp)	(%)
Authorized Capital	44,500	44,500,000,000	
Issued and Paid-up Capital:			
- PT Wijaya Karya (Persero)	43,610	43,610,000,000	98.00
- Yayasan Kesejahteraan Pegawai PT Wijaya Karya (Persero)	890	890,000,000	2.00
Total Issued and Paid-up Capital	44,500	44,500,000,000	100.00
Total Shares in Portfolio	-	-	

Year 2003

On 22 December 2003, the Company's EGMS approved the increase of the authorized capital from Rp44,500,000,000 to Rp178,000,000,000, the increase of issued and paid-up capital from Rp44,500,000,000 to Rp80,000,000,000 that were fully subscribed by the Company's shareholders, i.e., PT Wijaya Karya (Persero) with a total of 34,790 shares, with a total nominal value of Rp34,790,000,000 and Yayasan Kesejahteraan Pegawai PT Wijaya Karya with a total of 710 shares, with a total nominal value of Rp710,000,000 and changed the nominal value per share from the initial Rp1,000,000 per share to Rp100.00 per share. The resolutions of the Company's EGMS were as stated in the Deed of Amendment to the Articles of Association of PT Wijaya Karya Beton No. 81 dated 22 December 2003, executed before Nila Noordjasmani Soeyasa Besar, S.H., substitute of Imas Fatimah, S.H., Notary in Jakarta, which deed was approved by the Minister of Law by virtue of Decision Letter No. C-00737. HT.01.04.TH.2004 dated 12 January 2004, and which has been registered at the Company Registry Office of East Jakarta Municipality under No. 279/BH.09-04/11/II/2004 dated 24 February 2004, and which has been published in the Supplement No. 2448 to the State Gazette of the Republic of Indonesia No. 20 dated 9 March 2004. Subsequent to the increase in the authorized, issued and paid-up capital and changes to the nominal value of the Company's shares referred to above, the Company's shareholding composition and capital structure were as follows:

Description	Nominal Value Rp100.00 Per Share		
	Number of Share	Nominal Value (Rp)	(%)
Authorized Capital	1,780,000,000	178,000,000,000	
Issued and Paid-up Capital:			
- PT Wijaya Karya (Persero)	784,000,000	78,400,000,000	98.00
- Yayasan Kesejahteraan Pegawai PT Wijaya Karya (Persero)	16,000,000	1,600,000,000	2.00
Total Issued and Paid-up Capital	800,000,000	80,000,000,000	100.00
Total Shares in Portfolio	980,000,000	98,000,000,000	

Year 2004

On 18 June 2004, PT Wijaya Karya (Persero), in its capacity as the owner of 748,000,000 of the Company's shares has sold a portion of its shares in the Company, totaling 156,800 (one hundred fifty six thousand eight hundred) shares to KKMS, as set forth in the Deed of Sale and Purchase of Shares No. 72 dated 18 June 2004, executed before Imas Fatimah, S.H., Notary in Jakarta. The sale and purchase of shares received approval from (i) the Minister of State Owned Enterprise as set forth in Approval Letter No. S-294/MBU/2004 dated 9 June 2004 concerning Approval for Divestment in Subsidiary; and (ii) the Company's EGMS as set forth in the Deed of Statement of Shareholders' Resolution of the General Meeting of Shareholders' of PT Wijaya Karya Beton No. 63 dated 17 June 2004, executed before Imas Fatimah, S.H., Notary in Jakarta ("**Deed No. 63/2004**").

As set forth in Deed No. 63/2004, the divestment of shares of PT Wijaya Karya (Persero) to/through KKMS took the form of sale of shares to the management and employees of PT Wijaya Karya (Persero) and Subsidiaries under the MESOP scheme; subsequently the Company's shareholding composition and capital structure were as follows:

Description	Nominal Value Rp100.00 Per Share		
	Number of Share	Nominal Value (Rp)	(%)
Authorized Capital	1,780,000,000	178,000,000,000	
Issued and Paid-up Capital:			
- PT Wijaya Karya (Persero) Tbk	672,200,000	62,720,000,000	78.40
- Koperasi Karya Mitra Satya	156,800,000	15,680,000,000	19.60
- Yayasan Kesejahteraan Pegawai PT Wijaya Karya (Persero)	16,000,000	1,600,000,000	2.00
Total Issued and Paid-up Capital	800,000,000	80,000,000,000	100.00
Total Shares in Portfolio	980,000,000	98,000,000,000	

The implemented MESOP scheme was in the form of share ownership on WIKA's Subsidiary for employees and management through KKMS, at the amount of 19.6%. The MESOP Program was fully completed in 2007 and the total shares then owned by KKMS as the representative of employee shares ownership was 156,800,000 shares and the total shares owned by other shareholders was 643,200,000 shares.

Year 2007

On 30 April 2007, Yayasan Kesejahteraan Pegawai PT Wijaya Karya (Persero) Tbk. in its capacity as the owner of 16,000,000 shares of the Company has sold a portion of its shares in the Company, totaling 5,680,000 shares to KKMS as set forth in the Deed of Sale and Purchase of Shares No. 16 dated 30 April 2007, executed before Hambit Maseh, S.H., Notary in Jakarta. The aforementioned sale and purchase of shares received the approval of the Company's EGMS as set forth in the Deed of Minutes of Meeting Extraordinary General Meeting of Shareholders of PT Wijaya Karya Beton No. 15 dated 30 April 2007, executed before Hamit Maseh, S.H., Notary in Jakarta; subsequently, the Company's shareholding composition and capital structure were as follows:

Description	Nominal Value Rp100.00 Per Share		
	Number of Shares	Nominal Value (Rp)	(%)
Authorized Capital	1,780,000,000	178,000,000,000	
Issued and Paid-up Capital:			
- PT Wijaya Karya (Persero) Tbk	672,200,000	62,720,000,000	78.40
- Koperasi Karya Mitra Satya	162,480,000	16,248,000,000	20.31
- Yayasan Kesejahteraan Pegawai PT Wijaya Karya (Persero)	10,320,000	1,032,000,000	1.29
Total Issued and Paid-up Capital	800,000,000	80,000,000,000	100.00
Total Shares in Portfolio	980,000,000	98,000,000,000	

In addition to approving the transfer of shares as described above, the Company's EGMS has approved the increase of the authorized capital from Rp178,000,000,000 to Rp460,000,000,000, the increase of the issued and paid-up capital from Rp80,000,000,000 to Rp115,000,000,000 that were proportionally subscribed by the Company's shareholders. Subsequent to the increase in the Company's authorized, issued and paid-up capital referred to above, the Company's shareholding composition and capital structure were as follows:

Description	Nominal Value Rp100.00 Per Share		
	Number of Shares	Nominal Value (Rp)	(%)
Authorized Capital	4,600,000,000	460,000,000,000	
Issued and Paid-up Capital:			
- PT Wijaya Karya (Persero) Tbk	901,600,000	90,160,000,000	78.40
- Koperasi Karya Mitra Satya	233,565,000	23,356,500,000	20.31
- Yayasan Kesejahteraan Pegawai PT Wijaya Karya (Persero)	14,835,000	1,483,500,000	1.29
Total Issued and Paid-up Capital	1,150,000,000	115,000,000,000	100.00
Total Shares in Portfolio	3,450,000,000	345,000,000,000	

Year 2013

On 20 December 2013, KKMS in its capacity as the owner of 233,565,000 shares in the Company has sold a portion of its shares in the Company, totaling 65,027,233 to the Company as set forth in the Deed of Sale and Purchase of Shares No. 52 dated 20 December 2013, executed before Mochamad Nova Faisal, S.H, M.Kn., Notary in South Jakarta. The aforementioned sale and purchase of shares received the approval of the Company's EGMS as set forth in the Deed of Statement of Shareholders' Resolution of the General Meeting of Shareholders' of PT Wijaya Karya Beton No. 51 dated 20 December 2013, executed before Mochamad Nova Faisal, S.H., M.Kn., Notary in South Jakarta and was received and registered in SABH database under No. AHU-AH.01.10-56091 dated 24 December 2013 and which has been registered at the Company Registry under No. AHU-012-4162.AH.01.09.Year 2013 dated 24 December 2013; subsequently the Company's shareholding composition and capital structure were as follows:

Description	Nominal Value Rp100.00 Per Share		
	Number of Shares	Nominal Value (Rp)	(%)
Authorized Capital	4,600,000,000	460,000,000,000	
Issued and Paid-up Capital:			
- PT Wijaya Karya (Persero), Tbk.	901,600,000	90,160,000,000	78.40
- Koperasi Karya Mitra Satya	168,537,767	16,853,776,700	14.66
- Yayasan Wijaya Karya (named before Yayasan Kesejahteraan Pegawai PT Wijaya Karya (Persero))	14,835,000	1,483,500,000	1.29
- Treasury Shares owned by the Company	65,027,233	6,502,723,300	5.65
Total Issued and Paid-up Capital	1,150,000,000	115,000,000,000	100.00
Total Shares in Portfolio	3,450,000,000	345,000,000,000	

The Company's aim and objective in acquiring a portion of KKMS's shares were to strengthen the Company's capital ownership structure. The Company purchased the shares at a total transaction value of Rp 58,246,193,143.

Year 2014

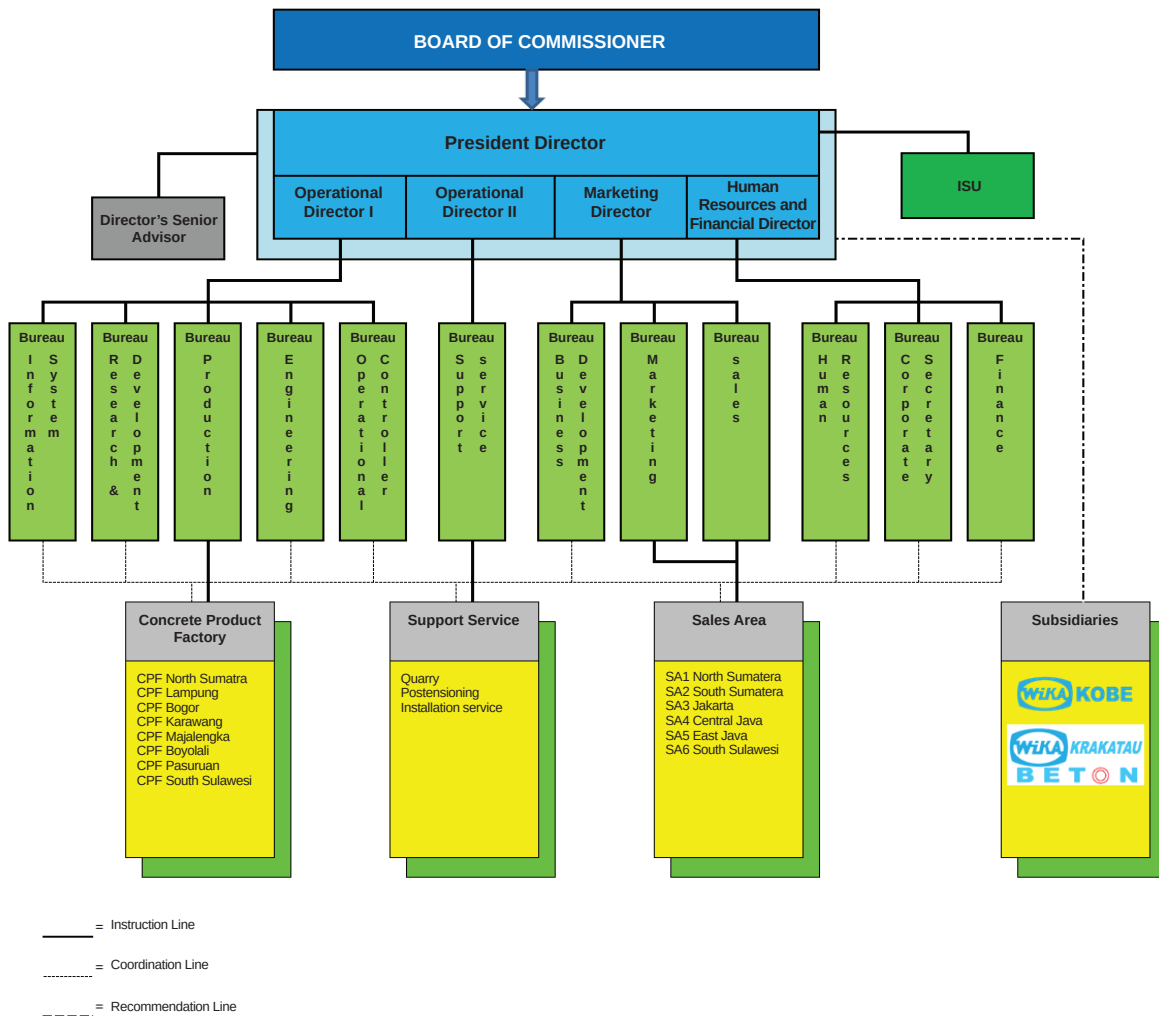
On 6 January 2014, the Company's EGMS approved the increase of authorized capital from Rp460,000,000,000 to Rp2,668,000,000,000 and the increase of the Company's issued and paid-up capital from Rp115,000,000,000 to Rp667,000,000,000. The increase in the issued and paid-up capital originating from the capitalization of reserves/profits/retained earnings/stock dividends/interim dividends at the value of Rp552,000,000,000 as stated in the Audited Financial Statements as of 30 September 2013, provided that the net profit capitalization will be effective if, at the end of the 2013 book closing, the Company has positive retained earnings as stated in the financial statements for the period ended 31 December 2013. The Company's EGMS Resolutions were as set forth in the Deed No. 01/2014. Subsequent to the increase in the Company's authorized, issued and paid-up capital, the Company's shareholding composition and capital structure were as follows:

Description	Nominal Value Rp100.00 Per Share		
	Number of Shares	Nominal Value (Rp)	(%)
Authorized Capital	26,680,000,000	2,668,000,000,000	
Issued and Paid-up Capital:			
- PT Wijaya Karya (Persero) Tbk	5,229,280,000	522,928,000,000	78.40
- Koperasi Karya Mitra Satya	977,519,049	97,751,904,900	14.66
- Yayasan Wijaya Karya	86,043,000	8,604,300,000	1.29
- Treasury Shares owned by the Company	377,157,951	37,715,795,100	5.65
Total Issued and Paid-up Capital	6,670,000,000	667,000,000,000	100.00
Total Shares in Portfolio	20,010,000,000	2,001,000,000,000	

The objective of the significant increase in the Company's issued and paid-up capital from Rp 115 billion to Rp 667 billion, which originated from the capitalization of retained earnings/share dividends/interim dividends was to increase the Company's capital with regard to the Public Offering.

D. ORGANIZATION STRUCTURE

Presented below is the Company's organization structure as of the date of issuance of this Prospectus:



Source: Company

E. MANAGEMENT AND SUPERVISION OF THE COMPANY

As set forth in the Deed of Shareholders Circular Resolution PT Wijaya Karya Beton Tbk, abbreviated PT Wika Beton Tbk No. 16 dated 14 March 2014, drawn up before Nila Noordjasmani Soeyasa Besar, S.H., M.Kn., substitute of Mochamad Nova Faisal, S.H., M.Kn., Notary in South Jakarta, which was received and recorded in the SABH database under No. AHU-AH.01.10-11876 dated 19 March 2014 and was registered in the Company Registry under No. AHU-0023527.AH.01.09.Tahun 2014 dated 19 March 2014 ("**Deed No. 16/2014**"), the compositions of the Company's Board of Commissioners and Board of Directors up to the date of issuance of this Prospectus are as follows:

Board of Commissioners

President Commissioner	: Budi Harto
Commissioner	: Agustinus Boediono
Commissioner	: Tumik Kristianingsih
Commissioner	: Nariman Prasetyo
Independent Commissioner	: Asfiah Mahdiani
Independent Commissioner	: Priyo Suprobo

Board of Directors

President Director	: Wilfred Imanuel A. Singkali
Director	: Entus Asnawi Mukhson
Director	: Fery Hendriyanto
Director	: Hadian Pramudita
Director	: Hari Respati
Independent Director	: Muhammad Zulkarnain

Board of Commissioners**Budi Harto, President Commissioner.**

Indonesian citizen, born on 11 September 1959 in Boyolali. He earned his Master Degree in Industrial Psychology from the Tujuh Belas Agustus University in Surabaya in 2002, Master Degree in Management from the Gadjah Mada University in Yogyakarta in 1997, and Bachelor Degree in Civil Engineering from the Sebelas Maret University in Surakarta in 1983.

He currently serves as the Company's President Commissioner since July 2013. In addition to serving as the Company's President Commissioner, he is currently active as the Operational Director I in PT Wijaya Karya (Persero), Tbk. since 2008. Previously, he served as the President Commissioner of PT Wijaya Karya Gedung (2009-2010), Commissioner of PT Wijaya Karya Intrade (2008-2009), General manager of General Engineering PT Wijaya Karya (Persero) Tbk. (2008), Operational General Manager I in PT Wijaya Karya (Persero) Tbk. (2006-2007), Division Manager of General Engineering II PT Wijaya Karya (persero) DSU II (2002-2005), Commercial Manager PT Wijaya Karya (Persero) DSU II (2002), Project Manager East Java and Bali Region PT Wijaya Karya (Persero) DAK (2000-2001), Project Manager Repair of Irrigation System in Tunjung Cc Madura PT Wijaya Karya (Persero) DAK (2000), Project Manager Construction of Dispersion Dam in Jugosari Village PT Wijaya Karya (Persero) DAK (2000), Project Manager Construction of Embung Mulur Kec. Bondosari Sukoharjo PT Wijaya Karya (Persero) DSU (1999-2001), Project Manager Jeroan River Embankment PT Wijaya Karya (Persero) DSU (1999-2001), Project Manager Kebon Agung Surabaya Duct Works PT Wijaya Karya (Persero) DSU (1999-2000), Head of Branch PT Wijaya Karya (Persero) East Java and Bali PT Wijaya Karya (Persero) DSU (1999-2002), Project Manager Kebun Agung Surabaya Duct Works PT Wijaya Karya (Persero) DAK (1999), Head of Branch PT Wijaya Karya (Persero) Eastern Region PT Wijaya Karya (Persero) DAK (AIII), Project Manager Gunting River and Beng Jombang River Works PT Wijaya Karya (Persero) DAK (1999), Project Manager Boezem Morokembangan Surabaya PT Wijaya Karya (Persero) DAK (1999), Project Manager Sangiran Dam PT Wijaya Karya (Persero) DAK (1998-1999), Project Manager Bandung Wonorejo PT Wijaya Karya (Persero) DAK (1997-1998), Project Manager Irrigation of Lebak Village in West Java PT Wijaya Karya (Persero) DAK (1997), Project Manager Gerak Serayu Dam in Central Java PT Wijaya Karya (Persero) DAK (1991-1997), Chief Foreman I Adit Lot D Singkarak Hydropower Plant Project PT Wijaya Karya (Persero) DSU (1984-1991), Chief Foreman I Singkarak Hydropower Plant PT Wijaya Karya (Persero) DSU (1989), Chief Foreman I Citanduy CIA/II Irrigation Project PT Wijaya Karya (Persero) DSU (1987-1989), Engineering Staff – General Engineering Division in Jakarta PT Wijaya Karya (Persero) DSU (1987), Engineering Staff Tanggari Hydropower Plant Project PT Wijaya Karya (Persero) DSU (1984-1987). He started his career in PT Wijaya Karya (Persero) DSU as an engineering staff in 1984.

**Agustinus Boediono, Commissioner**

Indonesian citizen, born on 26 July 1954 in Asembagus. Earned his Bachelor's Degree in Engineering from Parahyangan Catholic University in Bandung in 1980.

He currently serves as the Company's Commissioner since July 2013. He previously served as the Commissioner of PT Wijaya Karya Komponen Beton (2012-2013), President Director of PT Wijaya Karya Beton (1997-2012), Division Manager Concrete Product I, concurrently serving as Division Manager Concrete Product II PT Wijaya Karya (Persero) DPB (1995-1997), Chairman of ISO 9000 Implementation Committee (Ex Officio) PT. Wijaya Karya Concrete Products I Division (1994-1997), Division Manager, concurrently serving as the Production Manager PT. Wijaya Karya Concrete Products I Division (1994-1997), Team Leader Construction of Concrete Pipe Factory South Sulawesi PT Wijaya Karya DPB II (1996), Temporary Officer Division Manager Concrete Products II PT Wijaya Karya (Persero) DPB II (1995), Production Manager Head Office PT. Wijaya Karya (Persero) DPB (1991-1993), Team Advisor Factory Modernization PT Wijaya Karya (Persero) (1993), Team Coordinator Malaysia Electricity Poles Quality Improvement PT Wijaya Karya (Persero) (1992-1993), Production Manager Head Office PT. Wijaya Karya (Persero) DKK (1987-1990), Member of Establishment Team of Construction Components Division (*Divisi Komponen Konstruksi*, DKK) PT. Wijaya Karya (Persero) (1986), PBB Cibinong Manager, concurrently serving as Project Manager for Construction of KIW PT. Wijaya Karya (Persero) (1986), Factory Manager Kejapanan Unit V Concrete Piles, concurrently serving as Factory Head Railway Sleepers in Banyuwangi PT Wijaya Karya (Persero) DPB (1984-1986), Supervisor of Bali Concrete Piles Factory Construction PT Wijaya Karya (Persero) DPB (1984), Project Manager Railway Sleepers Factory Construction in Banyuwangi, East Java, concurrently serving as the Factory Head PT Wijaya Karya (Persero) DPB (1984), Temporary Officer – Manager of Boyolali Unit IV Concrete Piles Factory PT Wijaya Karya (Persero) DPB (1982-1983), PMP Distribution and Coordination Comptroller Distribution and Erection of Concrete Piles West Java Region PT Wijaya Karya (Persero) DPI (1982). He started his career in PT Wijaya Karya (Persero) in 1981 as an engineering staff and PMP of Industry and Trade Division.

**Tumik Kristianingsih, Commissioner**

Indonesian citizen, born on 1 May 1966 in Surabaya. She earned her Bachelor of Economics in Management from Sebelas Maret University in Surakarta in 1990.

She currently serves as the Company's Commissioners starting on 1 December 2012. Aside from serving as the Company's Commissioners, she also serves as the Head of Human Resources and Planning Division in Ministry of State-Owned Enterprise and Secretary of the Board of Commissioners in PT Berdikari (Persero). Previously, she served as Sub-division Head of Infrastructure and Logistic Business IIIb-1 in the Ministry of State Owned Enterprise, Deputy of Infrastructure and Logistic Business, Assistant Deputy Infrastructure and Logistic Business III (2010-2012), Assistant Deputy Multi-industry Business Ministry of State-Owned Enterprise, Deputy Other Business (2008-2010), Head of Subdivision Human Resources State-Owned Enterprise Ministry of State Owned Enterprise, Human Resources & Planning Bureau (2006-2008), Head of Sub-division Planning of Trading Business Ministry of State Owned Enterprise, Deputy of Logistic & Tourism, Assistant Deputy Trading Business Affairs (2002-2006), Section Head of Post & Telecommunication, Air Transportation Infrastructure Minister Office of State Owned Enterprise Utilization – Transportation, Post & Telecommunication Directorate (2001-2002), Secretary to Board of Commissioners PT Berdikari (Persero) (2003- Present), Secretary to the Board of Commissioners PT Varuna Tirta Prakasya (Persero) (2001-2010), Contract Employee Division Head II State Owned Enterprise Empowerment State Minister Office (1999-2001), Acting Division Head of Farms & Fisheries of the State Minister of SOE Office of Forestry & Fisheries Company, Assistant Deputy Agro Industry Business (1998-1999), Contract Employee Section Head Funding and Resources Analysis of Transportation Infrastructure Services Company Department of Finance RI, Directorate General SOE Development, Directorate General Services Company (1997-1998), Civil Servant Department of Finance RI, Directorate General Monetary, Directorate SOE Development (1993-1997). She started her career as a Candidate in the Civil Servant Department of Finance RI, Directorate General Monetary, Directorate SOE Development (1991-1993).

**Nariman Prasetyo, Commissioner**

Indonesian Citizen, born on 19 October 1963 in Bandung. Earned his Diploma degree Institut Teknologi Bandung in 1987. Earned his Bachelor of Civil Engineering in 1998 and Master on Project Management from Institut Teknologi Surabaya in 2004.

Currently, he is serving as the Company's Commissioner since July 2013. In addition, he is currently active as the General Manager Civil Construction in PT Wijaya Karya (Persero) Tbk. He previously served as the Project Manager Surabaya-Mojokerto Toll Road PT Wijaya Karya (Persero) DSU (2009 -2011), Manager of Civil Construction II PT Wijaya Karya (Persero) DSU II (2009), Project Head Sicanang Belawan Gas Power Plant PT Wijaya Karya (Persero) DSU (2008-2009), Acting Manager of Commercial Operation Civil Construction I PT Wijaya Karya (Persero) DSU (2008), Project Manager Juanda Airport Surabaya Packet IV PT Wijaya Karya (Persero) DSU II (2006-2007), Project Head Sediment Pond Porong, Sidoarjo PT Wijaya Karya (Persero) DSU II (2006), Preparation Team Simpang Susun Waru Juanda Project, Surabaya PT Wijaya Karya (Persero) DSU (2005-2006), Construction Manager Cilacap Steam Power Plant Project PT Wijaya Karya (Persero) DSU (2004-2005), Project Manager Road Escalation Eastern Indonesia Region Transport Project PT Wijaya Karya (Persero) DSU (2002-2005), Project Manager Kedurus River Development in East Java PT Wijaya Karya (Persero) DSU (2001-2002), Acting Construction Manager, Acting Site Foreman Dispersion Dam Building Project PT Wijaya Karya (Persero) DAK (2000), Acting Construction Manager, Engineering Section Head Jeroan River Dam Project – Madiun

PT Wijaya Karya (Persero) DAK (1999-2000), Acting Section Head Quality Assurance Notopuro Project PT Wijaya Karya (Persero) DAK (1998-1999), Section Head Quality Assurance Sangiran Dam Project PT Wijaya Karya (Persero) DAK (1998-1999), Staff Estimation Division PT Wijaya Karya (Persero) DAK (1997-1998), Acting Engineering Section Head Village Irrigation Project, East Java PT Wijaya Karya (Persero) DAK (1996-1997), Acting Site Foreman Wonorejo Dam Project PT Wijaya Karya (Persero) DAK (1996), Site Foreman Embung Kengkang Project Lamongan East Java PT Wijaya Karya (Persero) DAK (1995), Foreman Estuari Dam Project in NTB Scheduling Section Pasuruan Steam Power Plant Project PT Wijaya Karya (Persero) DAK (1994), Foreman Pengga 3 B in Mataram NTB PT Wijaya Karya (Persero) DAK (1993-1994), Staff Engineering Division Irrigation Project in Mataram NTB PT Wijaya Karya (Persero) DAK (1990-1993). He started his career as a Staff Engineering Division Waruturi Irrigation Project in East Java PT Wijaya Karya (Persero) DAK (1988-1990).

**Asfiah Mahdiani, Independent Commissioner**

Indonesian citizen, born on 3 November 1956 in Gresik. She earned her Doctorate in Economic Science from Universitas Negeri Malang in Economic Science in 2004, Master of Management from Universitas Tujuh Belas Agustus in Surabaya in 1998 and Bachelor of Engineering Physics from Institut Teknologi Sepuluh November in Surabaya in 1983. She is currently serving as the Company's Independent Commissioner since 2010.

In addition to serving as the Company's Independent Commisisoners, she is currently active Lecturer in Institut Teknologi 10 Nopember Surabaya. She previously served as the Advisor of PT Fajar Gemilang – Jakarta (2001 – present), Lecturer Engineering Faculty Universitas tujuh Belas Agustus – Surabaya (1992-Present), Rector Universitas Kartini – Surabaya (1987-1991), Technical Advisor PT Inti Eka Fajar Consultant – Surabaya (1984 – present). She started her career as the President Director PT Duta Karya Konsultan – Surabaya (1984 – 2012).

**Priyo Suprobo, Independent Commissioner**

Indonesian citizen, born on 11 September 1959 in Klaten. He earned his Civil Engineering Doctorates from Purdue University in the United States of America in 1991, Master of Civil Engineering from Institut Teknologi Bandung in Bandung, West Java in 1987 and Bachelor of Civil Engineering from Institut Teknologi Surabaya in Surabaya in 1983.

He effectively serves as the Independent Commissioner since March 2014. He previously served as Chairman of Senate, Institut Teknologi Surabaya (2012-2015), Rector, Institut Teknologi Surabaya (2007-2011), Dean of Planning and Civil Engineering Faculty, Institut Teknologi Surabaya (2003-2007), First Assistant Dean of Planning and Civil Engineering Faculty, Institut Teknologi Surabaya (1999-2003), Head of Civil Engineering Building Materials and Concrete Laboratory, Planning and Civil Engineering Faculty, Institut Teknologi Surabaya (1997-2000), Consultant for PT Wijaya Karya's (Persero) Peat Land Project, Concrete Product Division (1995-1997). He started his career in PT Wijaya Karya (Persero) in 1983-1984 at the Metal and Concrete Product Division (Divisi Produk Beton & Metal, DPBM).

Board of Directors**Wilfred Imanuel A. Singkali, President Director.**

Indonesian citizen, born on 21 July 1954 in Palu. He earned his Bachelor of Civil Engineering from Institut Teknologi Bandung in Bandung in 1982.

Currently, he is serving as the Company's President Director since 2012. Previously, he served as the Company's Production and Engineering Director (2007-2012), the Company's Business Development Manager (2007-2008), the Company's Acting Business Development Manager (2003-2007), the Company's Management Representative ISO 9000 (2002-2007), the Company's Acting Business Development Manager (2002-2007), the Company's Operation Control Manager (2002-2007), the Company's Acting Production Manager Eastern Area (1999-2003), the Company's Acting Ppb Factory Manager North Sumatera (1999-1999), the Company's Acting Research & Development Manager (1999-1999), the Company's Acting Production Manager Eastern Area (1998-1999), the Company's Production Manager Western Area (1997-2003), Production Manager of PT Wijaya Karya (Persero) DPB I (1995-1997), Preparation Team Concrete Pipe Factory for South Sulawesi in PT Wijaya Karya (Persero) DPB I (1995-1995), Acting Division Head Quality Control System in PT Wijaya Karya (Persero) DPB I (1995-1995), Acting Quality Assurance Manager in PT Wijaya Karya (Persero) DPB I (1995-1995), Engineering Manager in PT Wijaya Karya (Persero) DPB I (1995-1995), Acting Quality Assurance Manager in PT Wijaya Karya (Persero) DPB I (1994-1994), Engineering Manager in PT Wijaya Karya (Persero) DPB I (1994-1994), Engineering Manager in PT Wijaya Karya (Persero) DPB I (1992-1994), Acting Division Head Research and Development in PT Wijaya Karya (Persero) DPB I (1991-1992), Acting Division Head of Engineering PT Wijaya Karya (Persero) DPB I (1991-1992), Division Head of Engineering PT Wijaya Karya (Persero) DPB I (1991-1992), Team Member of Malaysia TL Quality Improvement in PT Wijaya Karya (Persero) DKK (1990-1991), Chief Executive Factory Modernization Team in PT Wijaya Karya (Persero) DKK (1990-1991), Engineering Division Head in PT Wijaya Karya (Persero) DKK (1990-1990), Engineering Division Head in PT Wijaya Karya (Persero) DKK (1989-1990), Division Head Production Techniques in PT Wijaya Karya (Persero) DKK (1988-1989), Division Head P.E.P in PT Wijaya Karya (Persero) DKK (1987). He started his career as a Staff of the Research & Development Engineering Bureau PT Wijaya Karya (Persero) in 1983.

**Entus Asnawi Mukhson, Director**

Indonesian Citizen, born on 24 August 1962 in Pandeglang. He earned his Master Degree from Sekolah Tinggi Manajemen PPM in Jakarta in 1998 and Bachelor of Economics from Universitas Islam Indonesia in Jogjakarta in 1986.

Currently, he is serving as the Company's Human Resources and Financial Director since 2011. He previously served as the Company's Acting Corporate Secretary (2011-2012), Vice Chairman of PT Wijaya Karya (Persero) Investment Preparation Team (2010-2011), General Manager of Finance in PT Wijaya Karya (Persero) (2008-2011), Human Capital and Finance Manager in PT Wijaya Karya (Persero) DBG (2008-2008), Personnel and Finance Manager in PT Wijaya Karya (Persero) DBG (2007-2008), Personnel and Finance Manager in PT Wijaya Karya (Persero) DSU (2005-2007), Personnel and Finance Manager in PT Wijaya Karya (Persero) DSU II (2002-2005), Concurring Acting General Administration Division Head PT Wijaya Karya (Persero) DAK (2001-2002), Concurring Member of PT Wijaya Karya (Persero) DSU Collective Labor Agreement Preparation Team (2000-2010), Personnel and Finance Manager PT Wijaya Karya (Persero) DAK (2000-2002), Personnel and Finance Manager in PT Wijaya Karya (Persero) DPH (1997-2000), Finance and Administration Manager in PT Wijaya Karya (Persero) DPH (1996-1997), General Manager of Granti Pasuruan Steam and Gas Power Plant Project PT Wijaya Karya (Persero) DAK (1994-1996), Acting Finance and Administration Manager PT Wijaya Karya (Persero) DPK (1994), Finance Division Head PT Wijaya Karya (Persero) DSU (1992-1994), Acting Finance and Administration Manager Krueng Aceh Project Aceh in PT Wijaya Karya (Persero) DSU (1988-1992), Section Head Finance & Administration Krueng Aceh Flood Control Project Aceh in PT Wijaya Karya (Persero) DSU (1988-1989), Finance Staff in PT Wijaya Karya (Persero) DSU (1988). He started his careers as a Finance and Accounting Staff DSU in PT Wijaya Karya (Persero) 1988.

**Fery Hendriyanto, Director**

Indonesian Citizen, born on 22 April 1967 in Yogyakarta. He earned his Bachelor of Civil Engineering from Universitas Gajah Mada in Jogjakarta in 1992.

Currently, he is serving as the Production and Technical Director in the Company since 2012. Previously, he served as the Company's Acting Business Development Manager (2008-2010), the Company's Operation Control Manager (2007-2012), the Company's Sales Area V Manager (2006-2007), the Company's Sales Area IV Manager (2005-2006), the Company's Acting Section Head Quality Assurance Sales Area I (1999-2000), the Company's Sales Area I Manager (1998-2005), the Company's Senior Sales Engineer (1997-1998), Section Head P.E.D UPPB DKI Jaya in PT Wijaya Karya (Persero) DPB I (1996-1997), Section Head Quality Assurance in UPPB DKI Jaya (1995-1996), Division Head market Development in PT Wijaya Karya (Persero) DPB I (1994-1994), Acting Market Development in PT Wijaya Karya (Persero) DPB (1994-1994). He started his career as a Sales Engineer in the head office of PT Wijaya Karya (Persero) DPB in 1983.

**Hadian Pramudita, Director**

Indonesian Citizen, born on 13 March 1961 in Garut. He earned his Bachelor of Civil Engineering from Universitas Katolik Parahyangan in Bandung in 1987.

Currently, he is serving as the Company's Marketing Director since 2012. Previously, he served as the Company's Acting Sales Manager (2012-present), the Company's Sales Manager (2008-2012), the Company's Acting Sales Area III Manager (2006-2008), the Company's Sales Area III Manager (2005-2008), concurrently served as the Company's Acting Division Head of Quality Assurance Sales Area IV (1998-2000), the Company's Sales Area IV Manager (1997-2005), UPPB Manager Central Java in PT Wijaya Karya (Persero) DPB II (1996-1997), Sales Manager PPb South Sulawesi in PT Wijaya Karya (Persero) DPB II (1995-1996), Branch Head in PT Wijaya Karya (Persero) Branch IX Sulawesi Selatan (1995-1996), Acting Section Head Sales UPPB South Sulawesi (1995-1996), Concrete Product Sales manager DKI Jaya in PT Wijaya Karya (Persero) DPB I (1994-1995), Deputy Sales Manager Sales Area DKI Jakarta (1993-1993), Sales Engineer Madya I in PT Wijaya Karya (Persero) DPB (1992-1992), Sales Engineer Madya II in PT Wijaya Karya (Persero) DPB (1992-1992), Sales Engineer Produk II in PT Wijaya Karya (Persero) DPB (1989-1990), Stand Guide Officer on Indonesia Production Exhibition in PT Wijaya Karya (Persero) (1989-1990), Sales Enforcement Staff in PT Wijaya Karya (Persero) DKK (1988-1989), Sales Staff in PT Wijaya Karya (Persero) DKK (1987-1987). He started his career as a Staff in the Engineering Division in PT Wijaya Karya (Persero) DKK in 1987.

**Hari Respati, Director**

Indonesian citizen, born on 21 December 1995 in Klaten. He earned his Bachelor of Civil Engineering from Universitas Diponegoro in 1983.

He is currently serving as the Operational Director II of PT Wijaya Karya Beton since July 2013. He previously served as the Area General Manager in PT Wijaya Karya (Persero) (2011-2013), Area and Overseas General Manager PT Wijaya Karya (Persero) Department of Area and Overseas (2009-2010), Civil Construction Manager II PT Wijaya Karya (Persero) Civil Department (2008), Division Manager II Civil Construction PT Wijaya Karya (Persero) DSU (2004-2007), Project Manager Cikampek Padalarang Toll Road Project PT Wijaya Karya (Persero) DSU (2004), Commercial Manager PT Wijaya Karya (Persero) DSU 3 (2002-2004), Production Manager PT Wijaya Karya (Persero) DPK (1999-2002), Operation Manager PT Wijaya Karya (Persero) DPK (1998-1999), Chief Executive ISO 9000 Peatland Development Project Central Kalimantan PT Wijaya Karya (Persero) DPK (1996-2004), Project Representative ISO 9000 Peatland Development Project Central Kalimantan PT Wijaya Karya (Persero) DPK (1996-2004), Project Manager Peatland Development Project Central Kalimantan PT Wijaya Karya (Persero) DPK (1996-1999), Project Manager Civil Works Besai Hydropower Plant in Lampung PT Wijaya Karya DSU (1994-1996), Team Leader Project Evaluation Besai Hydropower Plant PT Wijaya Karya (Persero) DSU (1994), Project Manager Pengga Irrigation Project in West Lombok NTB PT Wijaya Karya (Persero) DSU (1993-1994), Branch Head PT WIKATB PT Wijaya Karya (Persero) DSU (1992-1994), Project Manager Jurang Sate Irrigation Project PT Wijaya Karya (Persero) DSU (1992-1993), Project Manager Tiu Kulit Dam Construction Project in NTB (1991-1994), Team Leader Preparation of Tiu Kulit Bendung Project Sumbawa PT Wijaya Karya (Persero) DSU (1991), Construction Manager I Klambu Kanan Main Tunnel (PKKA/2) in Central Java PT Wijaya Karya (Persero) DSU (1989-1991), Site Foreman TES Bengkulu Hydropower Plant PT Wijaya Karya (Persero) DSU (1987-1989), Site Foreman Salahudin Bima Airport Facilities Development Project (NTB) PT Wijaya Karya (Persero) DSU (1986-1987), Site Foreman Sape II Jetty Project in Bima Regency PT Wijaya Karya (Persero) DSU (1985-1986), Engineering Staff Sape I Crossing Dock Bima PT Wijaya Karya (Persero) DSU (1984-1985), Foreman HLD Project in Mataram HLD PT Wijaya Karya (Persero) DSU (1983-1984). He started his career as a Project Supervisor of Dharma Wanita Building in Semarang (1983).

**Muhammad Zulkarnain, Independent Director**

Indonesian citizen, born on 24 December 1953 in Surabaya. He earned his Bachelor of Civil Engineering from Institut Teknologi 10 November in 1987 and his Master degree from Universitas Indonesia in 1991.

He currently serves as the Independent Director of PT Wijaya Karya Beton since March 2014. He previously served as Acting Standardization Division Head PT Wijaya Karya Beton (2010), Acting Research & Development Manager PT Wijaya Karya Beton (2006-2010), Acting Standardization Division Head PT Wijaya Karya Beton 92003-2006), Engineering Manager PT Wijaya Karya Beton (2003-2010), Product Development Manager PT Wijaya Karya Beton (1997-2003), Acting Research and Development Division Head PT Wijaya Karya DPB II (1996-1997), concurrently served as Supervisor of PPB South Sulawesi Construction Project PT Wijaya Karya DPB II (1996), Engineering Manager PT Wijaya Karya DPB II (1994-1997), concurrently served as Acting Quality Assurance Manager PT Wijaya Karya DPB II (1994-1995), Deputy Project Manager Hydrodynamic Laboratory ITS Surabaya PT Wijaya Karya (1991-1992), Technical Advisor Research and Development Bureau PT Wijaya Karya (1990-1991), Senior Engineering Building Construction Department, Engineering Bureau PT Wijaya Karya (1988-1990), concurrently served as Engineering Section Head of PT Wijaya Karya Cibinong and Jatiwangi Industrial Estate Construction Projects PT Wijaya Karya (1998-1990), Staff of Engineering Bureau PT Wijaya Karya (1968-1988), Staff Engineering Affairs PT Wijaya Karya DPBM Jakarta (1982-1986), Engineering Staff PT Wijaya Karya CAB VIII Surabaya (1981-1982), Engineering Section Head of UNAIR Building Project Sidoarjo PT Wijaya Karya (1980-1981), Engineering Staff in Gresik-Waru Project Surabaya PT Wijaya Karya CAB VIII Surabaya (1979-1980). He started his career as Engineering Staff in PT Wijaya Karya CAB VIII Surabaya (1978-1979).

REMUNERATION OF BOARD OF COMMISSIONERS AND DIRECTORS

Remuneration, consisting of salary and other benefits, paid to the Board of Directors as of 31 December 2013, 2012, 2011 and 2010 in the amount of Rp8,286,730,500, Rp5,997,440,260, Rp5,565,286,287 and Rp4,863,276,000, respectively, and to the Board of Commissioners for the year ended 31 December 2013, 2012, 2011 and 2010 in the amount of Rp2,707,816,000, Rp2,289,389,800, Rp2,124,645,713 and Rp1,778,670,400, respectively.

Remuneration of the Board of Commissioners and Directors are set annually by the General Meeting of Shareholders "GMS". In 2013, the GMS resolution set the remuneration of the Board of Commissioners and the Board of Directors in accordance with 2012 performance result and based on the Remuneration Guidance of PT Wijaya Karya (Persero), Tbk., and the Ministry of SOE. Remuneration of the Board of Directors and Commissioners are determined based on a joint evaluation on the prevailing remuneration system in the Company and the Company's performance result that are pay-for-performance oriented, which recognize the achievements and performance achieved by the Company's management.

CORPORATE SECRETARY

In compliance with Rule No.IX.I.4 and based on the Company's Board of Directors' Decision Letter No. SK.02.01/WB-0A.091/2012 dated 11 June 2012, effective on 13 June 2012, the Company has appointed Puji Haryadi, S.H., as the Corporate Secretary, who can be contacted at the following address:

Head Office
Corporate Secretary
JW Building
Jl. Raya Jatiwaringin No. 54. Pondok Gede, Bekasi 17411
Telephone: (021) 8497 3363
Fax: (021) 8497 3391, 8497 3392
Email: sekper@wika-beton.co.id

As a commitment to transparency for all stakeholders, the Company appointed a Corporate Secretary with the following duties:

- Ensures the Company's compliance to all prevailing laws and regulations and the implementation of the GCG;
- Undertakes Corporate Legal Affairs or Legal Compliance function;
- Undertakes the Company's Corporate Social Responsibility ("CSR")
- Monitors the developments in the capital market, particularly the prevailing regulations in the capital market;
- Provides services on any information required by investors with regard to the Company's condition;
- Provides input to the Company's Board of Directors to comply with the provisions of Law No. 8 Year 1995 concerning the Capital Market and its implementing regulations;
- Acts as a liaison or contact person between the Company and OJK and the public.

AUDIT COMMITTEE

As set stated in the Decision of the Board of Commissioners PT Wijaya Karya Beton Tbk No.MJ.04.01/WB-0A.037/2014 dated 21 February 2014 concerning the Changes of Organs of the Audit Committee PT Wijaya Karya Beton, whereby the Company's Board of Commissioners Meeting approved, with unanimous consent, the changes and appointment of Organs of Audit Committee PT Wijaya Karya Beton Tbk for a service period of 5 (five) years commencing on the date of the decision, with no diminution to the rights of the Board of Commissioners to terminate the following members from time to time:

Chairman : Asfiah Mahdiani
Member : Soemartojo
Member : Rosmala

Brief descriptions of each member of the Audit Committee are as follows:

Chairman : Asfiah Mahdiani

- Indonesian Citizen
- 57 years old
- Professional Experience :

She is currently serving as the Company's Independent Commissioner since 2010.

In addition to serving as the Company's Independent Commissioner, she is actively serving as Lecturer in Institut Teknologi 10 Nopember Surabaya. She previously serves as the Advisor PT Fajar Gemilang – Jakarta (2001 – present), Lecturer in the Engineering Faculty of Universitas Tujuh Belas Agustus – Surabaya (1992 – Present), Rector of Universitas Kartini – Surabaya (1987-1991), Technical Advisor PR Inti Eka Fajar Consultant – Surabaya (1984 – Present). She started her career as the President Director of PT Duta Karya Konsultan – Surabaya (1984 - 2012).

Member : Soemartojo

- Indonesian Citizen
- 61 years old
- Professional Experience :

He is currently serving as a Member of the Company's Audit Committee since 2014. He previously served as an honorary employee in the Company (2007-2012), Acting as Sales Manager Area V in the Company (2006-2007), Marketing Manager in the Company (2006-2007), Acting as Marketing Administration Division Head (1999-2006), Sales Manager Area V in the Company (1998), concurrently serving as Acting Quality Assurance Sales Area I Section Head in the Company (1997-1998), Sales Area I Manager PT Wijaya Karya DPB I (1994-1997), South Sulawesi Concrete Product Sales Manager PT Wijaya Karya DPB II (1994), Branch Head PT Wijaya Karya Branch IX Ujung Pandang (1993), South Sulawesi Concrete Product Sales Manager PT Wijaya Karya (1991-1992), East Java Concrete Products Sales Engineer (1991-1992), East Java Product II Sales Chief Executive PT Wijaya Karya Trading Division (1989-1990), Chief Executive for East java PT Wijaya Karya DLM (1986-1989), Mataram Branch Engineering Division Head in PT Wijaya Karya Mataram Branch (1985-1986), Project Control Staff on Bendung Jangkak Project PT Wijaya Karya (1983-1984), Engineering Coordinator for Sumbawa Unit West Area Irrigation Project PT wijaya Karya Branch VIII Surabaya (1981-1983), Executive Officer of Jember Irrigation Project PT Wijaya Karya Branch VIII Surabaya (1979-1981), Executive Officer of Jember Prosida Project – Surabaya Public Housing PT Wijaya Karya Branch VIII Surabaya (1978-1979). He started his career as a Personnel Staff at PT Wijaya Karya Branch VIII Surabaya (1977-1978).

Member : Rosmala

- Indonesian Citizen
- 54 years old
- Professional Experience :

She is currently serving as Member of Audit Committee of the Company from 2009 – present. Previously served as Member of Audit Committee of PT Wijaya Karya Tbk (2005 – 2009), Auditor in the Public Accountant Firm Saleh Soewondo & Partner (2004 – 2006), Advisory Management in Foreign Aid Project in IBRD for Kalimantan Area (2000 - 2004), Accounting Division Head of PT Pembangunan Perumahan Tbk (1985 – 1999), Junior Auditor in Development and Financial Supervisory Board (1983 – 1985). She started her career as a Junior Auditor in the Public Accountant Firm Supardi & Partner, Bandung (1980 – 1983).

Duties, authorities and responsibilities of Audit Committee as set forth in PT Wijaya Karya Beton Tbk. Audit Committee Charter, Annex to the Decision Letter of Audit Committee PT Wijaya Karya Beton Tbk. No. MJ.04.01/WB-0A.007/2014 dated 10 January 2014 are in accordance with the duties, authorities and responsibilities of Audit Committee as set forth in Rule No.IX.15, which stipulates the followings:

Duties and Responsibilities of Audit Committee are as follows:

- Review financial information to be issued by the Company or the Public Company to the public and/or authorities, among others: financial statements, projections and other reports related to the financial information of the Company or the Public Company;
- Review compliance on laws and regulations related to the activities of the Company or the Public Company;
- Provide independent opinion in the event of difference of opinion between the management and Accountant on the services rendered;
- Provide recommendations to the Board of Commissioners regarding the appointment of Accountant based on independence, scope of work and fee;
- Review the implementation of audit by internal auditor and supervise the Board of Directors' follow up actions on internal auditor's findings;
- Review the risk management implementation activities conducted by the Board of Directors, in the event that the Company or the Public Company does not have risk monitoring function under the Board of Commissioners;
- Review complaints related to the accounting and financial reporting processes of the Company or the Public Company;
- Review and provide inputs to the Board of Commissioners with regard to potential conflict of interest faced by the Company or Public Company; and
- Maintain the confidentiality of documents, data and information of the Company or Public Company.

In carrying out its duties, the authorities of the Audit Committee are as follows:

- Access the necessary documents, data and information of the Company and Public Company regarding employees, fund, assets and the company's human resources;
- Directly communicate with employees, including the Board of Directors and parties undertaking the internal audit function, risk management and Accountant with regard to the duties and responsibilities of Audit Committee;
- Involve independent parties outside the members of Audit Committee that are required to assist its duties (if necessary); and
- Other authorities granted by the Board of Commissioners.

GOOD CORPORATE GOVERNANCE ("GCG") COMMITTEE

As set forth in the Decision of the Board of Commissioners PT Wijaya Karya Beton Tbk. No.MJ.04.01/WB-0A.008/2014 dated 10 January 2014 concerning the Appointment of the Organ of the Good Corporate Governance Committee of PT Wijaya Karya Beton Tbk., whereby the Company's Board of Commissioners Meeting approved, with unanimous consent, the appointment of the Chairman and Member of the Organ of Good Corporate Governance Committee of PT Wijaya Karya Beton Tbk, for a service period of 5 (five) years commencing on the date of this decision, as follows:

Chairman : Tumik Kristianingsih
Member : Nariman Prasetyo
Member : Agustinus Boediono

Duties, Authorities and Responsibilities of the GCG Committee are as follows:

- Maximize the corporate value by improving the transparency, accountability, reliability, responsibility and fairness principles to ensure that the Company has strong competitiveness, both nationally and internationally;
- Encourage a professional, transparent and efficient management of the Company and empower and improve the independence of the Company's organs;
- Encourage the Company's organs to base its decision making process and actions to high moral values and with due compliance to the prevailing laws and regulations and awareness of the Company's social responsibilities to stakeholders and the sustainability of the Company's surrounding environment;

- Increase the Company's contribution to the national economy;
- Assist the Board of Commissioners in undertaking its duties and report directly to the Board of Commissioners;
- Identify and be alert of potential business risks and propose financial planning improvements to mitigate such risks;
- Identify and be alert of constraints faced by the Board of Directors and immediately discuss such constraints with the Board of Commissioners, as a form of an early warning system implementation.

INTERNAL AUDIT UNIT (INTERNAL SUPERVISORY UNIT)

The Company has established an Internal Audit Unit, known as the Internal Supervisory Unit, as stated in the Decision Letter No. SK.01.01/WB-0A.024/2006 dated 27 March 2006 concerning the Establishment of Internal Supervisor Unit *juncto* Decision Letter No. SK.01.01/WB-0A.027/2006 dated 27 March 2006 concerning Organization Structure of Internal Supervisory Unit, whereby the Board of Directors established the Internal Supervisory Unit as the supervisory unit, effective on 20 April 2006.

As stated in Decision Letter No. SK.02.01/WB-0A.095/2013 dated 10 July 2013, the Company's Board of Directors appointed the Murda Sehri as the Senior Auditor II of the Internal Supervisory Unit, effectively from 20 July 2013 and as stated in Assignment Letter No. PU.03.01/WB-0A.526/2011 dated 27 June 2011, the Company's Board of Directors assigned Muhammad Iqbal as the Junior Auditor 1 (Echelon VI), Internal Supervisory Unit. The Internal Supervisory Unit is headed by Muhammad Syafi'i Manap, effectively from 20 February 2010, as stated in the Decision Letter No. SK.02.01/WB-0A.010/2010 dated 28 January 2010 concerning the Appointment of Mr. Syafi'i Manap, S.E., AK as Head of the Internal Supervisory Unit.

The Company has prepared the Internal Audit Charter PT Wijaya Karya Beton on 11 March 2011, that was prepared in accordance with the Rule No. IX.I.7.

Duties, authorities and responsibilities of the Internal Audit Unit as set forth in PT Wijaya Karya Beton Tbk. Internal Audit Charter, Annex to the Decision Letter of the Board of Directors of PT Wijaya Karya Beton Tbk. No. SK.01.01/WB-0A.010/2014 dated 27 January 2014 are in accordance with the duties, authorities and responsibilities of Internal Audit Unit as set forth in Rule No. IX.I.7, which stipulates the followings:

Duties and responsibilities of Internal Audit Unit include:

- Prepare and implement the Annual Internal Audit Plan;
- Test and evaluate the implementation of internal controls and risk management systems in accordance with the Company's policies;
- Test and evaluate efficiency and effectiveness in finance, accounting, operational, human resources, marketing, information technology and other activities;
- Provide recommendations for improvements and objective information on the activities being tested to all levels of management;
- Prepare audit report and submit the report to the president director and the board of commissioners;
- Monitor, analyze and report the follow-up actions on recommended improvements;
- Cooperate with the Audit Committee;
- Prepare program to evaluate the quality of internal audit activities conducted; and
- Conduct special audit when required.

The authorities of Internal Audit Unit includes, among others:

- Access all relevant information concerning the company with regard to its duties and functions;
- Direct communication with the Board of Directors, Board of Commissioners and/or Audit Committee and members of the Board of Directors, Board of Commissioners and/or Audit Committee;
- Conduct periodical and incidental meetings with the Board of Directors, Board of Commissioners and/or Audit Committee; and
- Coordinate its activities with external auditor's activities.

F. HUMAN RESOURCES

Human Resources ("HR") are the Company's main assets and play an important role in the success of the Company's business activities. Being aware of the above, the Company believes that in order to achieve the Company's mission, it is mandatory to put efforts that support the development and improvement of human resources quality therefore the utilization of HR can be performed optimally.

On 31 December 2013, the Company employees 1,020 employees, consisting of 207 (two hundred and seven) permanent employees, 813 (eight hundred and thirteen) skilled employees. Whereby the permanent employees of the Company has in-depth experience and skills in the concrete industry. In terms of payroll and remuneration, the Company has completely adhered to and complied with the provisions of the prevailing City Minimum Wage (*Upah Minimum Kota*, "UMK").

Employee Composition

Presented below are the Company's employee compositions for the years ended on 31 December 2013, 2012, 2011 and 2010, based on position hierarchy, age group, education level and employment status.

Employee Composition by Employment Status

Description	31 December			
	2010	2011	2012	2013
The Company				
Permanent Employees	147	148	164	180
Skilled Employees	749	770	830	811
Contract Employees	21	23	21	20
Sub-total	917	941	1,015	1,011
Wika Kobe				
Permanent Employees	-	-	6	6
Skilled Employees	-	-	2	2
Contract Employees	-	-	1	1
Sub-total	-	-	9	9
Total	917	941	1,024	1,020

Permanent Employees are the Company's core employees assigned for tasks that require high reasoning skills, extensive knowledge, skills and/or special requirements.

Skilled Employees (*Pegawai Terampil*, "Petra") are employees that are specifically prepared to undertake operational duties that require specific skills in accordance with the nature of the fields.

Contract Employees are employees that have retired from the position of Permanent Employees or Skilled Employees but whose skills are still required for specific fields.

Employee Composition by Position Hierarchy

Description	31 December			
	2010	2011	2012	2013
The Company				
Bureau Manager	10	10	6	12
Factory & Sales Area Manager, BOD's Technical Advisors	18	18	19	19
Bureau Assistant Manager (Chief)	1	2	0	0
Section Head (Senior I)	16	29	30	27
Section Head (Senior II)	67	70	70	76
Assistant Section Head (Associate I)	58	53	74	82
Staff (Associate II – Officer III)	747	758	816	795
Sub-total	917	940	1,015	1,011
Wika Kobe				
Bureau Manager	-	-	3	3
Factory & Sales Area Manager, BOD's Technical Advisors	-	-	-	-
Bureau Assistant Manager (Chief)	-	-	1	1
Section Head (Senior I)	-	-	-	-
Section Head (Senior II)	-	-	2	2
Assistant Section Head (Associate I)	-	-	2	2
Staff (Associate II – Officer III)	-	-	1	1
Sub-total	-	-	9	9
Total	917	940	1,024	1,020

Employee Composition by Age Level

Description	31 December			
	2010	2011	2012	2013
The Company				
<25 years	18	15	40	49
26-30 years	70	74	121	111
31-35 years	85	76	96	107
36-40 years	180	135	129	111
41-45 years	291	278	277	256
46-50 years	166	207	210	235
51-55 years	92	144	130	128
>55 years	15	12	12	14
Sub-total	917	941	1,015	1,011
Wika Kobe				
<25 years	-	-	2	1
26-30 years	-	-	1	2
31-35 years	-	-	1	1
36-40 years	-	-	-	-
41-45 years	-	-	2	2
46-50 years	-	-	2	2
51-55 years	-	-	-	-
>55 years	-	-	1	1
Sub-total	-	-	9	9
Total	917	941	1,024	1,020

Employee Composition by Educational Level

Description	31 December			
	2010	2011	2012	2013
The Company				
Below High School	145	138	119	123
High School and Equivalents	550	563	613	566
Diploma (D3)	49	55	70	78
Bachelor Degree	152	164	192	221
Master Degree	21	21	21	23
Sub-total	917	941	1,015	1,011
Wika Kobe				
Below High School	-	-	-	-
High School and Equivalents	-	-	3	3
Diploma (D3)	-	-	-	-
Bachelor Degree	-	-	6	6
Master Degree	-	-	-	-
Sub-total	-	-	9	9
Total	917	941	1,024	1,020

Employee Composition by Level of Competence

Description	31 December			
	2010	2011	2012	2013
The Company				
Technical	392	431	465	464
Non-technical	525	510	550	547
Sub-total	917	941	1,015	1,011
Wika Kobe				
Technical	-	-	7	7
Non-technical	-	-	2	2
Sub-total	-	-	9	9
Total	917	941	1,024	1,020

Technical Employees are employees whose educational backgrounds are engineering, such as civil engineering, architecture, mechanical engineering or electronic engineering.

Non-technical Employees are employees whose educational backgrounds are non-engineering, such as management, law and accounting.

The Company does not employ any employee with specific skills in certain areas, whose absence will hinder the sustainability of the Company's operational activities. As of the date of issuance of this Prospectus, the Company does not employ foreign employees.

Description on Foreign Workers

The Company's Subsidiary, WIKA Kobe employees 1 (one) expatriate as follows:

Expatriate's Name	Citizenship	Position	Passport		IMTA		KITAS	
			No.	Valid Until	No.	Valid Until	No.	Valid Until
Mori Hideki	Japan	Marketing Director	T20855804	24-10-2023	569/00563/I/IMTA-BPPT/2013	05-08-2014	J1U1JDD56776	05-08-2014

Note:

Based on the Decree of Directorate General of Development and Placement of Human Resources No.13973/PPTK/PTA/2012 dated 20 July 2012 on Approval of Foreign Workers Recruitment Plan of PT Wijaya Karya Komponen Beton, which legalized the recruitment plan of foreign workers in WIKA Kobe for the period of 2 (two) years from 2012 to 31 October 2014 for 6 (six) positions with total foreign worker of 1 (one) person located in Karawang (Regency), Bekasi (Regency), Bekasi (City).

Employees Benefits and Welfare

In terms of payroll/remuneration for employees, the Company has met the requirements of Provincial Minimum Wage (*Upah Minimum Propinsi*, "UMP") in accordance with the prevailing regulations. In addition, to improve employees' work morale and productivity, the Company strives for welfare improvement by granting several benefits such as the following:

- Workers Social Security (*Jaminan Sosial Tenaga Kerja* "JAMSOSTEK");
- Health Benefits (*Medical Check Up*);
- Healthcare Benefits (In-patient and Outpatient);
- Severance Payment Indusurance (PSAK No. 24);
- Pension Fund Insurance ("DPLK");
- Death and Permanent Disability Insurance;
- Education Allowance;
- Location Allowance;
- Relocation Allowance;
- Housing Allowance;
- Functional Allowance (Structural);
- Attendance Allowance;
- Position Allowance (Functional/Expertise);
- Productivity Allowance;
- Religious Holiday Allowance (*Tunjangan Hari Raya*, "THR");
- Income Tax Allowance (WHT 21);
- Employee Marriage Donation;
- Funeral Donation;
- Telephone Cost Donation for certain Employees;
- Work Uniform Donation;
- Family Gathering;
- Training and Development Facilities;
- Production Incentive in accordance with performance of the respective employee and working unit;
- Surplus Profit Incentive;
- Annual Leave and Long Service Leave per 5 (five) years;
- Leave Pay for Annual Leave and Long Service Leave per 5 (five) years;
- Lunch Allowance;
- Long Service Awards (10, 15, 20, 25, 30, 35 years);
- Gold/Previous Metal Award for 25 Years of Service.

The Company's compensation, welfare program and employee benefits refer to the Provisions and Regulations of Ministry of Manpower and Transmigration, and have complied with the prevailing Minimum Wage. Whereas compensation for the Board of Commissioners and Directors are determined by GMS, stipulated by Shareholders Decision Letter.

Human Resources Development

One of the Company's most valuable assets is its Human Resources ("HR"), therefore the Company is aware of HR's strategic position in facing increasingly business competition in the future. To sustainably improve HR competency, the Company has put various efforts through education, training and development. The subject matters delivered are intended to improve the organization's quality and productivity, improve leadership skills and work professionalism and develop positive attitudes and personal intellectual powers. In general, the education, training and development conducted by the Company are aimed to improve technical and behavioural competencies.

1. Education

Represents learning activities to improve employees competency through formal education (undergraduate, graduate and Ph.D), locally or abroad, financed by scholarship from the Company or the respective employee's sole expense. Until 2013, the Company has sent 19 (nineteen) employees to complete graduate program both locally and abroad.

2. Certification

Represents professional competency standardization process for employees in each respective field that is managed and supervised by the Company (internal certification) and Non Government Professional Organization (external certification). Up to 2013, the Company organized internal certification for finance, projects and site foreman. Whereas 35 (thirty five) employees took external certification for the extension and new issuance of Expertise Certificate and Skills Certificate issued by: HAKI, HATTI, IAPPI, Depnakertrans (K3), IAI, IKPI, AKLI, APTI, HPJI and others.

3. Training

Represents series of activities designed to improve employees competencies to enable them to carry out their responsibilities in accordance with the required competencies. The trainings consist of: Basic Training (Employee Orientation), Human Capital Management, ISO 9001:2008, K3 Management System, Operating System Implementation, Innovation Management for Business Success, Advanced Negotiation Skills, Taxation, Internal Auditor, IFRS, Export Import Procedures, Finance & Human Capital to Go Public, Capital Market Seminar, Aspects of Corporate Law Seminar, Goods and Services Procurement and Local Content (*Tingkat Kandungan Dalam Negeri*, TKDN), Employee Performance Management, Company Benefits & Risks with BPJS, Corporate Strategic Planning, Effective Supervisory Management, Engineering Forum, Role of Software in Structure Planning, Certified Behaviorus Analys, HASTAG IV National Seminar, Socialization of Indonesian National Standard (*Standar Nasional Indonesia*, SNI), Long Span Bridges Seminars, Application of Geotechnical Software, Go Public, Emotional Spiritual Quotient ("ESQ"), Sales Operation Management, Business Strategy, Aggregate & Admixture Seminar, Risk Management, GCG Seminar, Limited Liability Company Law Seminar, Strategy for Improving Employees through Effective Retirement and Healthcare Programme, Organization Strategy to Encounter Turbulence in HR Management, Impact of the Latest Tax Laws, Autocad 3D and Studio Max 3D, Correl Draw and Photoshop, SNI and implementation of Earthquake and Pre-cast Construction, Sustainability in Concrete Technology & Construction, Concrete Technology Workshop, Geotechnical Seminar, Interpersonal Communication Skill, Collection Techniques involving Legal Aspects, Computer-based Internal Audit Software ("IDEA"), Indonesia's Electricity Seminar, Oracle Database, Tunneling, Educational Testing Service Leadership, PSAK 24 2013 Revision, Problem Solving & Decision Making, Soft Competency Leadership, Symposium Precast Concrete, Precedence & MC, Functions of Corporate Secretary Seminar, CSR Seminar, IT Forum. Total participants that attended trainings during 2013 were 993 (nine hundred ninety three) participants.

4. Development

Represents series of learning programme for individual growth to support the employees to grow and develop so that the organization is always prepared in competitive business environment. Learning programme are conducted by conveying new insights, technologies and views in preparing employees for the position to be assigned to him/her. Development programme conducted by the Company include Advance Leadership Program for Section Head, Middle Manager, Senior Manager and Directorship Program.

The materials in these trainings are aimed to improve the participants' skills on leadership practices. Through these trainings, participants are expected to be able to demonstrate the attitude and behaviours of an effective leader. Up to 2013, total employees attending these programme were 24 (twenty four) employees.

5. Management Trainee Program

The Company continues to advance day by day, which accordingly needs to be equalized with high quality human resources in adequate numbers. Since 2003, the Company has started the Management Trainee ("MT") program that is organized centrally and coordinated by the Human Resources Bureau. The target of MT program is the availability of high-quality employees to meet the need of organization development and to sustain regeneration in the organization.

During the implementation, participants will go through orientation phases and on-the-job trainings. The total time required including on-the-job training is 3 (three) months. Up to 20 December 2013, 349 (three hundred forty nine) MTs have been recruited, which are detailed below:

Class of (Year)	No. of Recruitment (People)	No. Of MT (People)	No. Of Non-MT/Skilled Employee (People)
2003	13	13	0
2004	37	2	35
2005	7	5	2
2006	6	6	0
2007	20	12	8
2008	20	11	9
2009	22	0	22
2010	23	10	23
2011	39	12	27
2012	102	30	72
2013	60	21	39
Total	349	122	227

6. Labor Affairs

The Company's Collective Labor Agreements ("CLA") are as follows

No	Name of Labor Union	Number	Validity Period
1	Perhimpunan Pegawai PT Wijaya Karya Beton (PPWB)	No. KEP.81/PHIJSK-PKKAD/PKB/VI/2011	25 May 2011 to 24 May 2013
2	Perhimpunan Pegawai PT Wijaya Karya Beton (PPWB)	In Process	25 May 2013 to 24 May 2015

The Company is in the process of negotiation process with regard to the Collective Labor Agreement, therefore the ratification of the aforementioned collective labor agreement is not yet available. As set forth in Article 123 paragraph 4 of the law concerning Manpower, "in the event an agreement concerning collective labor agreement is not yet achieved, the prevailing collective labor agreement remains valid for a maximum period of 1 (one) year".

7. Labor Union

The Company's labor are united in a Labor Union ("LU"), namely perhimpunan Pegawai PT Wijaya Karya Beton ("PPWB"), which has been registered in the Department of Manpower of Republic Of Indonesia, East Jakarta Municipality Manpower Department Office, under registration number 232/IV/P/IX/2001 dated 18 September 2001 by virtue of Letter of Head of East Jakarta Municipality Manpower Department No. B-3046/W26-K5/04/K/IX/2001 dated 25 September 2001.

8. Labor Aspects Management

In carrying out work activities in the Work Unit (Site Foreman In-charge), the Company coordinates with contracting foremen using the lump sum payment system. The Company is jointly responsible for the management of labor by contracting foremen with regard to the implementation of Government Regulation concerning the implementation of Regional/City Minimum Wage (*Upah Minimum Regional/Kota*, "UMR/UMK") and the Company also provides Death and Work Accident Insurance. In addition, the Company also provides Religious Holiday Allowance (*Tunjangan Hari Raya*, "THR") and Production Incentive.

9. System Development and Implementation

The Company continuously develops and improves HR management system, which increasingly advances through implementation of international standards as well as new regulation, through the adoption of ISO 9001:2008 Quality Management System and Health and Safety Management System. Sharing experience in these standards implementation practices has enrich insights and improve "innovation" spirit to continuously strive for sustainable improvements.

Activities and implementation of planned education, training and development programs are aimed to improve employees' competencies to achieve the capabilities and skills required in carrying out their duties and to fulfill the positions' requirements. The improved qualities of employees are expected to provide direct contribution to the increase in the Company's productivity. The Company always puts HR as the main factor to drive the organization and therefore, various activities, education, training and development are carried out in the effort to maintain and improve high spirits and motivation.

In addition to improving employees' competencies, the Company is also equipped with better working tools to ensure the organization's main duties are achieved effectively and efficiently, in accordance with the demands of the adopted system that is to utilize all resources in accordance with their designation and to maintain them to ensure optimum production.

G. HEALTH AND SAFETY STANDARDS

In 1999, the Company first introduced the Work Health and Safety System (*Sistim Kesehatan dan Keselamatan Kerja*, "K3 System"), in accordance with Minister of Manpower Regulation No. Per.05/Men/1996, which was certified by PT Sucofindo (Persero). This certification was initially implemented at CPF in North Sumatera, followed by implementation on other factories owned by the Company in the coming years.

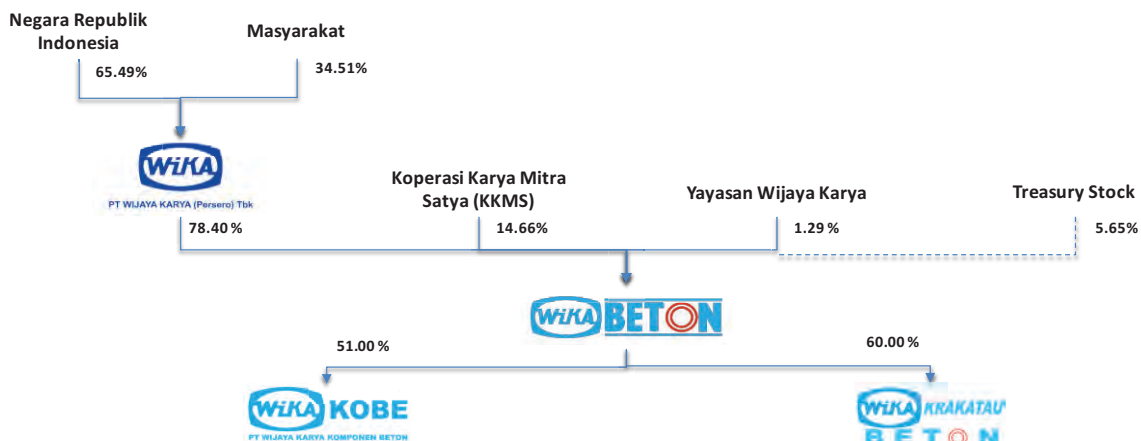
Up to now, the Company has achieved 8 (eight) golden flag for 8 (eight) factories it owned. The golden flag is a form of acknowledgement that the Company has implemented the K3 System with perfect score as periodically audited by PT Sucofindo (Persero). The golden flag acknowledgement also signify that there were no fatal accidents in the Company during the production process.

In 2013, following the issuance of Government Regulation (*Peraturan Pemerintah*, "PP") No. 50 Year 2012 concerning Implementation of SMK3 (*Sistem Manajemen Kesehatan dan Keselamatan Kerja*, Work Health and Safety System Management), an improvement of the previous SMK3 system, the Company has also implemented the PP through audit by PT Sucofindo (Persero) as the certifying agency, starting with CPF in South Sulawesi and Lampung.

With regard to the improved SMK3 implementation, the Company implements safety culture (Implementation of Work Health and Safety Culture), in cooperation with 2 (two) independent consultants since September 2013 up to now. These cooperations are expected to ensure that the Company's safety culture becomes a culture in all of the Company's business units.

SHARE HOLDING STRUCTURE OF THE COMPANY

The Company's current ownership structure is as follows:



Source the Company

Description:

The Controlling shareholder of the Company is the Republic of Indonesia

H. ASSOCIATION BY WAY OF MANAGEMENT AND SUPERVISION BETWEEN THE COMPANY AND SHAREHOLDERS AND SUBSIDIARIES

Name	The Company	WIKI	WIKI KOBE	WIKI Krakatau Beton	Name	The Company	WIKI	WIKI KOBE	WIKI Krakatau Beton
Abdul Rahman Pelu	-	K	-	-	Firjadi Putra	-	-	-	K
Achmad Arifin	-	-	-	D	Ganda Kusuma	-	D	-	-
Adji Firmantoro	-	D	-	-	Hadian Pramudita	D	-	-	-
Anwar Ali	-	-	-	DU	Hari Respati	D	-	-	-
Agustinus Boediono	K	-	-	-	Ikuten Sinulingga*	-	D	-	-
Arie Setiadi Moerwanto	-	K	-	-	Koichi Yasutaka	-	-	KU	-
Asfiah Mahdiani	KI	-	-	-	M. Basoeki Hadimoeljono	-	KU	-	-
Bambang Legowo	-	-	DU	-	Mori Hideki	-	-	D	-
Bambang Pramujo	-	D	-	-	Muhammad Zulkarnain	DI	-	-	-
Bintang Perbowo	-	DU	-	-	Muryadi Yoesoef	-	-	K	-
Budi Harto	KU	D	-	-	Nariman Prasetyo	K	-	-	-
Bakti Santoso Luddin	-	KI	-	-	Priyo Suprobo	KI	-	-	-
Destiawan Soewardjono	-	D	-	-	Soepomo	-	K	-	-
Edi Wiyarso	-	-	-	D	Taslim Z. Yunus	-	KI	-	-
Entus Asnawi Mukhsan	D	-	-	-	Tumik Kristianingsih	K	-	-	-
Fery Hendriyanto	D	-	-	KU	Wilfred Imanuel A. Singkali	DU	-	-	-

Notes:

- P : President Commissioner
- C : Commissioner
- IC : Independent Commissioner
- PD : President Director
- D : Director
- ID : Independent Director
- *) : Deceased

I. DESCRIPTION OF LEGAL ENTITY SHAREHOLDERS WITH MORE THAN 5 % (FIVE PERCENT) OWNERSHIP

PT Wijaya Karya (Persero) Tbk

PT Wijaya Karya (Persero) Tbk ("**WIKa**") according to the Deed No.01/2014 is the owner/holder of 5,229,280,000 (five billion two hundred twenty nine million two hundred eighty thousand) shares in the Company or represents 78.40% of the Company's entire issued and paid-up capital, and is the controlling shareholder of the Company.

Brief History

WIKa was established under the name "PT Wijaya Karya (Persero)" as set forth in the Deed of Establishment of Limited Liability Company "PT Wijaya Karya (Persero)" No. 110 dated 20 December 1972, executed before Djojo Muljadi, S.H., Notary in Jakarta *juncto* Deed of Amendment No. 106 dated 17 April 1973 and which deed was approved by from the Minister of Law by virtue of Decree No. Y.A.5/165/14 dated 8 May 1973 and which has been registered in Jakarta District Court under No. 1723 and 1724 dated 16 May 1973 and which has been published in the Supplement No. 583 to the State Gazette of the Republic of Indonesia No. 76 dated 21 September 1973 ("**Deed of Establishment**").

The Articles of Association of WIKa was last amended and was amended in its entirety and the Company name was changed from "PT Wijaya Karya (Persero)" to "PT Wijaya Karya (Persero) Tbk", as set forth in the Deed of Amendment to Articles of Association of Limited Liability Company PT Wijaya Karya Tbk, abbreviated PT WIKa (Persero) Tbk No. 30 dated 21 May 2010, executed before Imas Fatimah, S.H., M.Kn., Notary in Jakarta and which was approved by the Minister of Law by virtue of Decree No. AHU-33763.AH.01.02.Year 2010 dated 6 July 2010 and which has been registered at in the Company Registry under No. AHU-0050438.AH.01.09.Year 2010 dated 6 July 2010 ("**Deed No.30/2010**"), with the last amendment as those set forth in Deed of Amendment to Articles of Association "Limited Liability Company PT Wijaya Karya Tbk" or abbreviated "PT Wika (Persero) Tbk" No. 56 dated 30 April 2013, executed before Ati Mulyati, S.H., M.Kn., Notary in Jakarta and was received and registered in the SABH database under No. AHU-AH.01.10-16541 Year 2013 dated 1 May 2013 and which has been registered at the Company Registry under No. AHU-0039760.AH.01.09.Year 2013 on 1 May 2013.

Purpose, Objects and Business Activities

In accordance with Article 3 of WIKa's Articles of Association as set forth in Deed No. 30/2010, the purpose and objects of WIKa are to engage in construction industry, manufacturing industry, conversion industry, rental industry, agency services, investment, agro industry, renewable energy and conversion energy, trading, engineering procurement construction, area (industry zone) management, service capacity upgrades in the field of construction, information technology for engineering and planning services, with due implementation of the principles of Limited Liability Company. To achieve the aforementioned purpose and objects, WIKa may conduct the following business activities:

a. Construction Execution and Design and Build Works

1. Civil works (all sectors of construction):
 - 1) Drainage and irrigation network;
 - 2) Underwater constructions;
 - 3) Dam, barrage and tunnel;
 - 4) Waste Water Management and Water Facilities;
 - 5) Roads, bridges, runways and onshore drilling location;
 - 6) Roads, railways, MRT (Mass Rapid Transportation);
 - 7) Jetty/ports and break water and retaining walls;
 - 8) Reclamation and landfill;
 - 9) Rice fields casting and land clearing;
 - 10) Excavation/mining and stripping and management of mining products;
 - 11) Landscaping;
 - 12) Drilling;
 - 13) Airports;
 - 14) Pipelining;
 - 15) Production facilities maintenance;
 - 16) Ground transportation stations;
 - 17) Telecommunication facilities construction;
 - 18) Pile works; and
 - 19) Other civil constructions.
2. Building Construction (all sectors of construction):
 - 1) Highrise buildings (hotels offices, apartments);
 - 2) Factory and industrial buildings;
 - 3) Housing and residential;
 - 4) Facility buildings constructions (hospitals, educational facilities and places of worship);
 - 5) Commercial buildings (supermarkets, superblocks and malls);
 - 6) Interior; and
 - 7) Landscaping.
3. Electrical Mechanical Works including networking:
 - 1) Electricity transmission and distribution and main transformer;
 - 2) Mechanical and electricity works on building and industrial construction;
 - 3) Power plant;
 - 4) Air conditioning;
 - 5) Hauler installation;
 - 6) Oil and gas facilities and offshore facilities works; and
 - 7) Pipelining.

4. Radio, telecommunication and instrumentation;
 - 1) Railway signal and telecommunication;
 - 2) Telecommunication centers;
 - 3) Instrumentation installation;
 - 4) Telecommunication installation; and
 - 5) Telecommunication network.
- b. Engineering Procurement Construction Works in the field of:
 - 1) Oil and Gas (Offshore and onshore);
 - 2) Agro industry;
 - 3) Electricity;
 - 4) Telecommunication;
 - 5) Petrochemicals; and
 - 6) Minerals/mining.
- c. Repairs/maintenance/renovation of the above works.
- d. Operation and maintenance.

In addition to the main business activities referred to above, the WIKA may conduct the following supporting business activities in order to optimize the utilization of available resources:

- a. Planning and supervision of construction works execution, which include civil works, building works and electrical mechanical works, radio, telecommunication and instrumentation works and repairs, maintenance and consulting;
- b. Measurements, representations, calculations and setting of construction work cost, which include civil works, building works and electrical mechanical works (quantity surveying) and concrete and land laboratory and soil investigation;
- c. Management consulting services, construction project management services, industrial engineering services, engineering and planning services;
- d. Engage in construction equipment rental and services;
- e. Engage as suppliers, agency, export import handling agency, expedition/land transportation services and general trading;
- f. Engage in agro industry, which include, factory of oil palm, sugar, bio diesel, bioethanol, bio gas and bio mass energy including the operation, production, maintenance and distribution.
- g. Engage in zone development business, including its facilities and infrastructure, development and selling in real estate and property development and management;
- h. Engage in services and information technology;
- i. Building management;
- j. System development;
- k. Investment and/or business management in basic facilities and infrastructures, including toll road, renewable energy industry, conversion industry, conversion energy industry and mining industry.
- l. Manufacturing industry:
 1. Manufacturing of material and components of finished goods:
 - 1) Construction accessories and material components;
 - 2) Industrial spareparts and equipment;
 - 3) Rubber and plastic;
 - 4) Concrete and ceramics;
 - 5) Metal and minerals;
 - 6) Wood;
 - 7) Chemical; and
 - 8) Electrical engineering;
 2. Mechanical and electricity for industrial plants and building constructions.
 3. Electronic and telecommunication.
- m. Manufacturing of construction equipments and components.
- n. Other businesses that directly support WIKA's main business referred to above.

Capital Structure

As set forth in the Deed of Amendment to Articles of Association "Limited Liability Company PT Wijaya Karya Tbk or abbreviated PT WIKA (Persero) Tbk" No. 13 dated 19 March 2013, executed before Masjuki, S.H., substitute for Mochamad Nova Faisal S.H., M.Kn., Notary in South Jakarta and was received and registered in the SABH database under No. AHU-AH.01.10-10694 dated 22 March 2013 and which has been registered at the Company Registry under No. AHU-0025751.AH.01.09.Year 2013 dated 22 March 2013, the capital structure and shareholding composition of WIKA are as follows:

Description	Nominal Value Rp 100.00 per <i>Dwiwarna</i> A Series dan B Series Shares		
	Number of Shares	Nominal Value (Rupiah)	Percentage (%)
Authorized Capital	1 <i>Dwiwarna</i> A Series 15,999,999,999 B Series	1,600,000,000,000	-
Issued and Paid up Capital			
1. The Republic of Indonesia	1 <i>Dwiwarna</i> A Series 3,999,999,999 B Series	400,000,000,000	65.49
2.Public	2,107,966,500 B Series	210,796,650,000	34.51
Total Issued and Paid-up Capital	1 <i>Dwiwarna</i> A Series 6,107,966,499 B Series	610,796,650,000	100.00
Total Shares in Portfolio	- 9,892,033,500 B Series	989,203,350,000	-

Composition of WIKA's Board of Commissioners and Board of Directors

The composition of WIKA's Board of Commissioners and Board of Directors as set forth in the Deed of Minutes Resolution "Limited Liability Company PT Wijaya Karya Tbk" or abbreviated "PT WIKA (Persero) Tbk" No. 47 dated 26 April 2013 ("**Deed No. 47/2013**"), executed before Ati Mulyati, S.H., M.Kn., Notary in Jakarta and was received and registered in the SABH database under No. AHU-AH.01.10-16161 Year 2013 dated 29 April 2013 and which has been registered at the Company Registry under No. AHU-0038854.AH.01.09 Year 2013 dated 29 April 2013 *juncto* Deed of Minutes Resolution of Limited Liability Company PT Wijaya Karya Tbk No. 52 dated 9 May 2012, executed before Mochamad Nova Faisal, S.H., M.Kn., Notary in Jakarta and was received and registered in the SABH database under No. AHU-AH.01.10-17889 dated 16 May 2012 and which has been registered at the Company Registry under No. AHU-0044547.AH.01.09.Year 2012 dated 16 May 2012, are as follows:

Board of Commissioners:

President Commissioner	: M. Basoeki Hadimoeljono
Commissioner	: Abdul Rahman Pelu
Commissioner	: Arie Setiadi Moerwanto
Commissioner	: Soepomo
Independent Commissioner	: Taslim Z. Yunus
Independent Commissioner	: Bakti Santoso Luddin

Board of Directors:

President Director	: Bintang Perbowo
Director	: Ganda Kusuma
Director	: Adji Firmantoro
Director	: Budi Harto
Director	: Destiawan Soewardjono
Director	: Bambang Pramujo
Director	: Ikuten Sinulingga*)

Notes:

*) *Deceased*

Koperasi Karya Mitra Satya

Koperasi Karya Mitra Sakti ("KKMS") is the owner/holder of 977,519,049 shares in the Company or represents 14.66% of the Company's total issued and paid-up capital.

Brief History

KKMS was established under the name "Koperasi Karya Mitra Sakti" as set forth in the Deed of Establishment Koperasi Karya Mitra Sakti dated 30 November 1999, which has received formalization from the Minister of Cooperatives, Small and Medium Enterprise by virtue of Decree No. 1474/BH/KWK.9/XII/1999 dated 23 December 1999 and which has been registered in the General Registry of Department of Cooperatives and Small Enterprise Development ("**Deed of Establishment**").

KKMS's Articles of Association was last amended as stated in the Deed of Amendment to Articles of Association Koperasi Karya Mitra Satya dated 13 May 2004, which has received formalization from the Minister of Cooperatives, Small and Medium Enterprise by virtue of Decree No. No. 041/BH/PAD/-1.82/VII/2004 dated 7 July 2004.

Functions, Roles, Objectives and Business

1. The function of the Cooperatives is to build and develop the potential and ability of its member in particular and the society in general in order to improve social and economic welfare.
2. The role of the Cooperatives:
 - Active in the efforts to improve the quality of life of the individuals and society;
 - Strengthen community economy as the power of national economy defense with cooperatives as the backbone; and
 - Strive to create and develop national economy that constitute a cooperative efforts based on sense of community and economic democracy.
3. The Cooperative' objectives is to manifest the welfare of its member in particular and the society in general.

To achieve its objectives, the Cooperatives may engage in the following:

- Encourage members to place savings in the cooperatives in an orderly and periodically;
- Engage in savings and loan business for its members with reasonable fees/interest rate;
- Engage in the business activities of primary and secondary goods for its members and society;
- Engage in industry, general trade, Export Import, Agency, Realty, Property, Contractor and Member Official Use Transportation;
- Engage in the business of telecommunication shop, cleaning service, catering, printing, office supplies and photocopy; and
- Organize cooperation between cooperatives, with other parties, Private Company, SOE/ROE and other government institution/agency in profitable business/investment.

Supervisory and Executive Board

Based on Decision Letter No. 004/TAP/RAT-KKMS/2012 concerning Legalization of Members of Supervisory Board of Koperasi Karya Mitra Satya ("KKMS") for the Period 2012-2015 dated 14 June 2012, the composition of Supervisory Board is as follows:

Supervisory Board

1. Chairman : Sendianto
2. Member 1 : Agus Rifai
3. Member 2 : Untung Heri Subekti

Based on Decision Letter No. 003/TAP/RAT-KKMS/2012 concerning Legalization of Members of Executive Board of Koperasi Karya Mitra Satya ("KKMS") for the Period 2012-2015 dated 14 June 2012, the composition of Executive Board is as follows:

Executive Board

1. Chairman : Imam Sudiyono
2. Secretary : Yoyok Hadi Striyono
3. Treasurer : Bambang Arif Setyabudi

J. DESCRIPTION OF SUBSIDIARIES

PT Wijaya Karya Komponen Beton ("WIKA Kobe")

Brief History

WIKA Kobe is a limited liability company established by virtue of the laws of the Republic of Indonesia and is domiciled in Karawang Regency. WIKA Kobe was established under the name "PT Wijaya Karya Komponen Beton" as set forth in the Deed of Establishment Limited Liability Company PT Wijaya Karya Komponen Beton No. 18 dated 10 May 2012, executed before Karin Christina Basoeki, S.H., Notary in Central Jakarta and which deed was approved by the Minister of Law by virtue of Decision Letter No. AHU-25815.AH.01.01.Year 2012 dated 14 May 2012 and which has been registered at the Company Registry under No. AHU-0043111.AH.01.09.Year 2012 dated 14 May 2012 ("**Deed of Establishment**").

Articles of Association of WIKA Kobe has never been amended.

Purpose, Objects and Business Activities

In accordance with the provision of Article 3 of Articles of Association of WIKA Kobe as set forth in the Deed of Establishment, the purpose and objects of WIKA Kobe are to engage in industry and trade.

To achieve the aforementioned purpose and objects, WIKA Kobe may conduct the following business activities:

- a. Industry, including pre-cast concrete industry and the related business activities, among others:
 - Production of concrete bridges, concrete retaining walls and concrete pipes products;
 - Engage in importing activities of machineries, equipment, spare parts and raw materials required for the production of pre-cast concrete products.
- b. Engage in trading, among others:
 - Sale and installation of pre-cast concrete in or outside the country.

Capital Structure

As set forth in the Deed of Establishment WIKA Kobe, the capital structure and share ownership/ shareholding composition of WIKA Kobe as of the date of establishment were as follows:

Description	Nominal Value Rp1,000,000.00 per share		
	Number of Shares	Nominal Value (Rp)	Percentage (%)
Authorized Capital	374,000	374,000,000,000	-
Issued and Paid-up Capital:			
- The Company	47,685	47,685,000,000	51.00
- PT Komponindo Betonjaya	45,815	45,815,000,000	49.00
Total Issued and Paid-up Capital	93,500	93,500,000,000	100.00
Total Shares in Portfolio	280,500	280,500,000,000	-

Board of Commissioners and Directors

Based on Deed of Shareholders Circular Resolution PT Wijaya Karya Komponen Beton, abbreviated ("WIKO Kobe") No. 30 dated 18 December 2013, executed before Karin Christiana Basoeki, S.H., Notary in Central Jakarta and was received and registered in the SABH database under No. AHU-AH.01.10-56038 dated 24 December 2013 and which has been registered in the Company Registry under No. AHU-0123989.AH.01.09.Year 2013 dated 24 December 2013, the composition of WIKO Kobe's Board of Commissioners and Directors are as follows:

President Commissioner : Koichi Yasutaka
Commissioner : Muryadi Yoesoef

President Director : Bambang Legowo
Director : Mori Hideki

Summary of Key Financial Highlights

The following table presents the summary of key consolidated financial information of Wika Kobe for the periods stated below. The summary of key consolidated financial data of Wika Kobe as of 31 December 2013 and 31 December 2012 were audited by PAF HLB Hadori Sugiarto Adi & Partners. The Public Accountant Firm expressed an Unqualified Opinion for all of WIKO Kobe's financial statements.

SUMMARY OF STATEMENT OF POSITION

(in millions of Rupiah)

Description	31 December 2012	31 December 2013
Assets	95,066	107,043
Liabilities	652	16,035
Equity	94,414	91,008

SUMMARY STATEMENTS OF COMPREHENSIVE INCOME/LOSS

(in millions of Rupiah)

Description	31 December 2012	31 December 2013
Revenue	-	-
Gross Profit	-	-
Operating Expense	(651)	(5,360)
Operating Income (Loss)	(651)	(5,360)
Net Profit (Loss) Before Income Tax	914	(4,362)
Net Profit (Loss) After Income Tax	914	(3,406)

Fluctuation analysis of WIKO Kobe's statement of position:

- a. Assets
Total Assets as of 31 December 2013 of Rp107,043 million increased by 12.6% compared to 31 December 2012. The increase in Total Assets was due to the increase in fixed assets.
- b. Liabilities
Total Liabilities as of 31 December 2013 of Rp16,035 million increased by 2,359.4% compared to 31 December 2012. The increase in Liabilities was due to the increase in trade payables.
- c. Equity
Total Equity as of 31 December 2013 Rp91.008 million decreased by 3.6% compared to 31 December 2012. The decrease in Equity was due to the decrease of unappropriated reserves.

- d. Income
WIKA Kobe has not received any Income, as the targeted MRT project has experienced execution setbacks.
- e. Operating Expenses
Total Operating Expenses as of 31 December 2013 of Rp5,360 million increased by 723.3% compared to 31 December 2012. The increase in Operating Expenses was due to the increase in General Administration Expense.
- f. Net Income (Loss)
Total Net Loss as of 31 December 2013 of Rp3,406 million, decrease of 472.6% compared to 31 December 2012. The decrease in Net Income (Loss) was due to the increase in Operating Expense and the decrease in Interest Income.

PT Wijaya Karya Krakatau Beton ("WIKA Krakatau Beton")

Brief History

WIKA Krakatau Beton is a limited liability company established by virtue of the laws of the Republic of Indonesia and is domiciled in Cilegon City. WIKA Krakatau Beton was established under the name "PT Wijaya Karya Krakatau Beton" as set forth in the Deed of Establishment of Limited Liability Company PT Wijaya Karya Krakatau Beton No. 16 dated 16 December 2013, executed before Indrajati Tandjung, S.H., Notary in Cilegon City and which was approved by the Minister of Law by virtue of Decision Letter No. AHU-02372.AH.01.01.Year 2014 dated 17 January 2014 and was registered in the Company Registry under No. AHU-0004311.AH.01.09.Year 2014 dated 17 January 2014 ("Deed of Establishment").

Purpose, Objects and Business Activities

In accordance with Article 3 of Articles of Association of WIKA Krakatau Beton as set forth in the Deed of Establishment, the purpose and objects of WIKA Krakatau Beton are to engage in industry and trade.

To achieve the aforementioned purpose and objects, WIKA Krakatau Beton may conduct the following business activities:

- Industry, including pre-cast concrete industry, among others production of concrete piles and other activities related to production stability and continuity;
- Conduct importing activities of machineries, equipment, spare parts and raw materials required for the production of pre-cast concrete products; and
- Engage in trading, among others sale of pre-cast concrete in or outside the country.

Capital Structure

As set forth in the Deed of Establishment, the capital structure and share ownership/shareholding composition of WIKA Krakatau Beton as of the date of establishment were as follows:

Description	Nominal Value Rp 1,000,000.00 per share		
	Number of Shares	Nominal Value (Rp)	Percentage (%)
Authorized Capital	175,000	175,000,000,000	-
Issued and Paid-up Capital:			
- The Company	30,000	30,000,000,000	60.00
- PT Krakatau Engineering	15,000	15,000,000,000	30.00
- PT Wijaya Karya (Persero) Tbk	5,000	5,000,000,000	10.00
Total Issued and Paid-up Capital	50,000	50,000,000,000	100.00
Total Shares in Portfolio	125,000	125,000,000,000	-

Board of Commissioners and Directors

Based on the Deed of Establishment, the composition of the Board of Commissioners and Directors of WIKA Krakatau Beton are as follows:

President Commissioner : Fery Hendriyanto
Commissioner : Firjadi Putra

President Director : Ir. Anwar Ali
Director : Achmad Arifin
Director : Edi Wiyarso

K. TRANSACTION WITH AFFILIATED PARTIES

No.	Agreement	Parties	Validity Period	Short Description
The Company				
1.	Deed of Issuance and Appointment of Trustee and Security Agent Medium Term Notes I PT Wijaya Karya Beton Year 2013 Agreement No. 9 dated 13 November 2013, executed before Jose Dima Satria, S.H., M.Kn., Notary in Administrative City of South Jakarta.	1. The Company 2. PT Mandiri Sekuritas and PT May Bank Kim Eng Securities (Arranger and/or Placement Agent) 3. Bank Mandiri (Persero) (Trustee and Security Agent)	15 November 2015	As described in table of Transaction with Third Parties No. 1
2.	Amendment to Non Cash Loan Facility Agreement No. KP-CRO/005/PNCL/2010 dated 9 June 2010 as stated in Letter of the Bank No. TOP. CRO/CLA.165/ADD/2010 dated 9 June 2010, which was amended several times and lastly amended by Amendment IV (Fourth) on Amendment over Agreement on Non Cash Loan Facility No. KP-CRO/005/PNCL/2010 as stated in Letter of the Bank No. TOP. CRO/CLA.193/ADD/2013 dated 18 May 2013.	1. The Company (Debtor) 2. PT Bank Mandiri (Persero) Tbk. (Bank)	10 May 2014	The Bank grants non cash loan credit facilities to Debtor with a total facility Rp185,000,000,000.-. The Company has obtained an approval from PT Bank Mandiri (Persero) Tbk with regard to the implementation plan of the Initial Public Offering (IPO), where PT Bank Mandiri (Persero) Tbk has signed the Letter of Approval Request with Regard to the implementation plan of the Initial Public Offering (IPO) of PT Wijaya Karya Beton year 2014 No. KU.02.01/WB-0A.55/2014 from the Company dated 13 January 2014.
3.	Deed of Working Capital Loan (Revolving) Agreement No. KP-COD/016/PK.KMK/2006 No. 11 dated 5 June 2006, executed before Sri Ismiyati, S.H., Notary in North Jakarta Municipality, which has been amended several time and was last amended by Amendment VII (Seventh) over Deed of Working Capital Loan Agreement No. KP-COD/016/PK.KMK/2006 No. 11 dated 5 July 2006 as stated in the Letter of the Bank No. TOP.CRO/CLA.196/ADD/2013 dated 8 May 2013.	1. The Company (Debtor) 2. PT Bank Mandiri (Persero) Tbk. (Bank)	10 May 2014	The Bank grants a credit facility to Debtor in the form of Working Capital Loan (Revolving) with a total facility of Rp 15,000,000,000.-, which shall be used to increase working capital in order to finance the production of various pre-cast concrete. The Company has an obtained approval from PT Bank Mandiri (Persero) Tbk with regard to the implementation plan of the Initial Public Offering (IPO), where PT Bank Mandiri (Persero) Tbk has signed the Letter of Approval Request with Regard to the implementation plan of the Initial Public Offering (IPO) of PT Wijaya Karya Beton year 2014 No. KU.02.01/WB-0A.55/2014 from the Company dated 13 January 2014.

No.	Agreement	Parties	Validity Period	Short Description
4.	Deed of Working Capital Loan (Fixed Loan) Agreement No. KP-CRO/017/PK-KMK/2009 No. 25 dated 8 June 2009, executed before Sri Ismiyati, S.H., Notary in North Jakarta Municipality, which lastly amended several times and was amended by Amendment V (Fifth) over the Working Capital Loan (Fixed Loan) Agreement No. KP-CRO/017/PK-KMK/2009 No. 25 dated 8 June 2009 as stated in the Letter of the Bank No. TOP.CRO/CLA.194/ADD/2013 dated 8 May 2013.	1. The Company (Debtor) 2. PT Bank Mandiri (Persero) Tbk. (Bank)	10 May 2014	The Bank grants a credit facility in the form of Fixed Working Capital Loan with a total facility of Rp 115,000,000,000.- . The Company has obtained an approval from PT Bank Mandiri (Persero) Tbk with regard to the implementation plan of the Initial Public Offering (IPO), where PT Bank Mandiri (Persero) Tbk has signed the Letter of Approval Request with regard to the implementation plan of the Initial Public Offering (IPO) of PT Wijaya Karya Beton Year 2014 No. KU.02.01/WB-0A.55/2014 from the Company dated 13 January 2014.
5.	Amendment over Treasury Transaction Services No. KP-CRO/029/PFL/2010 dated 9 June 2010 as stated in Letter of the Bank No. TOP.CRO/CLA.166/ADD/2010 dated 9 June 2010, which has been amended several times and was lastly amended by III (Third) Amendment over Treasury Transaction Services No. KP-CRO/029/PFL/2010 as stated in the Letter of the Bank No. TOP.CRO/CLA.195/ADD/2013 dated 8 May 2013.	1. The Company (Debtor) 2. PT Bank Mandiri (Persero) Tbk. (Bank)	10 May 2014	The Bank grants a credit facilities that is as advised and uncommitted in nature with total facility of USD 1,000,000,-. The Company has obtained an approval from PT Bank Mandiri (Persero) Tbk with regard to the implementation plan of the Initial Public Offering (IPO), where PT Bank Mandiri (Persero) Tbk has signed the Letter of Approval Request with regard to the implementation plan of the Initial Public Offering (IPO) of PT Wijaya Karya Beton year 2014 No. KU.02.01/WB-0A.55/2014 from the Company dated 13 January 2014.
6.	Cooperation Agreement between PT Wijaya Karya Beton and PT Bank Mandiri (Persero) Tbk on Supply Chain Financing No. KU.02.01/WB.0A.01012/2012 and No. CBG.CB1/008/2012 dated 17 July 2012.	1. The Company (Buyer) 2. PT Bank Mandiri (Persero) Tbk. (Bank)	1 year as of the execution of this Agreement and will be automatically extended for 1 year in the absence of notification from both parties to terminate this Agreement.	Buyer hereby agrees to utilize Supply Chain Financing (SCF) from the Bank and the Bank agrees to grant SCF to Buyer. The Company has obtained an approval from PT Bank Mandiri (Persero) Tbk with regard to the implementation plan of the Initial Public Offering (IPO), where PT Bank Mandiri (Persero) Tbk has signed the Letter of Approval Request with regard to the implementation plan of the Initial Public Offering (IPO) of PT Wijaya Karya Beton year 2014 No. KU.02.01/WB-0A.55/2014 from the Company dated 13 January 2014.
7.	Deed of Working Capital Loan Agreement No. 12 dated 13 September 2011, executed before Sri Hidianingsih Adi Sugijanto, S.H., Notary in Jakarta, which has been amended several times and lastly amended by Credit Decision Offer Letter No. R.II.059-ADK/DKR-2/10/2013 dated 11 October 2013.	1. The Company (Debtor) 2. PT Bank Rakyat Indonesia (Persero) Tbk (Creditor)	1. Limit of Rp 25,000,000,000.- effective from 13 September 2013 up to the execution of credit agreement. 2. Limit of Rp 125,000,000,000.00 effective from the execution of credit agreement up to 13 September 2014.	Creditor grants a credit facility to Debtor in the form of Working Capital Overdraft maximum fixed <i>Credit Overeenkomst</i> (CO) with a total facility of Rp 125,000,000,000.-.

No.	Agreement	Parties	Validity Period	Short Description
8.	Deed of Bank Guarantee/ Preshipment Import Financing Agreement No. 13 dated 13 September 2011, drawn up before Sri Hidianingsih Adi Sugijanto, S.H., Notary in Jakarta, which has been amended several times and was last amended by Credit Decision Offer Letter No. R.II.059-ADK/DKR-2/10/2013 dated 11 October 2013.	1. The Company (Debtor) 2. PT Bank Rakyat Indonesia (Persero) Tbk (Creditor)	<u>BG/SBLC</u> 1. Limit of Rp 30,000,000,000.- effective from 13 September 2013 up to the execution of credit agreement. 2. Limit of Rp 50,000,000.-, effective from the execution of credit agreement up to 13 September 2014. 3. Each issuance of BG/SBLC will be accepted with a maximum period of 12 months provided that the availability period is not yet due. <u>PIF (L/C Local / LC SKBDN)</u> 1. 12 months, effective from 13 September 2013 up to 13 September 2014. 2. Tenor Sight PIF (L/C Local / LC SKBDN), effective from the opening of (L/C Local / LC SKBDN) up to the latest of 7 (seven) days as of the arrival date of the goods or documents.	Creditor grants the following credit facilities to Debtor: 1. Bank Guarantee/Stand By Letter of Credit (BG/SBLC) in the amount of Rp50,000,000,000.- (<i>interchangeable</i> with Preshipment Import Financing facility ("PIF")); 2. PIFI (L/C Local/ LC SKBDN) of Rp28,000,000,000.- (<i>interchangeable</i> with BG/SBLC facilities); The Company has obtained an approval from PT Bank Rakyat Indonesia (Persero) Tbk with regard to the implementation plan of the Initial Public Offering (IPO), based on Letter No. B.70-MNS/NSD/01/2014 dated 16 January 2014 issued by PT Bank Rakyat Indonesia (Persero) Tbk.
9.	Extension of Credit Facility Agreement No. TP.02.03/WB-0A.196/2014 dated 13 January 2014 <i>juncto</i> Credit Agreement No. KU.02.09/A. DIR.0499/2012 and No. KU.06.02/0A-WB.520/2012 dated 30 March 2012.	1. WIKA (First Party). 2. The Company (Second Party).	12 January 2015	First Party grants working capital facility to the Second Party, with a limit of Rp 50,000,000,000.-.
10.	Extension of Utilization of Non Cash Loan Facility Agreement No. TP.02.03/WB-0A.195/2014 dated 13 January 2014 <i>juncto</i> Utilization of Non Cash Loan Facility Agreement No. KU.02.09/A. DIR.2250B/2011 and No. KU.06.02/0A-WB.677/2011 dated 7 June 2011.	1. WIKA (First Party). 2. The Company (Second Party).	12 January 2015	First Party grants Non Cash Loan Facility to the Second Party, with a limit of Rp 100,000,000,000.-.
11.	Utilization of Cash Loan and Non Cash Loan Facility Agreement No. TP.02.03/WB-0A.193/2014 dated 13 January 2014.	1. The Company (First Party). 2. WIKA Kobe (Second Party).	12 January 2015	First Party grants Cash Loan and Non Cash Loan Facility to the Second Party, in the maximum amount of Rp 100,000,000,000.-.

No.	Agreement	Parties	Validity Period	Short Description
12.	Utilization of Cash Loan and Non Cash Loan Agreement No. TP.02.03/WB-0A.194/2014 dated 13 January 2014 <i>juncto</i> Amendment to and Restatement of the Utilization of Cash Loan and Non Cash Loan Agreement No. TP.02.03/WB-0A.194/2014 dated 17 January 2014.	1. The Company (First Party). 2. Wika Krakatau Beton (Second Party).	12 January 2015	First Party grants Cash Loan and Non Cash Loan Facility to the Second Party, in the maximum amount of Rp 100,000,000,000.-.
13.	Agreement No. TP.02.02/D.0076/00 dated 12 June 2000 <i>juncto</i> Lease Agreement between PT Wijaya Karya Beton and PT Wijaya Karya Construction Equipment Division No. TP.01.03/WB217/2001 dated 4 June 2001.	1. The Company (First Party). 2. Wika (Second Party).	10 June 2021	First Party leases a batching plant from the Second Party, with a total rental fee of Rp 84,000,000,000.-.
14.	Road Usage Agreement between PT Wijaya Karya (Persero) Tbk and PT Wijaya Karya Beton dated 28 December 2007.	1. Wika (First Party). 2. The Company (Second Party).	Upon mutual agreement of both parties.	Second Party agrees and consents that the Second Party's land located on Jl. Raya Naraogong Km. 26, Kembang Kuning Village, Klapanunggal Sub-District, Bogor Regency as set out in Building Rights Title (<i>Sertifikat Hak Guna Bangunan</i> (SHGB)) No. 38/Kembang Kuning and a portion of land as set out in Building Rights Title (<i>Sertifikat Hak Guna Bangunan</i> (SHGB)) No. 604/Klapanunggal, with a total area of 12,601 m ² for a rental fee in the amount of Rp5,103,405,000.-.
15.	Hollow Core Slab Production Cooperation Agreement between PT Wijaya Karya Beton and PT Wijaya Karya Komponen Beton No. TP.01.03/WB-0A.174/2013 No. KU.06.02/WKO-0A.62A/2013 dated 29 July 2013.	1. The Company 2. Wika Kobe	This Agreement is effective until the termination of Hollow Core Slab product procurement for the Terminal 3 Soekarno – Hatta Airport project which has been obtained by the Company, or may be extended upon written agreement between the Parties.	The Company, jointly with Wika Kobe intend to cooperate in the production of Hollow Core Slab products with regard to the execution or fulfillment of work contract that will be/or has been executed the Company and the project/ work owner/contractor of Terminal 3 Soekarno – Hatta Extension.
16.	Lease Agreement of Wika Medan Building Jl. Gunung Krakatau No. 15 Medan between PT Wika Realty – Property Unit II and PT Wika Beton – Sales Area I No. TP.01.03/F.UP.098/2013 dated 16 December 2013.	1. PT Wika Realty –Property Unit II (First Party). 2. The Company (Second Party).	4 January 2015	The First Party agrees to lease to the Second Party, a part of building and office space of Wika Medan located at Jl. Gunung Krakatau No. 15, Medan, with the following details: 1. Floor : II 2. Block: A and B 3. Area : 192 m ² for a rental fee of Rp 4,128,000.- per month.

No.	Agreement	Parties	Validity Period	Short Description
17.	Wika Cileungsi-Bogor Industrial Zone Management Services Agreement No. TP.01.03/F. UP.044/2013 dated 23 December 2013.	1. PT Wika Realty –Property Unit II (First Party). 2. The Company (Second Party).	31 December 2014	The First Party will provide management services of WIKA Cileungsi-Bogor Industrial zone and the common facilities such as lobby, prayer room, kitchen, yard, parking lot and garden.
18.	Sale and Purchase of Gas for Manufacturing Industry Customer and Power Generation Agreement No. 031500.PK/HK.02/PENG/2010 dated 24 March 2010, which has been amended several times and lastly amended by Sale and Purchase of Gas for Manufacturing Industry Customer and Power Generation Agreement No. 034400.PK/HK.02/PENG/2013 dated 15 March 2013	1. The Company (Customer) 2. PT Perusahaan Gas Negara (Persero) Tbk (Supplier)	31 March 2018	The Supplier supplies gas to Customer at P1 price in accordance with the prevailing decision of the Supplier's Board of Directors.
Vehicle Lease Agreement				
19.	Vehicle Lease Agreement No. 022/KOPBMW/2011 dated 15 December 2011.	1. Koperasi Karyawan Beton Makmur Wijaya (First Party). 2. The Company (Second Party).	14 December 2014	1 (one) unit of vehicle, New Avanza year 2011, for a rental fee of Rp 5,000,000.- per month.
20.	Vehicle Lease Agreement No. 007/KOPBMW/2012 dated 2 February 2012.		6 February 2017	1 (one) unit of Isuzu Panther Pick UP year 2011, for a rental fee of Rp 5,000,000.- per month (for a period of 2 years).
21.	Vehicle Lease Agreement No. 001/KOPBMW/2012 dated 5 January 2012.		4 January 2015	1 (one) unit of vehicle, Toyota Innova year 2011, for a rental fee of Rp 7,000,000.- per month.
22.	Vehicle Lease Agreement dated 2 January 2014		31 December 2014	1. 1 (one) unit Toyota Innova for a rental fee of Rp5,000,000.- per month ; 2. 1 (one) unit Toyota Rush for a rental fee of Rp5,750,000.- per month; 3. 2 (two) units Toyota Innova for a rental fee of Rp8,000,000.- per month.
23.	Vehicle Lease Agreement dated 2 January 2014		31 December 2014	1. 1 (one) unit Toyota Fortuner, for a rental fee of Rp7,000,000.- per month; 2. 1 (one) unit Nisan Serena, for a rental fee of Rp6,000,000.- per month.
24.	Vehicle Lease Agreement dated 2 January 2014		31 December 2014	1 (one) unit Toyota Fortuner, with a rental fee of Rp 12,000,000.- per month.

No.	Agreement	Parties	Validity Period	Short Description
25.	Vehicle Lease Agreement dated 1 June 2013.		31 July 2015	1 (one) unit Honda Accord A/T 2,000 CC year 2012 Rp11,200,000.- per month; 1 (one) unit Toyota Camry 2,400 CC year 2012 Rp14,300,000.- per month; 2 (two) unit Honda CRV 2,000 CC year 2012 Rp22,400,000.- per month; dan 1 (one) unit Honda CRV 2.000 CC year 2013 Rp11,200,000.- per month
WIKA Kobe				
26.	Utilization of Cash Loan and Non Cash Loan Facility Agreement No. TP.02.03/WB-0A.193/2014 dated 13 January 2014.	- The Company (First Party). - WIKA Kobe (Second Party).	12 January 2015	First Party grants Cash Loan and Non Cash Loan Facility to the Second Party, with a limit of Rp 100,000,000,000.-.
WIKA Krakatau Beton				
27.	Utilization of Cash Loan and Non Cash Loan Facility Agreement No. TP.02.03/WB-0A.194/2014 dated 13 January 2014 <i>juncto</i> Amendment to and Restatement of the Utilization of Cash Loan and Non Cash Loan Facility Agreement No. TP.02.03/WB-0A.194/2014 No. TP.02.03/WB-0A.194A/2014 dated 17 January 2014.	- The Company (First Party). - WIKA Krakatau Beton(Second Party).	12 January 2015	First Party grants Cash Loan and Non Cash Loan Facility to the Second Party, at a maximum amount of Rp 100,000,000,000.-

The Company's affiliation to the parties referred to above are as follows:

Direct affiliation

1. WIKA as the principal shareholder of the Company.
2. WIKA Kobe and WIKA Krakatau Beton are the subsidiaries of the Company.

Indirect affiliation

1. Through WIKA, in its capacity as the principal shareholder of the Company, where the affiliation exists due to capital participation of the government in WIKA, PT Bank Mandiri (Persero) Tbk, PT Bank Rakyat Indonesia (Persero) Tbk, PT Waskita Karya (Persero) Tbk and PT Perusahaan Gas Negara (Persero) Tbk.
2. Through the principal shareholder of the Company where PT Wika Realty – Unit Property II is a sister company of the Company.
3. Through the Company's employees who are the founders of Koperasi Karyawan Beton Makmur Wijaya.

L. MATERIAL AGREEMENTS WITH THIRD PARTIES

In conducting its business activities, the Company entered into the following material agreements with third parties, among others:

No.	Agreement	The Parties	Validity Period	Short Description
The Company				
1.	Deed of Payment Agent of Medium Term Notes I PT Wijaya Karya Beton Year 2013 Agreement No. 18 dated 14 November 2013, executed before Jose Dima Satria, S.H., M.Kn., Notary in Administrative City of South Jakarta.	1. The Company. 2. KSEI (Payment Agent).	14 November 2015	The Company appoints KSEI as the Payment Agent to perform the payment of interest of MTN and repayment of the MTN's Principal Value.
2.	Credit Agreement No. 266/CBG/JKT/05 dated 12 September 2005, which has been amended several times and lastly amended by the Fourth Amendment over Revision and Restatement of Credit Agreement No. 515/AMD/CB/JKT/2010 dated 14 October 2010, No. 337/AMD/CB/JKT/2013 dated 30 September 2013.	1. The Company (Debtor). 2. PT Bank CIMB Niaga Tbk (Creditor).	14 July 2014	The Creditor grants credit facilities to Debtor in the form of Fixed Term Loan and Overdraft on Current Account in the amount of Rp 15,000,000,000.-. The Company has obtained an approval from PT Bank CIMB Niaga Tbk with regard to the implementation plan of the Initial Public Offering (IPO), where Bank CIMB Niaga Tbk has signed the Letter of Approval Request With Regard to the implementation plan of the Initial Public Offering (IPO) of PT Wijaya Karya Beton year 2014 No. KU.02.01/WB-0A.56/2014 from the Company dated 13 January 2014.
3.	Deed of Banking Facilities Agreement No. 21 dated 25 April 2012, executed before Stephani Maria Vianney Pangestu, S.H., Notary in Jakarta and Standard Terms and Conditions of Banking Facilities No. 190/STC-DBSI/IV/2012 dated 25 April 2012, as legalized by Stephani Maria Vianney Pangestu, S.H., Notary in Jakarta under No. 06/L/IV/2012 and DBS Master Agreement No. 051/MA-DBSI/I/201 dated 25 April 2012 <i>Junctis</i> . First Amendment to Banking Facilities Agreement No. 354/PFPA-DBSI/VI/2013 dated 11 June 2013 and the Second Amendment to Banking Facilities Agreement No. 059/PFPA-DBSI/II/2014 dated 11 February 2014.	1. The Company (Customer). 2. PT Bank DBS Indonesia (Bank).	25 April 2014 or at the end of period for the issuance of Sight/Usance L/C/ UPAS L/C, Sight/ Usance Local LC (SKBDN), bank guarantee, whichever is the latest, except in the case that this Banking Facilities is terminated earlier, whichever is earlier.	The Bank grants credit facilities to the Customer a maximum facility of Rp 75,000,000,000.00 with the following details: 1. Uncommitted Omnibus Facility with a maximum available facility up to a maximum of Rp50,000,000,000.-, 2. Uncommitted revolving credit facility with a maximum available facility of Rp 25,000,000,000.-, The Company has obtained an approval from PT Bank DBS Indonesia with regard to the implementation plan of the Initial Public Offering (IPO) based on letter No. 038/I/DBSI IBG-JKT/2014 dated 16 January 2014 issued by PT Bank DBS Indonesia.

No.	Agreement	The Parties	Validity Period	Short Description
4.	Deed of Lease No. 9 dated 16 April 2012, executed before Stephani Maria Vianney Pangestu, S.H., Notary in Jakarta.	1. Lily Herlina (First Party). 2. The Company (Second Party).	17 April 2014	The First Party hereby leased to the Second Party, a house and its successions located at Jl. Biru Laut Raya, Kav. No. 488, Blok U, Jatinegara Sub-district, Cipinang Cempedak Village, East Jakarta Municipality, DKI Jakarta, as set out in the Rights of Ownership Certificate Freehold Title Certificate No. 1890/Cipinang Cempedak (formerly Building Rights Title No. 1400/Cipinang Cempedak), with a total area of 226m ² , registered under the name of Mrs. Lily Herlina, for a rental fee of Rp130,000,000.- (for a period of 2 years).
5.	Lease Agreement No. KU.06.02/WB-0A.869A/2010 dated 24 August 2010 <i>junctis</i> Office Space Lease Agreement No. KU.06.02/0A-WB.408/2013 dated 25 March 2013, Amendment of Additional Office Space Lease No. KU.06.02/0A-WB.335/2013 dated 28 March 2013 and Amendment to Office Space Lease Agreement No. KU.06.02/0A-WB.409/2013 dated 28 March 2013.	1. PT Cahaya Indotaruna (Owner). 2. Perseroan (Lessee).	31 October 2018	The Owner hereby leases the building and office space as detailed below: 1. Building including its facilities, located at Jl. Raya Jatiwaringin No. 54, Pondok Gede, Bekasi, West Java; 2. Office space on third floor not including public facilities, with a total area of 500m²; The rental fee for the aforementioned building and structure is Rp120,000.-/ m² per month (excluding 10% VAT and will be subject to 10% WHT)
6.	Memorandum of Agreement between PT Wijaya Karya Beton and PT Mills & Mines International No. KU.09.09/WB-0A.1357/2012 and No. MMI2012/WB/JVA-001 dated 5 October 2012.	1. The Company (First Party). 2. PT Mills & Mines International (Second Party).	5 years as of the execution of this MOA and is extendable upon agreement of the Parties.	The Parties agree to cooperate in intensive coordination for the introduction and/or use of Pre-stressing Post-tensioning System in Indonesia to execute various construction works in the First Party's projects/works.
7.	Sale and Purchase Agreement of Concrete Steel between PT Wijaya Karya Beton and PT Intisumber Bajasakti No. KU.08.02/WB-0A.1855/2013 regarding Procurement of Concrete Steel dated 29 November 2013.	1. The Company (First Party). 2. PT Intisumber Bajasakti (Second Party).	31 May 2014	The First Party declares its agreement to purchase concrete steel from the Second Party and the Second Party declares its agreement and binds itself to sell concrete steel bar to the First Party based on the terms and conditions set forth in this Agreement with a total Agreement value in the amount of Rp18,437,500,000.-.

No.	Agreement	The Parties	Validity Period	Short Description
8.	Deed of First Extension of Wisma Sier Office Space Lease Agreement No. 8 dated 22 June 2012, executed before Isti Kusumawardhani, S.H., M.Kn., Notary in Gresik Regency.	1. PT Surabaya Industrial Estate Rangkut (Owner). 2. The Company (Lessee).	31 May 2014	The Owner hereby leases to the Lessee, an office space located in Wisma Sier, Jl. Rungkut Industri Raya 10, Rungkut Surabaya Industrial Zone, on the 5th Floor with a total area of 345.53 m2 for a rental fee of Rp110,707,812/year (and the service charge of Rp179,537,388/year).
9.	Minutes of Negotiation No. 231/11/BAN/DAN/2013 dated 29 November 2013.	1. The Company (Customer) 2. PT Sinar Indah Perkasa (Supplier)	Extendable as needed or in accordance with production plan and the latest price negotiation.	The Supplier supplies Portlan Cement Type 1, Semen Gresik Brand, bulk packaging for a price of Rp969,000/Ton (excluding 10% VAT), effective from 1 December 2013 or until there is any changes upon mutual agreement of both parties.
WIK A Kobe				
1.	Lease Back Agreement No. 00203-001 dated 21 August 2013.	1. PT IBJ Verena Finance (Lessor). 2. WIK A Kobe (Lessee).	36 (thirty six) months	The Lessor agrees to purchase 1 (one) unit used Sumitomo Crawler Crane Capacity 50 ton, and leases it to the Lessee with an acquisition price of Rp 2,530,000,000.- and a lease back fee of Rp 2,606,200.-.
2.	Lease Back Agreement No. 00203-001 dated 21 August 2013.	1. PT IBJ Verena Finance (Lessor). 2. WIK A Kobe (Lessee).	36 (thirty six) months	The Lessor agrees to purchase 1 (one) unit used Caterpillar Wheel Loader, 938G Model, and leases it to the Lessee, with an acquisition price of Rp 852,500,000,000.- and a lease back fee of Rp 881,367.-.
3.	Vehicle Lease Back Agreement with Purchase Option for Motor Vehicle No. L13J01879A dated 26 July 2013.	1. PT Orix Indonesia Finance (Lessor). 2. WIK A Kobe (Lessee).	36 (thirty six) months	The Lessor agrees to purchase 1 Unit UD Trucks PK 260 CT 2013 and leases it to Lessee with an acquisition price for the vehicle of Rp655,000,000.- and lease back fee of Rp19,223,000.-.
4.	Vehicle Lease Back Agreement with Purchase Option for Motor Vehicle No. L13J02142A dated 23 September 2013.	1. PT Orix Indonesia Finance (Lessor), 2. WIK A Kobe (Lessee),	36 (thirty six) months	The Lessor agrees to purchase 1 Unit HINO 130 HD PS + Dump 2013 and leases an acquisition price for the vehicle of Rp280,000,000.- and lease back fee of Rp8,473,000.-

M. INSURANCE

The Company has insured its assets and the healthcare of its employees with several insurance companies, among others, are as follows:

- 1) PT Asuransi Bringin Sejahtera Artamakmur
- 2) PT Asuransi Jasa Indonesia
- 3) PT Asuransi Himalaya Pelindung
- 4) PT Avrist Assurance
- 5) PT BNI Life Insurance
- 6) PT Asuransi Jiwa InHealth Indonesia.

The table below presents insurance policies owned by the Company and its Subsidiaries:

No.	Type of Insurance	Sum Insured	Insurance Period	Description
The Company				
1.	Fire	Rp8,357,300,000 Rp13,246,200,000	15 December 2014	To insure the concrete products factory building and production machinery and factory equipments located within the building complex located at Jl. Raya Kotabumi KM. 34,5, Tegineneng, Bumi Ayu Village, Natar Sub-district, Lampung.
2.	Fire	Rp5,286,600,000 Rp16,473,069,000	15 December 2014	To insure the concrete products factory building and production machinery and factory equipments located within the building complex located at Jl. Raya Medan binjai KM. 15.5 Sei Semayang Villange, Sunggal Sub-District, Deli Serdang Regency, North Sumatera.
3.	Fire	Rp5,932,200,000 Rp12,862,600,000	25 April 2014	To insure the concrete products factory building and production machinery and factory equipments located within the building complex located on the land registered under Building Rights Title No. 14, 25 & 408 Kejapanan, Pasuruan – East Java.
4.	Fire	Rp10,339,930,000 Rp35,386,500,000	20 May 2014	To insure the building and machineries located at Jl. Siliwangi Km. 31, Klappanunggal and Kembang Kuning Village, Klapanunggal Sub-district, Bogor Regency, West Java.
5.	Fire	Rp4,628,700,000 Rp16,047,900,000	7 May 2014	To insure the concrete products factory building and production machinery and factory equipments located within the building complex located on Siliwangi KM. 31, WIKA Industrial Zone, Klapanunggal Village, Bogor.
6.	Fire	Rp2,356,170,000 Rp7,712,716,000	1 August 2014	To insure the concrete products factory building and production machinery and factory equipments located within the building complex located on the land registered under Building Rights Title No. 2 & 3, Jl. Berujul Kulon No. 39, Berujul Kulon Village, Jatiwangi Sub-district, Majalengka – Central Java.

No.	Type of Insurance	Sum Insured	Insurance Period	Description
7.	Fire	Rp6,094,760,000 Rp7,935,600,000	10 October 2014	To insure the concrete products factory building and production machinery and factory equipments located within the building complex located at Raya Solo-Boyolali KM. 4.5, Mojosongo Village/Sub-District, Boyolali Regency.
8.	Fire	Rp2,126,500,000 Rp8,140,800,000	20 October 2014	To insure the concrete products factory building and production machinery and factory equipments located within the building complex located at Jl. Kima Raya II Kav. 4-5-6, Daya Sub-district, Makassar, South Sulawesi.
9.	Fire	Rp32,449,700,000 Rp39,559,000,000	13 February 2015	To insure the factory building and production machinery and factory equipments located on Jl. Surya Madya III, Kav. I-34, Surya Cipta Industrial Estate, Karawang.
10.	Life Insurance	Employee classification: 1. Plan I = Rp1,250,000,000 2. Plan II = Rp750,000,000 3. Plan III = Rp300,000,000 4. Plan IV = Rp150,000,000 5. Plan V = Rp100,000,000	1 January 2015	To insure permanent, full time and active employees employed by the Company within the age range of 16 years to 60 years old as of the beginning of year of the insurance policy.
11.	Health Insurance	100% of the receipt with an annual maximum limit each participant, with the maximum limit as stated in the description.	31 December 2014	To insure the Company's employees as stated in the List of Participant/Insured.

The current premium paid is adequate to cover the sum insured of the insured assets; however, the sum insured has not been covered the majority portion of the risk of the insured objects. The Company will increase its insurance premium to cover the majority portion of the risk of the insured objects.

N. FIXED ASSETS

The following table presents the list of fixed assets owned by the Company:

1. Land and Building

NO.	Building Rights Title Certificate No.	ISSUANCE DATE	RIGHTS EXPIRY DATE	AREA (m²)	LOCATION
The Company					
1.	130	08-04-2011	07-04-2031	18,570	
2.	118	19-03-2003	18-03-2033	29,910	Sei Semayang Village, Sunggal Sub-District, Deli Serdang Regency, North Sumatera Province.
3.	120	28-09-2004	27-09-2024	1,706	
Sub Total				50,186	
4.	30	14-12-2007	14-12-2037	12,070	
5.	8	07-03-1994	08-03-2024	33,615	Bumi Agung Village, Tegineneng Sub-district, South Lampung Regency, Lampung Province.
Sub Total				45,685	

NO.	Building Rights Title Certificate No.	ISSUANCE DATE	RIGHTS EXPIRY DATE	AREA (m ²)	LOCATION
6.	00033	16-02-2012		2,714	
7.	00034	16-02-2012		2,769	
8.	00035	16-02-2012	16-02-2042	3,938	Bumi Agung Village, Tegineneng Sub-district, Pesawaran Regency, Lampung Province.
9.	00036	16-02-2012		2,977	
10.	37	19-03-2012	19-03-2042	2,970	
Sub Total				15,368	
11.	3	21-09-1993	17-08-2033	36,845	Kembang Kuning Village, Cileungsi Sub-District, Bogor Regency, West Java Province.
Sub Total				36,845	
12.	604	26-01-2006	02-09-2024	39,107	Klapanunggal Village, Klapanunggal Sub-District, Bogor Regency, West Java Province.
13.	38	26-01-2006	17-08-2013*)	48,348	
Sub Total				87,455	
14.	00007	23-01-2007	19-01-2037	1,762	
15.	00009	29-03-2007	27-03-2037	1,478	Burujul Kulon Village, Jatiwangi Sub-District, Majalengka Regency, West Java Province.
16.	00012	12-12- 2007	unwritten	30,005	
17.	00013	06-12-2012	15-10-2042	535	
Sub Total				33,780	
18.	99	08-08-1996	05-08-2026	12,521	
19.	101	14-08-1996	06-11-2024	27,863	Mojosongo Village, Mojosongo Sub-District, Boyolali Regency, Central Java Province.
20.	160	07-04-2004	03-04-2034	1,360	
Sub Total				41,744	

NO.	Building Rights Title Certificate No.	ISSUANCE DATE	RIGHTS EXPIRY DATE	AREA (m ²)	LOCATION
21.	25	23-04-1994	20-04-2024	29,470	
22.	14	16-01-1998	17-01-2027	34,820	
23.	408	07-05-2004	07-05-2034	813	
24.	410	20-12-2005		229	Kejapanan Village, Gempol Sub-District, Pasuruan Regency, East Java Province.
25.	411	20-12-2005	22-11-2035	459	
26.	412	20-12-2005		1,282	
27.	413	30-12-2005	29-12-2035	919	
Sub Total				67,992	
28.	12/Sisa	18-02-1994	12-01-2014**)	21,610	
29.	13	18-02-1994		2,510	
30.	33	06-12-2010	24-09-2040	1,150	
31.	34	06-12-2010		4,500	
32.	36	22-12-2011		582	
33.	37	22-12-2011		1,957	Winong Village, Gempol Sub-district, Pasuruan Regency, East Java Province.
34.	38	22-12-2011		546	
35.	39	22-12-2011	24-09-2041	434	
36.	40	22-12-2011		474	
37.	41	22-12-2011		393	
38.	42	22-12-2011		491	
39.	45	21-06-2012	10-04-2042	1,723	
Sub Total				36,370	

NO.	Building Rights Title Certificate No.	ISSUANCE DATE	RIGHTS EXPIRY DATE	AREA (m ²)	LOCATION
40.	6	19-01-1998	19-01-2028	33,834	Kapasa Village, Biringkanaya Sub-District, Ujung Pandang Municipality, South Sulawesi Province.
Sub Total				33,834	
41.	00174	16-02-2011	04-11-2028	56,396	Kutanegara Village, Ciampel Sub-district, Karawang Regency, West Java Province.
42.	00175	16-02-2011	04-11-2028	48,213	
Sub Total				104,609	
43.	08	30-08-2005	24-07-2035	740	Duku Village, Illir Timur – II Sub-district, Palembang Regency, South Sumatera Province.
Sub Total				740	
44.	1510	15-03-1999	15-03-2019	809	Cipinang Cempedak Village, Jatinegara Sub-district, East Jakarta, DKI Jakarta Province.
Sub Total				809	
45.	3714	22-12-2006	06-02-2034	116	Gunung Bahagia Village, South Balikpapan Sub-district, Balikpapan Municipality, East Kalimantan Province.
Sub Total				116	
Total				555,533	

NO.	Building Rights Title Certificate No.	ISSUANCE DATE	RIGHTS EXPIRY DATE	AREA (m ²)	LOCATION
WIKI Kobe					
1.	00223	10-08-2012	04-11-2028	33,310	Kutanegara Village, Ciampel Sub-district, Karawang Regency, West Java Province.
Total				33,310	

Notes:

- *) Pursuant to the Representation Letter No. 002/CN/NKCB/2014 dated 7 January 2014 signed by Karin Christiana Basoeki S.H., Notary in Central Jakarta, the renewal of Building Rights Title ("HGB") Certificate No. 38 is in process.
- **) Pursuant to the Representation Letter No. 46/PPAT/III/2014 dated 5 March 2014 signed by Elisabeth TriasnaniWidyastuti, S.H., Land Deed Official ("PPAT") in Pasuruan Regency region, the renewals of Building Rights Title ("HGB") Certificates No. 12/Sisa and 13 are in process.

In addition to ownership of the land referred to above, the Company has also purchased parcels of land in South Lampung Regency, Lampung Province, with a total area of approximately **441,287m²**, Majalengka Regency, West Java Province, with a total area of approximately **30,994m²** and in Donggala Regency, South Sulawesi Province, with a total area of approximately **180,853 m²** based on deed of sale and purchase and letter of conveyance. The Company has also entered into a conditional sale and purchase agreement with third party with regard to the purchase of a parcel of land in Bogor Regency, West Java, with a total area of approximately **342,633.392 m²**, Pasuruan Regency, East Java with a total area of approximately **11,179 m²**, in South Lampung Regency, Lampung Province, with a total area of approximately **192,174.5 m²**, Pesawaran Regency, Lampung Province with a total area of approximately **14,435 m²** and in Balikpapan Municipality, East Kalimantan Province, with a total area of approximately **262,525 m²**.

The buildings owned/under the Company's control situated on the parcels of land referred to above are, among others, factory building, office buildings, mess and other buildings to facilitate each CPF.

O. INTELLECTUAL PROPERTY RIGHTS

In addition to land rights, the Company also owns intellectual property rights certificates, issued by the Directorate General of Intellectual Property Rights Ministry of Law and Human Rights of the Republic of Indonesia or by other authorized institution in other countries as described below:

1. Patent Certificate

No.	Patent No.	Issuance Date	Invention Name	Inventor Name	Patent Holder	Protection Period	Description
1.	ID P0026747	13-10-2010	T Section Pre-cast Concrete Slab for Floor of Steel Bridge Construction	Ir. Gambiro	The Company	20 years (since 01-06-2005)	Registered in Indonesia
2.	ID P0030243	24-02-2012	A Construction of Joined Bridges on Cros ssection between Railway and Highway	Ir. Wilfred A. Singkali	The Company	20 years (since 20-07-2007)	Registered in Indonesia

The Company is currently filing a Patent request to the Directorate General of Intellectual Property Rights for the following centrifugal square piles, dead anchorage on segmental girder and bridge floor.

2. Brand Certificate

No.	Registration				Protection Period	Description*)
	Number	Date	Brand Etiquette	Class		
The Company						
1.	IDM000180767	14-10-2008	WIK A BETON	19	10 Years (since 18-01-2005)	Registered in Indonesia

*) Specifically for brands registered in Indonesia, based on the provisions of Article 35 Law No. 15 Year 2001 concerning Brand, the owner of a registered brand may, at any time, file for an extension for the same period of time to the Directorate General of Intellectual Property Rights – Ministry of Law and Human Rights of the Republic of Indonesia, within 12 (twelve) months prior to the expiry of the protection period for the said registered brand.

P. LEGAL PROCEEDINGS FACED BY THE COMPANY, BOARD OF DIRECTORS AND BOARD OF COMMISSIONERS

As of the date of issuance of this Prospectus, the Company, the Company's Board of Directors and the Company's Board of Commissioners are not involved in any civil dispute and criminal charges at the District Court, industrial relation disputes at the Industrial Relation Court where the Company's business resides, state administrative disputes in the State Administrative Court, disputes concerning taxation in the Tax Court, arbitral disputes to be resolved through the Indonesian National Board of Arbitration, and is not registered in bankruptcy filing, suspension of debt payment obligation, and/or liquidation in the case registry of Commercial Court and have not received any legal notice or lawsuit from any party.

IX. BUSINESS ACTIVITIES AND PROSPECTS OF THE COMPANY

A. OVERVIEW

The Company existence started from a business unit of WIKA. In 1960, WIKA was established and engaged as a Government owned Construction Company, carrying out national development program. Following 18 (eighteen) years of experience, in 1978, WIKA through its concrete business unit, expanded its business through the invention of several new concrete products, including electricity poles and pre-cast products. WIKA's expansion manifested in the construction of a new concrete factory in Bogor in 1980. Aiming to optimize concrete production result, WIKA established a new division for concrete and metal products. From 1981 to 1982, new concrete factories were established in Pasuruan, Boyolali and Majalangka. WIKA continued to expand its business by inventing new concrete product, including PC Piles in 1983 and railway sleepers in 1984, which previously did not exist in WIKA's product portfolio. Responding to the high demand for concrete in Sumatera, in 1986 WIKA established a new concrete factory in Lampung. Along with the increase in the number of new products and the Company's capacity, WIKA again established a new division in 1987, which was responsible for all construction components owned by WIKA. In less than a year after its establishment, WIKA again invented a new product, i.e., concrete that is primarily designed for bridge construction and drainage system. In 1988, along with the invention of new product, WIKA completed the construction of a new factory in Binjai, North Sumatera.

In 1995, after 6 (six) years of focusing on the existing production capacity, WIKA once again spread its wings in the concrete industry by establishing a new factory in Makassar, South Sulawesi. The high capitalization of concrete market encouraged WIKA to establish a subsidiary that specifically operated in the concrete industry in 1997, namely PT Wijaya Karya Beton or more widely known as Wika Beton. Following the establishment of the Company in 2005 the Company started contributing in supplying concrete for the Suramadu Bridge project (the bridge connecting Surabaya and Madura). Armed with the experience in constructing above the sea bridge structure, the Company in 2008 succeeded in inventing a new product, i.e., pre-cast concrete product designed for marine structures. Furthermore, the rapid growth of the Company necessitated WIKA and its Subsidiaries to implement risk management in order to improve efficiency and minimize the Company's risks. Concurrently, the Company started to produce high quality concrete piles to ensure its competitiveness in the domestic and global market. WIKA's competitiveness was reflected in the completion of a new product factory in Aljazair in cooperation with WIKA and its participation in the oil and gas project in Australia in 2009 and 2010 in 2011, the Company cooperated with WIKA to complete several projects in Timor Leste. In 2012, the Company continued to upgrade its production capacity by establishing a new factory in Karawang and added 1 (one) meter diameter concrete piles to its product portfolio.

Aside from expansion, the Company continued to innovate by inventing new products such as box girder, hollow core slab as well as pre-cast concrete designed specifically to meet industrial needs. Within the past 2 (two) years, an important milestone has been achieved, i.e., the establishment of a subsidiary operating in the supply of components for concrete production, namely WIKA Kobe, a joint venture with a Japanese based Company. Cooperation with external parties then continued. In 2003, the Company cooperated with PT Krakatau Engineering, a subsidiary of PT Krakatau Steel (Persero) Tbk, by establishing a joint venture named WIKA Krakatau Beton.

Pre-cast concrete products produced by the Company are high quality concrete (concrete stress characteristic of minimum 500kg/cm²) and the transactions are conducted business to business with infrastructure construction, building and industrial structures as the main markets.

The following table sets out the locations of the Company's offices:

No	Office / Factory	Location	Phone	Fax
1	Head Office	JW Building, Jl. Raya Jatiwaringin no. 54, Pondok Gede, Bekasi, 17411, West Java – Indonesia	(021) 84973363	(021) 84973391
2	Sales Area I Office	Jl. Gunung Krakatau No. 15, Medan, 20239	(061) 6226225, 6627577	(061) 6628076
3	Sales Area II Office	Jl. Bambang Utoyo, Rama Kasih Raya No. 957, Palembang, 30115	(0711) 712534, 712510	(0711) 720093
4	Sales Area III Office	Jl. Biru laut X no. 20-21, Jakarta, 13340	(021) 8193024	(021) 8560694
5	Sales Area IV Office	Jl. Teuku Umar No. 21, Semarang, 50234	(024) 8411890, 8318787	(024) 8318135, 8318091
6	Sales Area V Office	Wisma SIER Lantai 5, Jl. Rungkut Industri Raya No.10 Surabaya, 60293	(031) 8478795, 8478796	(031) 8435384
7	Sales Area VI Office	Jl. Kima Raya II Kav. S/4-5-6 Kawasan Industri Makassar, Makasar, 90241	(0411) 511761, 4723100	(0411) 511955, 4723166
8	Riau Representative Office	Perkantoran Grand Sudirman Blok D-17, Jl. Parit Indah/Dt Setia Maharaja, Pekanbaru 28282	(0761) 849909	(0761) 849909
9	Balikpapan Representative Office	Balikpapan Super Blok/ Ewalk Blok A no.1, Jl. Jendral Sudirman, Balikpapan East Kalimantan, 76114	(0542) 877027	(0542) 875927

Concrete Production Facility (CPF)

The Company currently operates eight (8) CPF which has a strategic location so that it can reach all parts of Indonesia. The following table sets out the locations of the Company's CPF:

No	Factory	Location	Phone	Fax
1	CPF North Sumatera	Jl Binjai Km.15, 5 No.1 Diski, Deli Serdang 20351	(061) 8821543, 8821111	(061) 8821668
2	CPF Lampung	Jl. Raya Tegineneng Km.35, Desa Bumi Agung, Pesawaran 35363	(0725) 41318	(0725) 7851568
3	CPF Bogor	Jl. Raya Narogong Km.26 Cileungsi, Bogor 16820	(021) 8674010	(021) 8674018
4	CPF Karawang	Jl. Surya Madya 3 Kav. 1-34, Kawasan Industri Suryacipta, Karawang 41361	(021) 89115167	(021) 8610259
5	CPF Majalengka	Jl. Raya Barat Burujul Kulon, Jatiwangi, Majalengka 45454	(0233) 881425	(0233) 882575
6	CPF Boyolali	Jl. Raya Boyolali-Solo Km. 4,5, Mojosongo, Boyolali 57300	(0276) 321138	(0276) 322136
7	CPF Pasuruan	Jl. Raya Kejapanan No. 323, Gempol, Pasuruan 67155	(0343) 851488, 852130, 853161	(0343) 851480
8	CPF South Sulawesi	Jl. Kima Raya II Kav. S/4-5-6, Kawasan Industri Makasar, Makassar 90241	(0411) 511764	(0411) 4723206

Capturing the rapid growth of the manufacturing industry in Indonesia, the development of production capacity in the past 5 (five) years are as follows:

(capacity per year)

Factory	31 December				
	2009	2010	2011	2012	2013
Rated Capacity					
Total (m ³)	490,000	540,000	620,000	740,000	800,000
Total (Ton)	1,225,000	1,350,000	1,550,000	1,850,000	2,000,000
Normal Capacity					
Total (m ³)	441,066	491,261	538,424	614,153	624,956
Total (Ton)	1,102,666	1,228,152	1,346,060	1,535,383	1,562,391
Utilized Capacity					
Total (m ³)	369,308	300,664	431,578	575,477	582,796
Total (Ton)	923,269	751,661	1,078,946	1,438,694	1,456,991
Utilization (%)	84%	61%	80%	94%	93%

Notes:

- Rated Capacity is defined as the factory's maximum capacity to produce pre-cast concrete products.
- Normal Capacity is defined as the factory's normal capacity to produce pre-cast concrete products.
- Utilized Capacity is defined as the real capacity put to use in the factory during a certain period of time to fulfill orders of customers that have entered into agreements.

The demand for the Company's products fluctuates as a result of economic factor and fund availability from the Government and private investors. In terms of the Company's business sustainability, such fluctuations resulted in fluctuating utilization rate of the Company's factories.

In carrying out its business activities, the Company strives to ensure factory utilization rate and to continuously achieve the normal capacity. The Company plans strategies to achieve the goal through market expansion, market penetration and new product innovations.

In the past 3 (three) years, the Company considered that the normal capacity of its existing plant factories were no longer adequate to capture the existing market opportunities, therefore, the Company plans to build new factories as well as increase the capacities of existing factories in the course of the next several years.

B. THE COMPANY'S PRODUCTS AND BUSINESS ACTIVITIES

The Company is engaged in pre-cast concrete industry, construction services and other related business fields. Pre-cast concrete is structural or architectural component made of reinforced concrete or prestressed concrete manufactured before such components are installed in the building construction structure such as buildings, bridges, hydro structures, jetties, roads, railways and others.

Advantages of pre-cast concrete:

1. Consistent quality;
2. Speedy installation;
3. Accuracy and precision;
4. Highly effective for limited terrains;
5. Shorter overall construction time;
6. More efficient use of human resources;
7. Environmentally friendly (green concrete); and
8. Maintenance free compared to steel material.

The Company's Products

Products of the Company are set out below:

a. Pre-Stressed Concrete Poles

The Company produces PC Poles since 1978, in various types and lengths beginning from 7 (seven) meters to 30 (thirty) meters.

Based on its function, PC Poles produced by the Company are categorized into the followings:

- Distribution Electrical PC Poles;
- Transmission Electrical PC Poles;
- Telecommunication PC Poles;
- Catenery Poles;
- Lighting PC Poles; and
- Netting PC Poles.

Consumers are rewarded with free maintenance for all of the Company's PC Poles products, therefore saving operational cost. Its elongated round shape allows the PC Poles to be handled from all sides.

b. Pre-Stressed Concrete Piles

The Company produces pre-stressed concrete piles (PC Piles) since 1983. Based on the production process, PC Piles are categorized into the following 2 (two) categories:

- Concrete pre-stressed using centrifugal spins, producing hollows that reduces the weight of the piles. To create the hollows, a device named spinning machine is required. Concrete piles included in this category are pre-stressed concrete spun files (PC Spun Piles) and pre-stressed concrete spun square piles (PC Spun Square Piles).
- Concrete pre-stressed using vibrators, which include massive square concrete piles (PC Square Piles) and triangular concrete piles (Triangular Piles).

Pre-stressed concrete spun piles are designed in various types and sizes, beginning from 300 mm to 1,200 mm diameters, which are suitable for deep foundation structures and foundations for high-rise buildings, industrial buildings, harbor structures (harbors, jetty docks, offshore structures), foundations for bridges and flyovers, foundation for power plant and foundations such as foundation for retaining walls (retaining walls and slope protection). Whereas square concrete piles are produced to accommodate shallow foundation structure, and triangular piles are produced to meet the market demands for foundations for lightweight buildings.

c. Railway Sleepers

The Company first produced railway sleepers in 1984, under the type Wika-17. In 1989, the Company designed Wika-18 using the simultaneous stressing system production method. The Company's railway sleepers use K-600 concrete quality and can be applied to various rail clips such as KA-Clips, DE-Clips, Pandrol, E-Clips and Vossloch.

Concrete railways sleepers are substitute products for wood railway sleepers. The railway sleepers produced by the Company are monoblock pre-tensioned system, with single line production process. This production process is highly flexible and suitable for Indonesia's condition.

In addition to producing railway sleepers, the Company also develops its products through the production of wessel (turn-out) and other products such as slabs for railway bridges, ballast retaining walls and railway crossings.

The Company's railway sleepers have been used for various railway infrastructure projects in Indonesia and have been tested for static and dynamic test by the Construction Testing Laboratory - Agency for the Assessment and Application of Technology (*Laboratorium Uji Konstruksi – Badan Pengkajian dan Penerapan Teknologi*, "LUK – BPPT") in Serpong.

d. Bridge Concrete Product

Other than type I-Girder, the Company also produces other types such as U-Girder, T-Girder, V-Girder, Box Girder, Concrete Diaphragm, Half Slab and Double Tee to be used as structure components for roads and bridges.

Based on its stressing process, bridge concrete production are categorized into 2 (two) methods, pre-tensioned and post-tensioned. The stressing process depends on the customers' condition and demand.

Pre-tensioned girder are tensioned prior to casting in the production line, whereas post-tensioned girder are tensioned after casting, produced either by segmental or monolith system. The tensioning was conducted in order to facilitate transportation, starting from loading in the trailer up to unloading and installation, considering maximum weight for girder is 8 (eight) tons per segment with a maximum length of 6 (six) meters. Type I girders are made of K-500 quality concrete (for type A) and K-800 (for type B).

These road and bridges components are widely used in private and government projects, both national and foreign, throughout Indonesia and North Africa (Aljazair). The latest project that utilized the Company's Box Girder is the Non-Toll Flyover Jakarta and Bogor Outer Ring Road ("BORR"). Projects that utilized T-Girder is Aljazair toll road (East West Motorway Project Algeria).

e. Retaining Wall Concrete Product

The Company first produced retaining walls in 1991. Initially, flat type retaining walls were produced, which later on developed with the existence of corrugated type. Retaining wall concrete products are used for temporary and permanent constructions such as jetty walls, dock walls, cut-of walls, basement river embankments and water control gates.

The Company's retaining walls have several competitive advantages, they are maintenance free and waterproof, since the walls have K-700 concrete quality and have lighter weight compared to steel retaining walls.

f. Hydro Structure Concrete Product

There are 2 (two) types of pre-stressed concrete pipes produced by the Company, as set out below:

- Core Type Pre-stressed Concrete Pipes (PC Pipes) are produced in accordance with international standards such as the Japan Industrial Standard (JIS). The product was developed in 1993 with production was started in 1996 to support a 9.3 km long Raw Water Transmission Project ("RWTM") in Makassar. This product is produced using the Vipro Press Centrifugal System ("VPC") to achieve ultimate high density concrete with low permeability and low shrinkage. The VPC System is an innovation in the pre-cast concrete industry, and the Company is one of the pioneers in the system implementation and therefore is able to produce the best pre-stressed concrete pipes in Indonesia. PC Pipes meet the category of high pressure pipes (International Pressure Test of up to 20 kg/cm² or 20 bar). This product serves as the best solution to overcome raw water distribution problem, where steel pipes are normally used. PC Pipes are used for city drainage, canals and tunnels.
- Low Pressure Concrete Pipes (RC Pipes) are produced using suspension roller system. RC pipes are high quality and high density products. This product was developed in 2000 in response to the continuously increasing market demands. RC Pipes are used for city drainage, irrigation canals and transportation facilities for the distribution of clean water, waste water and rainwater. This product has been applied to projects in North Africa (Aljazair).

g. Marine Structure Concrete Products

The user of pre-cast concrete in maritime structures has created a new market demand. Therefore, the Company has introduced a new product line that is faster and more economical to support projects in harbors and high seas such as jetties, bridges breakwaters and others. Malahayati Piers and Sabang Piers in Aceh are some of the project that used the Company's product. Whereas overseas project include the Gorgon Barrow Project in Barrow Island, West Australia.

h. Building and Housing Concrete Product

The Company also produces pre-cast concrete for multistory buildings and housing components, among others pre-cast walls, slab, columns, beams, stairs and other structural components. Projects that utilized the Company's products include Bank Pembangunan Daerah building in East Java, Bank Bukopin in Jakarta, Hyatt Regency Hotel and Sheraton Hotel in Surabaya and Daichi Hotel in Jakarta.

i. Other Precast Concrete Products

In addition to the Strategic Business Unit category described above, the Company also produces other concrete components to meet bespoke requests from customers. Examples of concrete products within this category are pre-cast pipe rack oil company, water storage and water cooling tower for Steam Power Plant, fences and underground utility ducting.

Another project that also utilized the Company's other concrete products is the Geothermal Project in Garut. The Company obtained an award from THIESS, the main contractor for the project, for its dedication in the production and installation of the pre-cast concrete components for the project. Another project completed by the Company is RFCC ("Refinery Fuel Chemical Cilacap") in Central Java.

j. Services

To support its production activities and product sales, the Company also provides support services, which consist of:

- **Engineering:** provides technical consultation on the selection of appropriate and efficient structure to its customers. To support the efficiency and accuracy of the technical consultation, the Company implements the latest softwares in accordance with its function and designation.
- **Installation:** provides product installation consultation to customers, for example flyovers, river bridge. This service provides added value to the customer, more than simply obtaining products.
- **Distribution:** aside from production, the Company is also responsible for the distribution of concrete products to customers. Inland distribution can be conducted by means of trailer and boogie, whereas sea distribution can be conducted by means of barges and ships.
- **Construction:** the Company also provides construction services to complete the works up to construction stage.
- **Post-tensioning Service:** provides stressing service for bridge girder components, building constructions, ground anchor and cable stayed bridges.

The Company's Selected Large and Strategic Projects in 2013

No.	Project Name	Location
1.	Krakatau Steel Expansion Plant	Banten
2.	Site Office Project - POSCO	Banten
3.	PTBA-EPC of Tarahan Port Expansion Phase 5 di LPG	Lampung
4.	ISM JV KS-POSCO	Banten
5.	KampungMelayu- Tanah Abang Non Toll Fly Over	Jakarta
6.	Phase I Construction of Petikemas Kalibaru Terminal	Jakarta
7.	Terminal 3- Soetta Expansion	Jakarta
8.	Gold Cost Mixed Use Development	Jakarta
9.	Kapuk Naga Indah Bridge	Jakarta
10.	RFCC Project in Cilacap (PC Piles and Pipe Rack))	Cilacap
11.	Tenayan Raya 2x110 MW Steam Power Plant (use Piles 1)-(P03)	Riau
12.	Construction of Extension KCP II Lampung Plant Project- (P02)	Lampung
13.	Procurement of Concrete Padas Inv.2011 Vol. 65.590 bh – (P01)	Palembang
14.	Marunda Refinery	Jakarta
15.	Bogor Outer Ring Road	Bogor
16.	Double Track PB-1 and an PB-3	Jatim
17.	Gorgon Barrow Island LNG Jetty and Marine	Gorgon Island, Australia
18.	Jetty PierSenoro Gas Development Project	Central Sulawesi
19.	Senoro Gas Development Project Batch II	Central Sulawesi
20.	LisdesSulselbar 2013	South West Sulawesi
21.	Cilacap 1x660 MW Coal Fired Steam Power Plant	Cilacap
22.	Jakabaring Palembang Flyover	Palembang
23.	Podomoro City Medan	Medan
24.	Pangkalan Susu 2x200MW Steam Power Plant	North Sumatera
25.	Cirebon – Larangan Double Track	Cirebon

The Company's Selected Large and Strategic Projects in the past 6 (six) years

No.	Project Name	Location	Year
1.	Banten 3x315 MW Steam Power Plant 3	Banten	2008
2.	East Flood Canal Project	Jakarta	2008
3.	Construction of Sedyatmo Toll Road (Access to Soetta Airport)	Jakarta	2008
4.	Indramayu Steam Power Plant	Indramayu, West Java.	2008
5.	East West Motorway Algeria	Algeria	2008
6.	Cilacap 1x660 MW Coal Fired Steam Power Plant	Cilacap	2009
7.	Baturusa II Bridge Project	Bangka	2010
8.	Pangkalan Susu 2x200 MW Steam Power Plant	Medan, North Sumatera.	2010
9.	Lintas Cirebon Double Track Project	Cirebon, Kroya.	2011
10.	Gorgon Barrow Island LNG Jetty & Marine	Gorgon Island, Australia.	2012
11.	RFCC Cilacap Pipe Rack Project	Cilacap	2012
12.	NgurahRai Airport	Bali	2012
13.	Surabaya, Mojokerto, Kertosono Toll Road	East Java	2012
14.	PupukKaltim 5 Project 2500 MTPD Amonia and 3500 MTPD Urea	East Kalimantan	2012
15.	PPGJ Banyu Urip - Cepu	Central Java	2012
16.	KampungMelayu - Tanah Abang Non Toll Flyover	Jakarta	2013
17.	Benoa–Serangan Toll Road Construction	Bali	2013
18.	Bogor Outer Ring Road	Bogor	2013

C. CONCRETE PRODUCTION ACTIVITIES

Concrete Production Process

The Company differentiates its concrete production process into 2 (two) Production processes as follows:

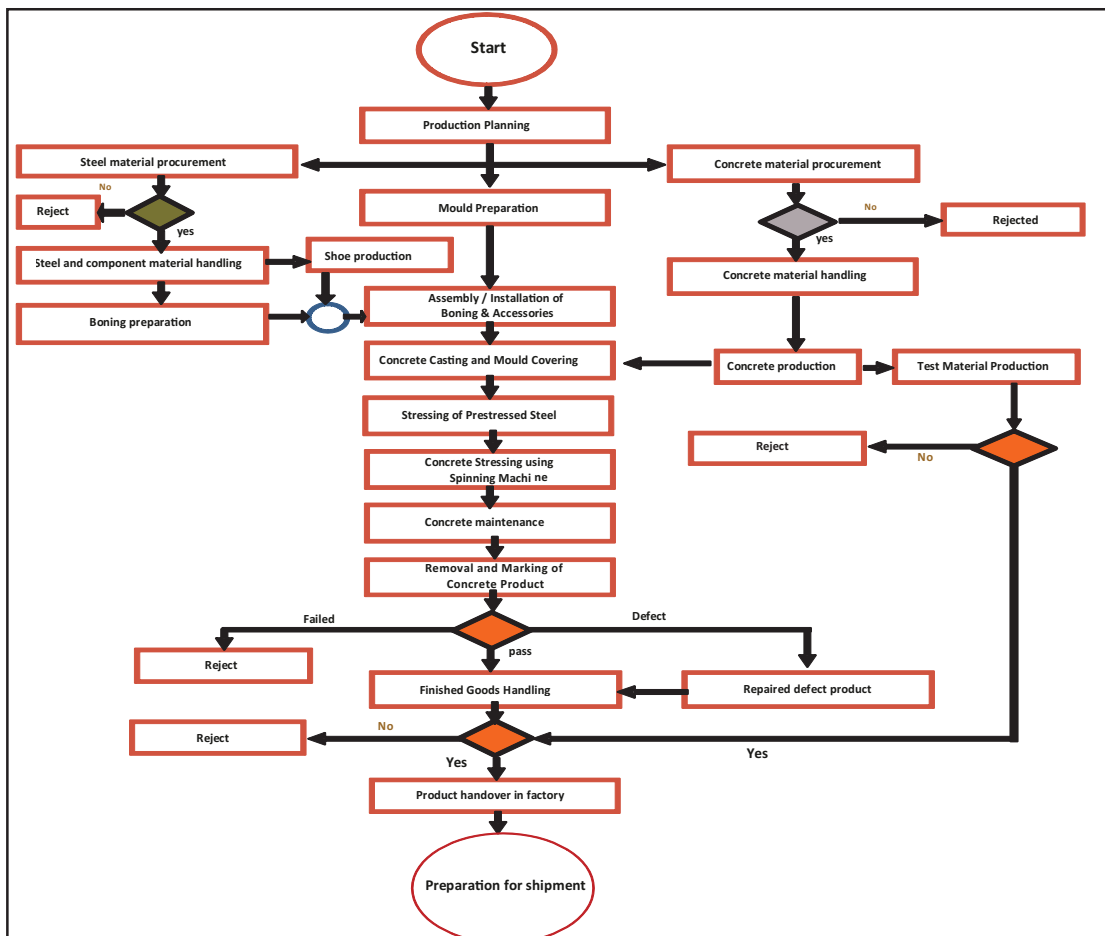
1. Spun Concrete Production Process

A process to produce precast concrete through distribution, moulding and concrete stressing using a machine with a centrifugal system (by spinning at a certain speed/rpm).

The Company's products produced using the spun concrete production proses

- PC Poles
 - Electricity Distribution Poles;
 - Electricity Transmission Poles;
 - Telecommunication Poles;
 - Catenary Poles;
 - Lighting Poles; and
 - Netting Poles.
- PC Piles
 - PC Pile Piles;
 - PC Spun Square Piles;
- Hydro Structure Concrete Product
 - Core Type Pre-stressed Concrete Pipes; and
 - Low Pressure Concrete Pipes (RC Pipes).

Presented below is the spun concrete process



Work Sequence

Process	Work Sequence
	Mould Preparation Prepare mould in accordance with the type to be produced.
 	Assembly / Installation of Boning & Accessories Boning Assembly using wire caging • Prepare pre-stressed steel, spiral steel and connecting plate • Insert pre-stressed steel to jig to wire cutting • Conduct heading process • Conduct caging process • Place assembly on stacking
 	Concrete Casting and Mould Covering • Put mould on casting trolley • Insert concrete mix in the hopper and pour into the mould • Distribute concrete mix evenly throughout the mould • Place mould in covered location • Secure bolt with impact tool

Process	Work Sequence
	Stressing of Prestressed Steel • Move covered mould to a stressing location • Conduct stressing • Mould containing stressed concrete is ready to be lifted to a spinning machine
	Concrete Stressing using Spinning Machine • Lift and place mould in spinning machine • Turn on spinning machine following the defined sequence • Lift mould to steam tub/maintenance location
	Concrete maintenance using Steam • Put and stack moulds in the steam tub • Secure steam tub's cover • Monitor the temperature in steam tub at certain temperature and duration • Open steam tub's cover
	Removal of Concrete Product • Lift and put mould on the trolley/trostell • Remove product from the mould • Codify products • Products are ready to be placed in stock yard
	Product stacking • Lift product from the trolley at the lifting point • Place the product on its strut in accordance with the product's length and type (stacking process is based on the Work Health and Safety Rules)

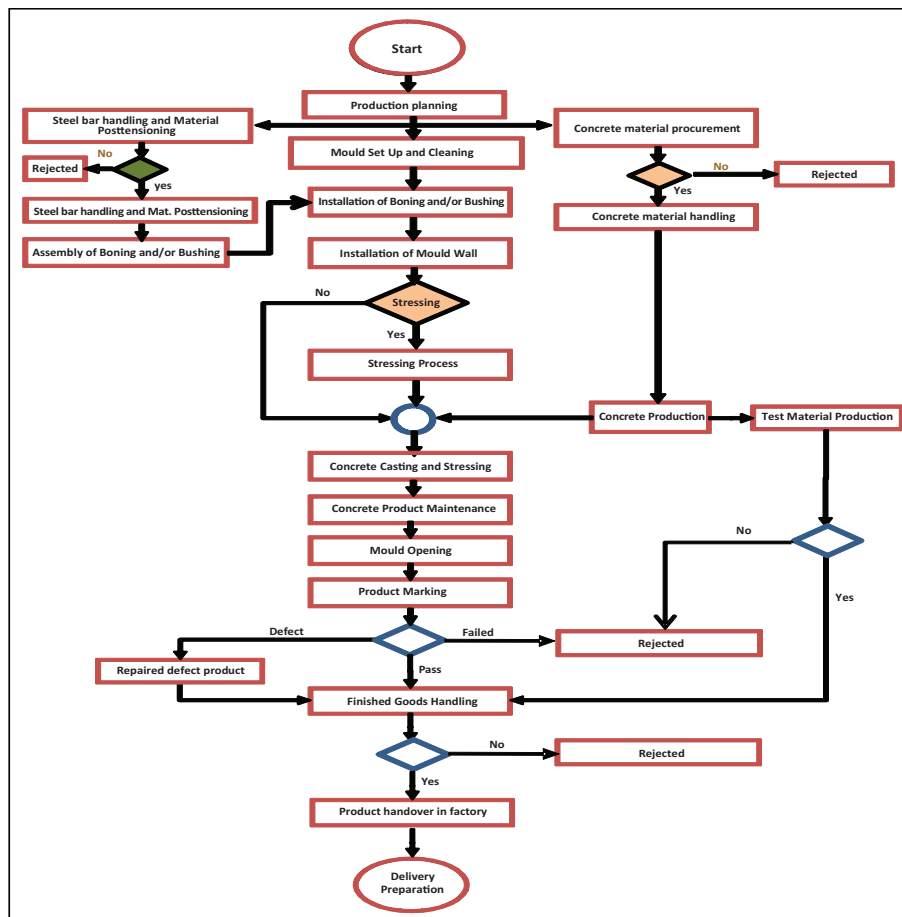
2. Non-Spun Concrete Production Process

The process to produce pre-cast concrete through distributing and stressing using vibrators (external and/or internal vibrator).

The Company's products produced using the non-spun concrete production process are as follows:

- PC Piles
 - Massive Square Concrete Piles
 - Triangular Piles
- Bridge Concrete
 - Girder (I Girder, U Girder, V Girder, T Girder, Box Girder)
 - Voided Slab
 - Double Tee
- Railway Sleepers
 - Railway sleepers (KA-Clips, DE-Clips, Pandrol, E-Clips and Vossloch)
 - Lorry Sleepers
- Retaining walls
 - Corrugated Concrete Sheet Pile ("CCSP")
 - Flat Concrete Sheet Pile ("FCSP")
- Marine Structure Concrete Product
 - Breakwater (Tetrapod, A-Jack)
 - Jetty components
- Building and Housing Concrete Product
 - Pre-cast Walls
 - Hollow Core Slab
 - Concrete Slab, Columns, Slab, Stair

Non-spun Concrete Process:



Work Sequence

Process	Work Sequence
 	Mould Set Up and Cleaning Set up and clean mould in accordance with the type to be produced.
 	Assembly of Boning and/or Bushing • Produce boning assemblies and or place bushing in position • Place boning assemblies and/or position bushing on mould bed
	Installation of Boning and/or Bushing • Place boning assemblies and/or position bushing on mould bed

Process	Work Sequence
 	Installation of Mould Wall Place and arrange mould wall on mould bed
 	Concrete Casting and Stressing - Pour concrete mix to mould - Stress with internal and/or external vibrator - Clean mould from excess concrete
	Concrete Product Maintenance - Cover mould with tarp - Open steam outlet - Close steam outlet after sufficient time - Remove tarp from mould

Process	Work Sequence
	Mould Opening • Open mould accessories • Release pre-stressed steel for pre-tension • Open mould and end plate
	Product Marking • Mark product
	Finished Goods Handling • Secure wood platform on the bottom of the stack • Lift product to stock yard/stacking location using portal crane • Place product resting on the wood platform

The Company is committed to produce only high-quality products in accordance with the specifications and standards agreed with the customers. Therefore, the Company will not tolerate any defective products or products that do not pass the quality control to be forwarded or to be destroyed to its customers. Defected or rejected products (if any), will be identified and stored in a specific location in accordance with specified procedures.

Raw Material Management

To guarantee high quality products, the Company continuously implements prudent principles in the selection and procurement of raw materials and other operational support elements. The vendor selection consists of several phases, including inviting several vendors and verifying the offers received prior to inspecting process of the raw material sample offered. Vendor selection should be accompanied by consideration on performance and consistency in terms of delivery to the factory in addition to the raw material price and quality. Vendors that have fulfilled the Company's requirements will be included in the Qualified Vendor Register (*Daftar Vendor Mampu*, "DVM").

Technical requirements for the major raw materials used by the Company in the production process are as follows:

1. Natural Materials Raw Material (Sand and Split Rock)
Regulations concerning these natural materials are stipulated in the Indonesia Concrete Regulation (*Peraturan Beton Indonesia*, PBI 1971).
2. Pre-stressed Concrete Wire Raw Material
 - a. Prestressed Concrete Wire ("PC Wire")
 - SNI 1155 : 2011
 - JIS G 3536-99, SWPD 1
 - b. Prestressed Concrete Bar ("PC Bar")
 - SNI 7701 : 2011
 - JIS G 3137-99 ; Grade D Class 1 ; SBPDL 1275 / 1420
 - c. Prestressed Concrete Strand ("PC Strand")
 - SNI 1154 : 2011
 - JIS G 3536, SWPR7BL / ASTM A 416-90 A Grade 270, Low Relaxation
 - d. Spiral Wire
 - JIS G 3532, G 3505 Low Carbon Steel Wire
3. Steel Bar Raw Material
Regulations regarding steel bar raw material are stipulated in the Indonesia National Standard (*Standar Nasional Indonesia*, SNI 07-2052)
4. Cement Raw Material Bahan Baku Semen
Regulations regarding cement raw material are stipulated in the Indonesia National Standard (*Standar Nasional Indonesia*, SNI 15-2049-2004)
5. Concrete Admixtures Raw Material
Regulations concerning concrete admixtures raw material are stipulated in ASTM C-494.

Based on the Audit on TKDN (Local Content Percentage) conducted by PT Surveyor Indonesia (Persero), the Local Content Percentage of the Company's products reached approximately 80%.

In fulfilling its raw material requirements for production, the Company complies with the Standard Operating Procedures, which refer to ISO 9000/2008 standard to guarantee an optimum balance between quality and price. In the event that the Company requires raw materials that can be provided by WIKA Group, such requirements will be met by WIKA Group with due consideration to the fairness of the transactions.

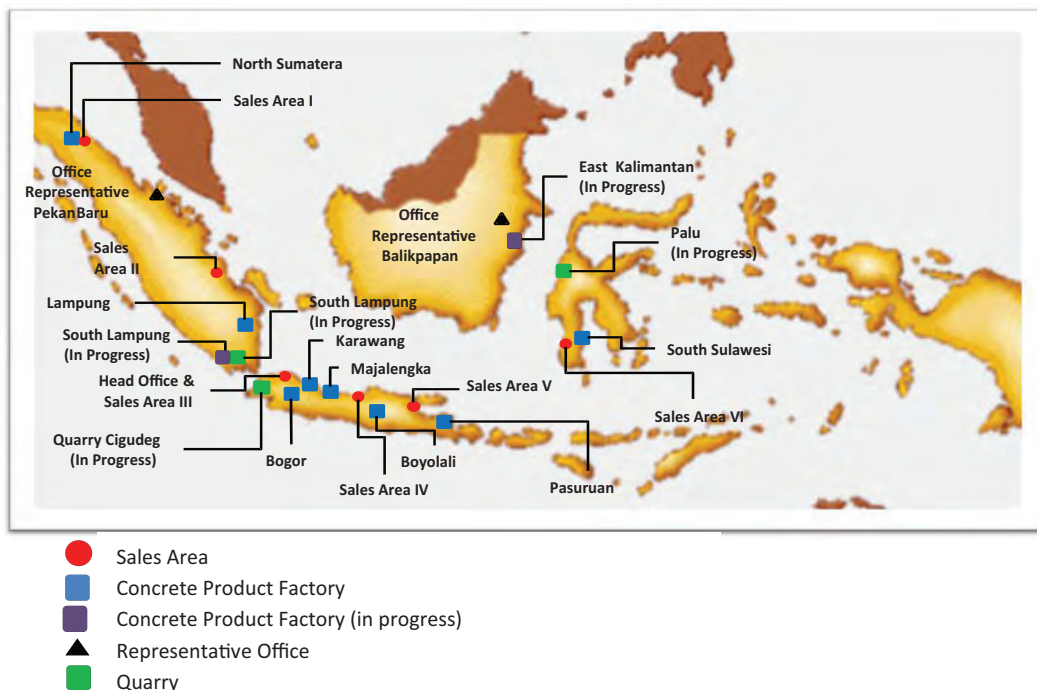
The Company adheres to the policy of a minimum stock of raw material available in each of its existing factories. The storage of raw materials is regulated by the Standard Operating Procedures based on the level of durability, safety and nature of the raw materials.

D. MARKETING AND SALES

• Sales Area and Representative Office

The Company is the largest pre-cast concrete producer in Indonesia, which currently has 8 (eight) factories, 6 (six) sales location and 2 (two) sales representative offices located in different areas. All of which are integrated and comprehensively synergized to ensure customer satisfaction through high product quality, punctual delivery and competitive price. In recognition of its product quality and services, the Company received the ISO 9001:2008 quality management system certificate. Currently, the Company is completing the constructions of several new factories and will continue to expand its business in accordance with market requirements.

To support the growth demand, the Company also owns 3 (three) natural material quarries to ensure the quality of natural material and reduce its dependence on to other parties in meeting the basic material requirements.



The Company's sales areas are set below:

No.	Sales Area	Office Location	Operational Area
1.	I	Medan	Nangroe Aceh Darusalam, North Sumatera, Riau, Riau Islands, West Sumatera
2.	II	Palembang	South Sumatera, Jambi, Bangka Belitung, Bengkulu, Lampung
3.	III	Jakarta	DKI Jakarta, Jawa Barat, Banten, West Kalimantan
4.	IV	Semarang	Central Java, DIY Yogyakarta, South Kalimantan, Central Kalimantan
5.	V	Surabaya	East Java, Bali, Nusa Tenggara Barat, Nusa Tenggara Timur, East Kalimantan
6.	VI	Makassar	Sulawesi, Maluku & Papua Islands

The 6 (six) Sales Areas are supported by 2 (two) Representative Offices as follows:

- Pekanbaru Representative Office, under the coordination of Sales Area I
- Balikpapan Representative Office, under the coordination of Sales Area V

The 2 (two) Representative Offices referred to above are intended to be independent Sales Areas.

Details of the Company's sales during the past 5 (five) years are as follows:

(in millions of Rupiah)

Product	2009	2010	2011	2012	2013
PC Poles	56,156	63,094	264,559	241,829	242,471
PC Piles	834,386	868,044	911,040	1,142,032	1,356,404
Railway Sleepers	193,295	96,959	118,717	82,154	321,377
Bridge Concrete	103,400	182,537	150,465	240,381	345,758
Retaining Wall Concrete	214,996	181,635	116,759	214,613	185,761
Building Structure Concrete	-	-	-	-	24,728
Hydro Structure Concrete	-	2,959	1,778	15,104	10,461
Other Structure Concrete	10,201	1,821	56,332	81,126	134,803
Service	3,748	33,381	15,432	13,355	21,957
Total Sales	1,416,182	1,430,435	1,635,086	2,030,596	2,643,724

The Company's mechanisms for product sales are as follows:

1. *Public Tender*

The process of securing projects through tenders attended by more than 2 (two) contestants. Information regarding tender for works are obtained from the mass media and invitations from the employers. In general, tender winner is selected based on the technical aspects, timeliness of submission and pricing aspects.

2. *Active product marketing*

The process of securing projects by direct marketing to customers during the design process. Generally, this process is applicable to customer in the private markets that have good relationships with the Company.

3. *Assist re-design efforts*

The process of securing projects by modifying the initial design as required by project owner. Re-design efforts always strives to achieve better economic value, delivery time and end-product quality.

The Company assigned Sales Area II as the coordinator of the overseas sales activities. The Company's marketing activities are as follows:

1. Coordinate with WIKA to obtain initial information on projects.
2. Introduce all products produced by the Company to the Company's existing foreign corporate customers.
3. Obtain information from Indonesia's trade attaché in foreign countries.

The Company's overseas projects are, among others, as follows:

1) Project Access Facility Liquid Natural Gas ("LNG")

- Project Location : Barrow Island, Australia
- Project Owner : Chevron (Australia)
- Buyer : Saipem, SA (Perancis)
- Product type : Slab of Steel Truss Jetty
- Year of completion : 2011 – 2013 (within 1 contract)

2) PC Piles and Poles Procurement Project

- Project Location : Dili, Timor Leste
- Project Owner : Timor Leste Government
- Buyer : PT Hutama Karya and PT Wijaya Karya (Persero), Tbk.
- Product type : PC Piles and Poles
- Year of completion : 2011 – 2013 (more than 3 contracts)

E. COMPETITIVE ADVANTAGES

In general, the Company's competitive advantages are reflected in the MARS survey result in December 2013, which demonstrated a market share of approximately 43% (forty three percent) with a potential to increase. In conducting its business activities, the Company has competitive advantages over its competitors, particularly in the pre-cast concrete industry, among others, as follows:

- *Has a brand image of high quality products*
With consistent product quality and the continuous quality improvement, the Company has a brand image of high-quality products, and accordingly is able to guarantee customer satisfaction in the use of the Company's product. In recognition, the International ISO Convention in Geneva sets the Company as the role model for companies that consistently implements the international standards on their products.
- *Proven reputation and experience more than 30 years in pre-cast concrete industry*
The Company entered the pre-cast concrete industry since 1978, starting with producing electrical poles in its initial production and is currently capable of producing other pre-cast concrete products. The Company's history of over 35 (thirty five) years in the pre-cast concrete industry has provided the Company with the reputation as a company that is capable of providing solutions to its customers in the pre-cast concrete industry. Supported by the Company's experience, the customers are confident and satisfied in using the Company's products to complete their projects.
- *Engineering support capability to client in product design and installation, resulting in customer satisfaction.*
The Company is capable of providing engineering support service to its customers, starting from construction design as well as products, which provides added value to its customers.
- *Owns the production facility distribution and marketing network in Indonesia.*
The Company's factories and marketing offices locations are situated in areas with high economic growth potential, which brings the Company closer to its customers and streamline distribution cost. Strong marketing network with marketing and representatives distributed across Indonesia provides added value in terms of speed and responsiveness to meet customer expectations.
- *Employs qualified human resources*
More than 50% of employee atau worker are experienced and competent technical employees in the productive age. The Company believes in its capability to invent new products innovation and to demonstrate trust and commitment by fulfilling customer needs and satisfaction.
- *Customer's loyalty to the Company*
The Company's customers are recurring customers that continuously purchase pre-cast concrete products produced by the Company. Based on the Company's rates history, recurring customers comprise ±65-75% of the total customers in the last 3 (three) years, the remaining consists of new customers.
- *Sound financial management*
Has good financial structure with a low leverage ratio, resulting in low funding cost and high profit margin and the ability to conveniently obtain funding sources when required. The net gearing ratio in the end of 2013 was estimated to be ±0.74x (interest bearing liabilities compared to total equity).

- *Significant production capacity for pre-cast concrete in South East Asia*
The Company has a relatively larger production capacity compared to its competitors, therefore the Company benefits from the economies of scale and its diversified products to anticipate fluctuating demand volatility and to fulfill custom orders.
- *Has the diversified product lines in the industry.*
The Company has developed a wide variation of products and is able to customize products in accordance with customer needs to efficiently complete building constructions that are efficient and durable with distinctive specifications.
- *Product superiority and technology mastery that enable continuous innovation.*
The Company consistently leads in continuous pre-cast concrete new product innovations, such as PC piles with a diameter of more than 1,200 (one thousand two hundred) millimeters with more than 25 (twenty five) meter in lengths. Industry and oil and gas pre-cast components require high-quality concrete and great precision. The Company is capable in designing and producing long span pre-cast concrete girder with optimum aesthetics and efficiency.
- *Agility in service provision and work execution*
Supported by modern factory infrastructures throughout Indonesia and competent human resources, the Company is able to provide efficient services and work execution as expected by customers.
- *The Company has implemented the following Management System:*
 - ISO 9001 Management System
The Company has implemented ISO 9001 Management System in 1995 and the implementation of such management system is audited every 6 (six) months by an independent institution, which, according to the Company's records, never resulted in any major findings (all of the Company's activities are conducted in accordance with quality management).
 - Work Health and Safety Management System (*Sistem Manajemen Keselamatan dan Kesehatan Kerja, "SMK3"*)
The Company has received acknowledgement on SMK3 based work activities management based on from an independent institution that is competent in SMK3 certificate issuance since 1999. To date, the Company has received 8 (eight) SKM3 implementation awards in the form of gold flags from the Government of Indonesia.
 - Risk Management System that adopted COSO system ("Committee of Sponsoring Organization").
In managing business risks, the Company implements risk management for all lines of business in order to minimize any business risks that may arise and optimize business opportunities that are present. The Company decides to use COSO system as the reference for risk management implementation.

F. COMPANY'S STRATEGIES

Similar to other industries, the Company, in conducting its business activities, cannot avoid from business competition with competitors that have similar business activities.

In an efforts to win competition, the Company implements the following strategies:

1. Upgrade the factories' rated capacity through intensification and extensification in the form of a new factory development and adoption of new technologies that will increase production capacity;
2. Cooperation through strategic partner to expand marketing network;
3. Improve human resources competency in concrete product development through cooperation with notable institutions and educational institutions in Indonesia as well as overseas institutions;
4. Acquire companies situated in strategic locations that are equipped with infrastructures facilities to support Regional market development in South East Asia;

5. Conduct research and new product development with regard to pre-cast concrete with high technological content and reinforce existing products such as pc piles, poles and girder in order to increase market share;
6. Build new factory facilities completed with jetties that are supported by natural material resources that are independently managed by the Company;
7. The Company continuously commits in order to deliver high-quality products that meets contract specifications through continuous implementation of quality management system;
8. Develop a business approach that focuses on market development, customer satisfaction and good relationships with customers.
9. Strengthens the supply-chain to ensure availability of raw materials and other supporting materials through acquisition or investments in suppliers.
10. Develop erection and pre-stressing services in order to strengthen market position and to complement existing and new products.

G. BUSINESS COMPETITION

The pre-cast concrete market is highly affected by reputation and references from parties related to the projects. To date, the Company is a producer with the best reputation and comes right out the top of the minds of project owners, contractors, consultants and the world of education (source: MARS Survey, December 2013). This is further supported by the Company's 8 (eight) factories, 6 (six) sales areas and 2 (two) representative offices that are located in various areas, thus making it difficult for its competitors to overtake the Company's position as the market leader. Furthermore, it is believed that the Company will increase its market share in pre-cast concrete.

1. Number and Data of Direct Competitors in Indonesia

Based on the criteria of pre-cast concrete products produced by the Company, the number of direct competitors in the industry is 17 (seventeen) companies, with the following 5 (five) pre-cast concrete producers as the closest competitors, namely, PT Adhimix Precast, PT Jaya Beton, PT Hume Sakti Indonesia, PT JKH Saeti Indonesia and PT Dusaspun.

2. Competitors Capability

The 17 (seventeen) companies that are similar to the Company each owns 1 (one) factory on average, whereas the 5 (five) companies that are the closest competitors of the Company each owns 2 (two) factories and the largest competitor owns 4 (four) factories. In terms of product variety, none of the competitors are capable to surpass the Company's capability in producing varied product types.

3. Strategy to Surpass Competitors

The currently existing competitors are not integrated and rely on their individual factory capacity to meet the market demand. Whereas the Company has greater capacity and each factory is synergized with other factories, in particular for mould resources. In this regard, competitors are facing difficulties to invest in mould maintenance.

The nature of the pre-cast concrete products is weighted gaining, where production result is heavier than its component materials rendering transportation as the key element in competition. Currently, factory locations are situated closer to the market compared to that of competitors, therefore transportation cost is naturally lower and its delivery schedule is more certain.

According to the MARS survey, as of December 2013, the pre-cast concrete market is highly affected by reputation and references from parties related to the projects. Whereas to date, the Company is a producer with the best reputation and comes right out the top of the minds of project owners, contractors, consultants and the world of education

The Company concentrates on pre-cast concrete products with high engineering value, where the Company possesses competent and experienced human resources and production infrastructures.

The Company utilizes its sales outlets that are distributed in 6 (six) sales areas and 2 (two) representative offices to obtain early market information, to facilitate communication with market players and to command marketing support resources. The Company also harnesses WIKABETON's position as the largest contractor in Indonesia as well as the Company's parent company in order to form synergized cooperation in managing the market.

Taking into account the above factors, the Company will implement the following strategies:

- Form strategic alliances with SOEs with regard to concrete products procurement;
- Build marketing network with potential sales outlets (SOEs, Private Companies, and others);
- Conduct synergized market management with WIKABETON Group;
- Deepen market penetration, and focus on projects requiring high capacity and quality and projects with high reference value.
- Implement an effective and efficient marketing system;
- Enter potential markets in South East Asia.

Through the management of business competitions described above, it is believed that the Company will remain as the market leader as well as trendsetter in the pre-cast concrete industry.

H. THE COMPANY'S BUSINESS PROSPECTS AND POSITIONING

Currently, the Company dominates the pre-cast concrete market by approximately 43% (forty three percent) as described in point E (Competitive Advantages) referred to above and with regard to the results of survey conducted by MARS in December 2013, the Company's positionings, among others, are as follows:

1. Owns a very strong image as a pre-cast concrete producer;
2. Produces high-quality products;
3. A good and a reliable work partner;
4. Owns widely distributed factories and sales outlets that are close to the market;
5. Supported by adequate, competent and experienced experts.

The following information is based on the industry data set forth in Chapter X Concrete Industry in Indonesia:

- The construction services sector grew by 7.5% (BPS data with regard to Indonesia's GDP 2012);
- MP3EI's spirit to expedite infrastructure development targets that is reflected in the government's revisions on 41 (forty one) regulations to attract private sectors' investment appetite in MP3EI projects.
- Developments in sectors other than infrastructures, which include construction of buildings, industrial structures (factory) and other non-infrastructure buildings, are expected to grow.

Based on the Company's positioning and industry data referred to above, the Company has a very promising business prospects and the Company continues to maintain its position as a high-quality pre-cast concrete producer, market leader and market trendsetter by upgrading its production capacity using the latest product technology in strategic locations and guaranteeing the availability of the supply of natural materials.

I. QUALITY CONTROL

In carrying out its business activities, the Company implements a quality management system, which consists of ISO management system, K3 management system, risk management system and equipment management system. In implementing the management systems referred to above, the Company consistently conducts periodical audits, both internal and external by independent parties.

In addition, the Company also cultivates a continuous quality improvement culture through the improvement of Standard Operating Procedure and work instructions based on comments from employees and the Company's research results. Through the implementation of the standard operating procedures in each lines of business, the Company received acknowledgement from the ISO International Agency in Geneva, which sets the Company as the role model for companies that consistently implements standards to achieve economic benefits (captured in the book "Economic Benefits of Standards – International Case Studies," published in 2011 by the International Organization for Standardization).

J. RESEARCH AND DEVELOPMENT

Innovation, as one of the Company's corporate values will support the Company in achieving its vision to become the Best Company in the Pre-Cast Concrete Industry. With innovation, the Company will remain ahead in leading the product developments in Indonesia's pre-cast concrete industry.

The types of research developed by the Company in general are as follows:

a. Concrete material research

Concrete is made of materials such as cement, sand and gravels and other admixtures such as:

- Admixtures which serves to improve or enhance mechanical properties to make the concrete stronger, more compact, more impermeable, lighter, and more pliant.
- Admixtures which serves to improve or enhance the performance in concrete production, for example: improving workability, controlling setting time (accelerator and retarder), and controlling slump loss.

Several material researches that are currently underway are as follows:

- Development of the naphthalene type admixture in liquefied powder form to improve efficiency.
- Implementation of an admixture to eliminate the role of steam for concrete maintenance (non-steam concrete).
- The use of an accelerator that does not corrode iron bars.
- Development of light-weight concrete with smaller specific gravity compared to normal concrete through the use of foam.
- Research on reactive powder concrete for high performance concrete.

b. New product developments

New products/systems developed with the aim to improve the Company's competitiveness. Some of the new products have been patented and registered for patent at the Directorate General of Intellectual Property Rights – Ministry of Law and Human Rights of the Republic of Indonesia. Developments are conducted based on market demand or feasibility study of the relevant products.

Products that have been developed are set out below:

No.	Product Type	Description	Picture
1	Railway crossing	A crossing system between roads and railways. Made of pre-cast concrete components that are assembled and installed on site.	
2	Double-T Girder for steel frame bridge	• Floor plate strengthened by 2 (two) elongated beam. • Used for steel frame bridges flooring system as a replacement for cast-in-site bridge floor. • Advantages : - Quick installation, therefore bridges can be immediately used. - Reduce impact on traffic - Concrete quality is maintained since there are no disruptions during casting.	

No.	Product Type	Description	Picture
3	Centrifugal Spun Square Piles	- Hollow square piles produced using the centrifugal method. - The centrifugal method increases piles density. - The existence of hollow lightens the piles, rendering the piles more effective in transportation and selection of stake tool.	
4	Post casting dead-end anchorage system on post-tensioned pre-stressed system.	- Dead-end anchorage system on pre-stressed tendon on pre-tensioned system normally uses non-segmental pre-stressed beams. - Segmental pre-stressed beams uses 2 (two) live-end anchorage on both ends. - To save the use of anchorage blocks on segmental beam, a live-end anchorage is used on one end and dead-end anchorage is used for the other end.	
5	Pre-cast flooring system for steel or composite concrete bridge.	- Floor plates are manufactured in the factory and sent to the location to be installed on concrete or steel girder. - Advantages: - Quick installation, therefore bridges can be immediately used. - Reduce impact on traffic - Concrete quality is maintained since there are no disruptions during casting.	 
6	Wet joint hollow piles	2 (two) hollow cylinder piles are joined with one another using cast-in-site concrete - The joint does not require joint plate. - The link is simpler	
7	800 mm-1200 mm piles	- Large diametered piles manufactured to meet foundations for jetties, bridges, ports and projects requiring deep foundations with higher rigidity. - The advantage is it minimizes the number of stake point compared to small diameter.	
8	Segmental Post-tensioned piles (Pre-stressed Concrete Cylinder Piles, 800 – 2,000 mm diameter).	- Foundation piles manufactured by assembling segments joined using post-tensioned. - The advantage: can be made in large diameter and are easy to transport as it is made of segments that are assembled on the site.	

No.	Product Type	Description	Picture
9	Railway sleepers for switch/turn out.	As substitutes for wood railway sleepers.	
10	Tidal Control Structure	- Manufactured as substitutes for tidal control structure constructed on site. - Easy installation since it is made of light-weight concrete	

The range of cost incurred by the Company with regard to new products research and developments in the previous year was approximately Rp1,407 million.

c. Structure Research and Testing

The purpose of structure research and testing are:

- To test calculation analysis result
- To prove theoretical analysis
- To search for effective and efficient system for new product/method developments.

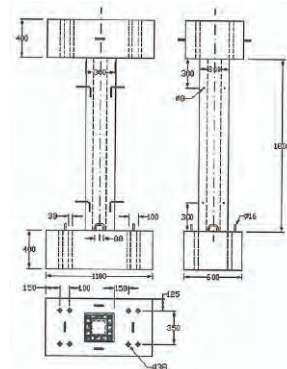
Presented below are several researches carried out by the Company:

No.	Research Type	Picture
1	Research on the impact of steel fibers to circular cross section torque capacity	
2	Research on torque on hollow cylinder piles	
3	Research on Spiral and Auxiliary Steel Bars Capacity on Pile Head – Prestressed Concrete Spun Piles	

No.	Research Type	Picture
4	Research on the impact of preboring on piles to bearing friction capacity.	
5	Research on Double-T plate performance	
6	Research on segmental pile (cylinder pile) capacity	
7	Research on the performance of post-casting dead-end anchorage on beams	
8	Research on the performance of lighting poles foundation on soft grounds	

The Company cooperates with notable universities in Indonesia to develop high quality concrete and construction techniques using pre-cast concrete components. Several universities in cooperation with the Company are, among others: Institut Teknologi Bandung (ITB), Institut Teknologi 10 November Surabaya (ITS) and Universitas Parahyangan Bandung (Unpar). These cooperations are also scholarships for students pursuing their doctor of philosophy degree.

Several joint researches that have been and are being carried out are set below:

No.	Partnering University	Research Topic/Title	
1	ITS Surabaya	Research on the Capacity of <i>Auxiliary Steel Bars + Spiral pada Pile Head – Prestressed Concrete Spun Piles</i> (Phase 1)	
2	ITS Surabaya	Research on the Capacity of <i>Auxiliary Steel Bars + Spiral pada Pile Head – Prestressed Concrete Spun Piles</i> (Phase 2)	
3	ITS Surabaya	Design of Beam to Pre-cast Reinforced Concrete SMRF Column Connection for Medium –Rise Building Rapid Construction	
4	ITS Surabaya	Ductility of Pre-tensioned Concrete Beam Partial-Column Reinforced Concrete Joint Structure as a Model of Frame Structure of Multistory Building as a result of Lateral Earthquake Load.	
5	ITB Bandung	Performance Improvement of Reinforced Concrete Square Column/Piles using Reactive Powder Concrete as elements of Earthquake-Proof Bridge Structures.	

d. Production technology development

Production technologies are developed based on quality improvement methods which encompass the development of main equipment, supporting equipment and production methods with due consideration to Work Health, Safety and Environment factors.

Modernization of production equipment and ability to increase upgrades of existing production equipment carried out by the Company has proven the Company's production capacity and streamline production cost to remain competitive compared to similar companies.

K. SYNERGY WITH WIKA GROUP

In creating synergy with WIKA Group, each entity demonstrates their best abilities to achieve competitive advantages in all spectrums of the WIKA Group's businesses. Therefore, the Company cooperates with WIKA Group, either with WIKA or other Subsidiaries of WIKA.

Transactions that are commonly entered into, either with WIKA or other Subsidiaries of WIKA are, among others, as follows:

1. Operational cooperation, includes work execution, assets loans, product purchase and sale, human resources utilization among WIKA Group, utilization of production and office facilities, and establishment of joint cooperations (*Kerja Sama Operasi*, "KSO").
2. Funding cooperation, includes working capital loans and investment sharing.
3. Marketing cooperation, includes, in product designs and constructions, exchange of market information, joint exhibitions and promotions, and others.

L. ENVIRONMENTAL IMPACT ASSESSMENT (ANALISIS MENGENAI DAMPAK LINGKUNGAN, "AMDAL")

In conducting its business, the Company always considers the environmental impact aspects and strives to maintain environmental sustainability by adhering to the regulations issued by the Government, particularly regulations concerning the environment. As part of its responsibilities to environmental sustainability, the Company submits licensing in the form of environmental impact assessment (*Analisis mengenai Dampak Lingkungan*, "AMDAL") or Environment Managing Efforts (*Upaya Pengelolaan Lingkungan Hidup*, "UKL") and Environment Monitoring Efforts (*Pemantauan Lingkungan Hidup*, "UPL").

Environmental licenses obtained by the Company are as follows:

No.	Location	Approval on AMDL/UPL and UKL/DPPL Documents
1.	Sei Semayang Village, Sunggal District, Deli Serdang Regency, North Sumatra Province.	Decision of the Regional Environmental Impact Management Agency No. 660.P/1855/660.1/DS/2010 dated 27 December 2010 concerning Recommendation for the UKL-UPL Documents Revisions on the Pre-Cast Concrete Products Industrial Activities submitted by the Company, which stated that in principal, the UKL-UPL are technically approved.
2.	Bumi Agung Village, Tegineneng District, Pesawaran Regency, Lampung Province.	Letter of the Head of the Environmental Office of Pesawaran Regency No. 660/007/IV.08/AMDAL/RKP/2013 dated 13 March 2013, concerning the Recommendation the UKL-UPL of the Concrete Industry Activities.
3.	Jl. Raya Narogong Km.26, Kembang Kuning Village, Klapanunggal District, Bogor Regency, West Java Province.	Letter of the Head of Spatial Planning and Environment of Bogor Regency Office No. 660/337.B/PDL-DTRLH dated 24 May 2002, concerning Recommendation on UKL-UPL for Concrete Pre-Cast Industry.
4.	Jl. Surya Madya III Kav. 1-34, Surya Cipta Industrial Zone, Kutaneegara Village, Ciampel District, Karawang Regency, West Java Province.	Letter of the Head of Karawang Regency Environmental Management Agency No. 660.1/45.6/BPLH dated 21 February 2012, concerning Ratification of Environment Managing Efforts Document and Environment Monitoring Efforts Document, which ratifies the Environment Managing Efforts Document and Environment Monitoring Efforts Document for cement based goods industry.
5.	Jl. Raya Burujul Kulon, Jatiwangi Sub-district, Kec. Jatiwangi, Majalengka Regency, West Java Province.	Letter of the Head of Majalengka Regency Environmental Agency No. 4/XII/KLH/2008 dated 24 December 2008, concerning Recommendation on UKL-UPL for Pre-cast Concrete Factory Activities by the Company in Majalengka.

No.	Location	Approval on AMDL/UPL and UKL/DPPL Documents
6.	Jl. Raya Kejaman No. 323, Gempol Pasuruan, East Java Province.	Letter of the Head of Pasuruan Regency Environmental Agency No. 667/1276/424.075/2011 dated 28 September 2011 jo No. 666/1568/424.086/2006 dated 14 December 2004, concerning Recommendation on UKL-UPL for Pre-cast Concrete Factory Activities by the Company in Pasuruan.
7.	Jl. Raya Boyolali, Solo KM. 03, Mojosongo Village, Mojosongo District, Boyolali Regency, Central Java Province.	Letter of the Head of Boyolali Regency Environmental Agency No. 660.1/832/25/2010 dated 22 October 2010, concerning Recommendation on UKL-UPL for Concrete Factory Activities by the Company in Boyolali.
8.	Jl. Kima Raya Kav. S/4-5-6, Makassar, South Sulawesi Province.	Decision of the Head of Bapedalda Makassar City No. 660.1/B/05/Kep/III/2003 concerning Approval of Environment Managing Efforts (UKL) and Environment Monitoring Efforts (UPL) for the Company's Concrete Production Factory.

The Company's policy is to become an environmentally friendly company. On a periodical basis, the Company, jointly with PT Sucofindo (Persero), conducts external audit on Work Safety Management System, which includes the management of waste produced by the Company. To date, the Company produces liquid wastes that are treated to be re-used or disposed at designated locations. As for solid wastes, the Company cooperates with the local communities to utilize the solid wastes as landfill and/or for community roadworks. Whereas dust wastes are continuously maintained at the level below the threshold of BAPEDAL (Environmental Impact Management Body) and are eliminated through afforestation and planting of trees in the areas surrounding the Company's factories.

M. GOOD CORPORATE GOVERNANCE

"In implementing GCG principles, the Company's management and employees refer to 5 (five) basic principles, i.e., transparency, accountability, responsibility, independence and fairness."

GCG Commitment

The Company continuously implements Good Corporate Governance ("GCG") principles in conducting its business. The Company believes that good corporate governance will increase the value of shareholders and other stakeholders. In addition, its management is also aware that good corporate governance will guarantee the Company's sustainable growth. Therefore, its management is fully committed to cultivate corporate values that are in line with the GCG principles and implements the values in all activities and operations. The GCG principles developed and implemented in the Company refers to UUPT concerning Limited Liability Company, the GCG General Guidance in Indonesia, issued by the National Committee of Governance Policies and the prevailing guidance and practices in the Company, i.e., Wika Beton Good Corporate Governance Code of Conduct.

GCG Principles

The Limited Liability Company law requires the Company to implement Good Corporate Governance principles, but the Company believes that good corporate governance is more than just adhering to laws and regulations. GCG is based on the highest ethical standards and is one of the absolute requirements for the sustainable growth of the Company's business. In implementing the GCG principles, the Company's management and employees refer to 5 (five) basic principles, i.e., transparency, accountability, responsibility, independence and fairness.

1. Transparency

The Company continuously implements transparency and openness in providing relevant information regarding the Company to the public. In applying this principle, the Company continuously maintains the quality of financial and non-financial information provided to various stakeholders. The Company applies this transparency principle in, among others:

- Preparation and disclosure of the Company's Annual Working Plan and Budget;
- Annual Report;
- Periodical Financial Statements, which include annual, semi-annual and quarterly financial statements;
- Provide information to shareholders and other stakeholder.

2. Accountability

The Company implements the accountability principle by ensuring clear function, implementation and accountability of each unit and all members of the Company to ensure that the Company's is effectively managed. The accountability principles is conducted through, among others, clear separation of duties among the Company's units, including detailing the duties and authorities of General Meetings of Shareholders ("GMS"), the Board of Commissioners, the Board of Directors and the performance indicators.

3. Responsibility

The management defines responsibility as conformity in the Company's management to the prevailing laws and regulations and sound corporate principles. The Company is responsible to comply with the prevailing laws and regulations, including provisions related to manpower, taxation, business competition, environmental, work health and safety. The Company applies the responsibility principles by, among others:

- Adhering the provisions of Articles of Association and the prevailing laws and regulations;
- Fulfilling tax obligations in a proper and timely manner;
- Conducting corporate social responsibilities ("CSR");
- Fulfilling the information transparency obligation in accordance with the stipulated regulations.

4. Independency

The Company's Board of Directors and units are independent and work without intervention from the Shareholders and the Board of Commissioners. The management works professionally without any conflict of interests and influence or pressure from any parties that are not in line with the prevailing laws and sound corporate principles. To the Company, independence encourages professionalism and creativity in managing the Company. The management applies the independence principle in, among others:

- Mutual respects of the rights, obligations, duties, authorities and responsibilities of the Company's units;
- The Shareholders and the Board of Commissioners are not allowed to intervene in the Company's management;
- The Board of Commissioners, the Board of Directors and employees continuously avoid any conflict of interest in decision making;
- Activities of the Company that has any conflict of interest shall require prior approval from the Independent Shareholder(s) or their authorized representatives in the GMS as governed and shall comply with the regulations concerning conflict of interests;
- Implementation of policies and systems that minimize conflict of interests, such as the human resources, procurement and financial policies.

5. Fairness

The Company defines justice and fairness as equality in the fulfillment of stakeholders' rights that arises based on agreements or the prevailing laws and regulations. The Company and its units ensure that each stakeholder receives equal treatments in accordance with the prevailing laws and regulations. Management commits to treat each employee fairly and free of prejudice that may arise due to difference in ethnicity, religion, background, gender or other matters unrelated to performance. The fairness principle is implemented by, among others:

- Shareholders have the right to attend and cast votes in the GMS in accordance with the prevailing stipulations;
- The Company treats all partners with fair and transparent manner;
- The Company provides a good and in a safe working environment to all employees in accordance with the Company's ability and the prevailing laws and regulations.

The concept of Good Corporate Governance ("GCG") principles in the Company is based on the commitment to create a transparent, accountable and reliable Company through accountable business management. The implementation of GCG practices is an important step for the Company to increase and maximize the Company's value, encourage professional, transparent and efficient management of the Company by improving the transparency, accountability, reliability, responsibility and fairness principles in order to meet its obligations to Shareholders, Board of Commissioners, business partners and stakeholders. Furthermore, the Board of Commissioners, the Board of Directors, management and employees are committed to implement GCG practices in the management of the Company's business. The Company's awareness on the importance of GCG reflects the willingness to uphold integrity in conducting a healthy sustainable business.

For the Company, the commitment to implementation of these instruments not only represents its obligation to comply with the prevailing regulations but it is believed to be the key to success in achieving an effective, efficient and sustainable business performance that is vital to win market competition. In 2011, as a part of the implementation of the Company's policies transformation in GCG, the Company has redesigned its processes to conform with the changes in the Company's business. Its implementation even became a part of the Company's culture that is reflected in the daily manners and conduct, not only in the Board of Commissioners, Board of Directors and management level but also in the employee level to create harmony in order to achieve the Company's vision, mission and objectives that will protect the interests of Shareholders and stakeholders in the long term. The Company also communicates and conducts socialization, trainings and maps the accountability and responsibility to ensure each employee know and understands his/her duties, functions and responsibilities in accordance with the changes in the Company's business and organization. In addition, the Company is obligated to comply with the regulations and uphold the policies and values contained in the Company's governance practices. Consistencies in implementation refer to the best international practices and the Indonesia's Implementation Guidelines of Corporate Governance issued by the National Committee of Governance Policies (*Komite Nasional Kebijakan Governance*, "KNKG") in Indonesia. The Company is highly committed to the implementation of GCG, among others:

- The Company is responsible for the conduct and maintenance of adequate internal control on financial statements to ensure the reliability of the Company's financial reporting and preparation of issuance of financial statements that are in conformity with PSAK. To date, the Company has committed to conduct comprehensive reviews and audits to ensure effective and integrated design and implementation of IFRS Convergence in the Company's financial statements.
- The Company's management is responsible for the establishment, maintenance and evaluation on the effectiveness of procedures and controls concerning disclosures to ensure compatibility of information disclosed in the Financial Statements are recorded, processed, summarized and reported in the available period to be accumulated and communicated to the Company's management, including the President Director and Finance Director, for the interest of decision making related to the required disclosure.

Over time, the Company strives to continuously improve the quality of GCG practices through continuous improvement in the GCG structure and processes and ensuring that the GCG principles implementation that are integrated with the Company's culture through improvement of roles and responsibilities both in the Board of Commissioners, Board of Directors, Manager level and employees that are better and more effective, and continuously strives to improve the governance quality, particularly those related to the Company's communication and disclosure process, performance measurement and accountability and the Company's audit management (both internal and external audit). The Company's determination to implement GCG is contained in the framework set in accordance with the GCG implementation policies, i.e., Decision of the Board of Directors. Integrated within the framework are several management systems that serve as prerequisite or inseparable part of the GCG implementation in the Company, none other than to guarantee and ensure that the GCG is properly implemented.

Framework of Good Corporate Governance

Effective GCG is implemented up to the operational level, i.e, internal and external transactions conducted in accordance with ethical conduct and the Company's good and proper corporate governance practices. The management system referred to by the Company consists of 4 (four) main pillars considered as the foundation for the strong GCG implementation in the Company. The four pillars consist of:

- Implementation of business ethics that contains the Company's corporate culture that is annually communicated to employees and which employees' comprehensions are surveyed;
- Management of work policies and procedures that is effective or in line with business requirement, as the Company's management guidelines and employees' work guidelines;
- Implementation of comprehensive risk management based on COSO Enterprises Risk Management;
- Internal monitoring and implementation of internal controls that are based on COSO Internal Control, particularly internal controls over financial reporting.

In addition to the 4 (four) main pillars referred to above, the Company presupposes the strengthening of other organizational elements that the Company considers paramount to achieve good GCG actual practices at entity and transactional level, which are:

- Effective leadership, where each leader must be the role model for his/her subordinates and work environment;
- Clarity of duties and responsibilities of each working unit and employee to ensure work accountability and ensure the implementation of segregation of duties to prevent potential fraud;
- Empowerment of human resources skills and competence to ensure each employee and working unit possesses the necessary skills to conduct their duties professionally;
- Implementation of integrated performance management for the organization, unit and employees to ensure the measurement of achievement of the Company's performances/goals and accountability;
- Implementation of various individual, group and unit reward systems, i.e., incentives for the best achievements/performance, balanced by law enforcement on any violation.

In order to improve GCG implementation, the Company continuously improves structures and implements procedures and ensures the implementation of the transparency, accountability, responsibility, independence and fairness principles in all lines of the Company in order to minimize risk of conflict of interests in the conduct of duties, functions and responsibilities at the Company's Board of Commissioner, Board of Directors, Management and employees level.

Internally, GCG principal are contained in the framework set in accordance with the GCG implementation policies, i.e., Decision of the Board of Directors. Integrated within the framework are several management systems that serve as a prerequisite or an inseparable part of the GCG implementation in the Company, none other than to guarantee and ensure an effective GCG implementation up to the operational level, i.e., internal and external transactions conducted in accordance with ethical conduct and the Company's good and proper corporate governance practices. The Company evaluates the effectiveness of the GCG principles implementation on an annual basis. The evaluation is conducted independently and comprehensively to maintain integrity.

Over time, the Company continuously improves its good corporate governance implementation. The implementing frameworks are set out below:

- **General Meeting of Shareholders (“GMS”)**

Based on the Company’s Articles of Association, GMS in the Company consists of:

- a. Annual GMS, as defined in Article 12 of this Articles of Association;
- b. Other GMS, that hereinafter referred to in the Articles of Association as Extraordinary GMS, which is GMS conducted on a need basis.

Annual GMS is conducted every year, at the latest within 6 (six) months after the closing of the Company’s book. In the annual GMS:

- a. The Board of Directors shall submit the followings:
 - i. Annual Report to be approved by the GMS.
 - ii. Financial Statements to be ratified by the GMS.
- b. Appropriation of the Company’s net profit shall be decided
- c. Public Accountant shall be appointed
- d. If required, members of the Board of Commissioners and Board of Directors shall be appointed.
- e. Other matters proposed at the meeting in the prescribed manner according to the provisions of the Articles of Association.

Approval of the Annual Report and Ratification of the Financial Statements by Annual GMS, means will effect full release and discharge for the Board of Directors and Board of Commissioners of the management and supervisory duties undertaken during the previous fiscal year, provided that such performance of duties are reflected in the annual report/financial statements.

In the event that the Board of Directors or the Board of Commissioners fails to convene the Annual GMS as scheduled, 1 (one) Shareholder or more, which jointly represents 1/10 (one tenth) of the total shares with valid voting rights, has the right to call for Annual GMS at the Company’s expense, after obtaining the approval from the Head of District Court whose jurisdiction includes the Company’s domicile.

The Company has convened the Annual GMS concerning the Ratification of Annual Report and GMS concerning Annual Working Plan and Budget every year.

- **Relationship between the Board of Commissioners and the Board of Directors**

The Company’s Board of Commissioner and Board of Directors pay mutual respects on the conduct of duties, responsibilities and authorities of each party in accordance with the laws and regulation and articles of association. The Company’s Board of Commissioners and Board of Directors are equipped with a set of work guidance and rules that contain, among others, the responsibilities, obligation, authorities and rights of each party.

Board of Commissioners

Duties of Board of Commissioners:

- The Board of Commissioners shall perform supervision over the management policies in managing the Company and advise the Board of Directors.
- Approves and ratify the Company’s Long-term Plan and Working Plan and Budget prepared by the Board of Directors, in accordance with the provisions of the Articles of Association.

- The Board of Commissioners, jointly or individually, shall, at any time during office hours of the Company, be entitled to enter the building and the premises of the Company or other places used or controlled by the Company and be entitled to inspect all records and documents and the Company's assets in order to fulfill their obligations.
- The Board of Directors are obliged to provide explanations on all matters related to the Company as requested by the Board of Commissioners in order to carry out their duties.
- The Board of Commissioners may, at any time, under a resolution of the Board of Commissioners meeting, suspend one or more members of the Board of Directors from his/her position (their position) if such member(s) of the Board of Directors engage in actions which contradict the Articles of Association and/or the prevailing laws and regulations in insurance business and Capital Market.

Board of Commissioners' Meeting

A Board of Commissioners meeting may be convened at any time when considered necessary by the president commissioner or other members of the Board of Commissioners or upon request of the Board of Directors or upon request of 1 (one) or more shareholders which jointly represents 1/10 (one-tenth) of the total issued shares with valid voting rights.

The invitation of the Board of Commissioners meeting shall be made by the president commissioner or one of the members of the Board of Commissioners. Invitation to the Board of Commissioners meeting shall be delivered by using whatsoever means in writing and delivered directly to each member of the Board of Commissioners with adequate receipt, or by registered mail or courier services. Or by fax or telefax (in the event the invitation is delivered by fax or telefax, the invitation shall be reaffirmed by written invitation that is delivered directly or by registered mail as soon as possible), by at least 10 (ten) days and in the event of urgency by at least 5 (five) days before the meeting, excluding the date of invitation and the date of meeting.

The Board of Commissioners meeting shall be chaired by the president commissioner. In the event the president commissioner cannot attend or is unavailable, which shall not be required to be proven to any third parties, the meeting shall be chaired by a member of the Board of Commissioners appointed from among members who are present and/or are or represented in the Board of Commissioners meeting.

The Board of Commissioners meeting shall be valid and entitled to adopt binding resolutions if more than 1/2 (one-half) of the total members of the Board of Commissioners are present or represented at the meeting.

A resolution of the Board of Commissioners meeting shall be adopted by way of amicable discussion. If a resolution cannot be achieved through such a manner, a resolution shall be sought through voting based on approving votes of more than 1/2 (one-half) of the total votes validly cast at the meeting. If assenting votes are equal to the dissenting votes, the proposal is considered rejected.

The Board of Commissioners may also adopt valid resolutions without convening a Board of Commissioners meeting, provided that all members have been informed in writing and all incumbent members of the Board of Commissioners provide their approvals in writing and sign the resolution. A resolution adopted in such manner shall have the same binding powers as a resolution validly adopted at a Board of Commissioners meeting.

Board of Directors

According to the Company's Articles of Association, the Board of Directors shall legally and directly represent the Company within and outside the court in respect of all matters and in any events, to bind the Company to other parties and other parties to the Company, and to undertake any acts concerning management and ownership, subject to the restriction set forth in this Articles of Association and with due adherence to the laws and regulations prevailing in the Capital Market in Indonesia. Each member of the Board of Directors shall perform his/her duties for the interests of the Company in good faith and with full responsibility giving due regards to the prevailing laws and regulations.

The Company is managed and led by a Board of Directors, which the number of members is adjusted in accordance with the Company's needs, provided that the board consists of at least 2 (two) members, one of which shall be appointed as President Director, with due adherence to the provisions of laws and regulations prevailing in the Capital Market.

Persons who can be appointed as member of Board of Directors are individuals who fulfill the requirements set forth by the prevailing laws and regulations, has the capability in performing legal action, has never been declared bankrupt or has been a member of the Board of Directors or Board of Commissioners who was convicted for leading a Company to bankruptcy or was convicted due to criminal acts detrimental to the country's financial within 5 (five) years prior to his/her appointment.

Members of the Board of Directors are appointed and dismissed by a GMS, beginning from the date of the GMS effecting his/her (their) appointment up to the dismissed at the end of fifth annual GMS following his/her (their) appointment, with no diminution to the right of GMS to dismiss the members at any time by stating the reasons after presenting the opportunity to the respective member of Board of Directors to present his/her defense in the Meeting. Such dismissal of member of Board of Directors shall be effective as the closing of GMS or another date which has been determined in resolution of GMS. Subsequent to his/her term of office, a member of the Board of Directors may be reappointed by resolution of the GMS for one term of office.

Duties and authorities of the Board of Directors

Main duties of the Board of Directors are:

- a. Lead, manage and control the Company in accordance with the objective of the Company and at all time strive to improve the Company's efficiency and effectiveness.
- b. Maintain and manage the Company's assets.

In carrying out their duties, members of the Board of Directors are obliged to devote their power, thoughts, attention and dedication to achieve the Company's aims and objective. Each member of the Board of Directors is personally liable if he/she is guilty or fails to carry out his/her duties for the interest and business of the Company.

Any action taken by the member of the Board of Directors other than those decided in the Board of Directors meeting becomes the personal liability of the said member until the aforementioned action is approved by the Board of Directors meeting.

Members of the Board of Directors are not personally liable in full for the Company's losses provided that:

- a. He/she is able to prove that such losses are not a result of his/her mistake or negligence;
- b. He/she has carried out the management in good faith and diligence for the interest and in accordance with the Company's aims and objectives;
- c. He/she has no conflict of interest, either directly or indirectly, with management action that resulted in the loss;
- d. He/she has taken measures to prevent the loss or further losses.

The Board of Directors shall obtain written approval from the Board of Commisisoners to

- a. Enter into capital participation with a total value of more than 10% (ten percent) up to 50% (fifty percent) of the Company's total equity, in another company, subsidiary and joint venture;
- b. Establish subsidiaries and/or joint venture company with a total value of more than 10% (ten percent) up to 50% (fifty percent) of the Company's total equity;
- c. Release capital participation with a total value of more than 10% (ten percent) up to 50% (fifty percent) of the Company's total equity, in another company, subsidiary and joint venture;
- d. Perform amalgamations, mergers, aquisitons, splits and liquidation of subsidiaries and joint venture companies with a total value of more than 10% (ten percent) up to 50% (fifty percent) of the Company's total equity;
- e. Enter into cooperation with other legal entity or parties in any form whatsoever with a total value of more than 10% (ten percent) up to 50% (fifty percent) of the Company's total equity, except for project that does not constitute an investment in nature;
- f. Bind the Company as guarantor (borg or avalist) with a total value of more than 10% (ten percent) up to 50% (fifty percent) of the Company's total equity;
- g. receive or lend medium-term or long-term loan with a total value of more than 10% (ten percent) up to 50% (fifty percent) of the Company's total equity;
- h. Grant non-operational short-term/medium-term/long-term borrowings;
- i. Organize landbank as inventory (goods for sale) and/or as fixed assets;
- j. Encumber, trade and release the Company's fixed assets with a total value of more than 10% (ten percent) up to 50% (fifty percent) of the Company's total equity;
- k. Write-off bad debts and obsolete stock;
- l. Determine and change the Company's logo;
- m. Take actions that are not stipulated in the Company's Work Plan and Budget with a total value of more than 10% (ten percent) up to 50% (fifty percent) of the Company's total equity;
- n. Take actions that fall within the category of material transactions as set forth in the laws and regulations prevailing in the capital market with a total value of more than 10% (ten percent) up to 50% (fifty percent) of the Company's total equity.

In carrying out their duties, members of Directors shall comply with the Company's Articles of Association, GCG Guideline Plan, Code of Conduct and laws and regulations and are obliged to implement the following principles, Transparency, Accountability, Responsibility, Independency and Fairness.

The following actions may be taken by the Board of Directors solely upon approval of the GMS:

- a. Take actions that fall within the category of material transactions as set forth in the laws and regulations prevailing in the capital market with a total value of more than 50% (fifty percent) of the Company's total equity.
- b. Cease to collect written-off bad debt.

The Board of Directors is obliged to obtain the approval of GMS to:

- a. Transfer the Company's assets; or
- b. Encumber the Company's assets as loan collateral;

which constitute more than 50% (fifty) percent of the Company's net worth in 1 (one) or more transactions, whether or not they are related to one another.

• **Committees of the Board of Directors**

- Audit Committee
- Good Corporate Governance ("GCG") Committee

- **Internal Audit Unit**

Legal Framework of Internal Audit Unit Establishment

The Internal Audit Unit, hereinafter referred to in the Company as the Company's Internal Supervisory Unit ("ISU"), was established with prejudice and reference to Chapter VI of Republic of Indonesia Law No. 18 year 2003 concerning State-Owned Enterprise, Government Regulation No. 12 year 1998 concerning Limited Liability Company, Decree of SOE Minister No. KEP-117/M-MBU/2002 concerning Implementation of Good Corporate Governance ("GCG") Practices on State-owned Enterprises (SOEs) and Decision Letter No. 01.01/WB-0A.024/2006 dated 27 March 2006 concerning Establishment of Internal Supervisory Unit juncto Decision Letter No. 01.01/WB-0A.027/2006 dated 27 March 2006 concerning Organization Structure of Internal Supervisory Unit.

Vision, Mission and Objective of the Company's Internal Supervisory Unit

VISION

To become Internal Auditor that upholds integrity and professionalism in its supervisory role that is based on transparency, accountability, responsibility, independency and fairness principles.

MISSION

Carry out the supervisory function in assisting the President Director through risk-based audit which synergizes with the principles of Good Corporate Governance.

OBJECTIVE

Provide objective opinion, recommendations and consideration or consulting services to management and other working unit with regard to independent and objective supervisory function, with the purpose to increase the Company's added value and improve the Company's operations, through systematic, risk-management based approach, internal control and principles of good corporate governance within the scope of financial audit, operational audit, compliance audit and special audit.

Activities of Internal Supervisory Unit

The ISU Charter sets forth the policies concerning function, duties, authorities and responsibilities of ISU. The purpose of ISU charter is to ensure the concerned parties (Board of Directors, Board of Commissioners, Audit Committee, Shareholders and Heads of Work Unit and other parties) understands the function, duties, authorities and responsibilities of Company's ISU and are able to measure and assess the success of the Supervisory duties carried out.

With regard to the Vision and Mission referred to above, the main duties of Company's ISU is to assess the propriety and effectiveness of internal control, risk management activities and implementation of Good Corporate Governance. The purpose of ISU's duties is to provide conclusions regarding the performance of internal control, risk management activities and implementation of Good Corporate Governance and provide the necessary recommendation for improvements.

The scope of ISU's assignment with regard to the audit and assessment as a form of corporate internal control is as follows:

- Audit on adequacy and effectiveness of internal control system on each work unit and head office in the Company's environment;
- Audit the compliance to the prevailing laws and regulations, including adequacy and effectiveness of operational policies set by the Company's management;
- Audit the reliability of financial information and other management information, including information management system to produce such information;
- Audit the propriety of the Company's resources management, including the process to obtain and utilize resources;
- Audit the efficiency and effectiveness of the Company's programs, plans and objectives implementation.
- Assessment on effectiveness of GCG implementation, including risk management.
- Other special audit in accordance with the request of management and/or instructions from the President Director.

With regard to the ISU's audit program strategic concept, the Company is still in process of preparing the model audit standard that conform to the latest internal audit best-practices development. Such best-practices will be included in the audit program, among others, by accommodating ISU's role/duties not only on assurance role but also consulting role. The Company's ISU also governs 2 (two) main aspects as follows:

1. Audit Structure

Structure aspects will stipulate:

- ISU's position, duties and function;
- ISU's authorities;
- ISU's accountability;
- Requirements of Internal Auditor;
- Internal Audit Charter;
- Relation of ISU with members of the Board of Commissioners and Audit Committee.

2. Audit Process

Audit Process will stipulate:

- Planning, implementation and reporting of internal audit;
- Monitoring of follow up actions on internal and external audit results;
- Implementation of quality assurance program;
- Documentation and administration.

● **Corporate Secretary**

Duties and responsibilities of Corporate Secretary

Based on GCG implementation guidelines, duties of Corporate Secretary are as follows:

- Ensures the Company's compliance to all prevailing regulations and the implementation of GCG;
- Undertakes the Company's investor relation, information transparency and publication function;
- Undertakes Corporate Legal Affairs or Legal Compliance function;
- Undertakes the Company's Corporate Social Responsibility ("CSR")

- **The Company's Ethics**

To uphold the integrity of each member of the Company in all its business activities, the Company has prepared a Code of Conduct aimed to maintain honesty, integrity and fairness in conducting business activities in everybody's work environment.

The norms included in the code of conduct are expected to contribute to the corporate culture that continuously prioritizes the principles of Good Corporate Governance.

The Company with all its business activities that include sales area offices distributed throughout Indonesia has the potential of ethics changes influenced by its working environment.

Therefore, the second purpose of the code of conduct is to provide individual code of conduct for Wika Beton's employees wherever they are.

N. CORPORATE SOCIAL RESPONSIBILITY

The Company's Corporate Social Responsibility is the Company's contribution to the nation and environment, in the midst of all issues surrounding Indonesia and the world citizen. To provide meaningful and comprehensive contribution, the Company focuses its CSR program on 4 (four) main aspects, which are community, environment, consumers and manpower.

The Company organizes and conducts Corporate Social Responsibility ("CSR") on an annual basis. To the Company, CSR programs and activities are the key of the Company's business sustainability that will provide added value to the Company and improve its image and reputation in the eyes of the stakeholders.

The Company's commitment in carrying out CSR programs are applied through 2 (two) programs as follows:

1. *Partnership program that are implemented and connected in Community Building and Partnership Program*

In this program, the Company implements several programs prepared by the Company's parent company, in the form of empowerment of public economy through grants of non-interest bearing term loan. Other form of the community building program is tree planting in the community areas surrounding the Company's work units.

2. *Social Community program conducted directly by the Company in its sales and production areas distributed in six areas in Indonesia.*

For this social community program, the Company independently prepares the programs/activities for the year, coupled with allocation of a certain amount of fund for the CSR activities program. Each CSR program is directly prepared and carried out in each sales area and factory. In determining the CSR program proclaimed, each sales area and factory prioritizes the surrounding community's basic needs in various social activities such as religious activities, youth, and national local holiday celebration. CSR program is determined based on the Company's interaction with the surrounding community, which is a key point in determining the accuracy of the Company's CSR program. The main program in the Company's involvement in the society is the job opportunities provided for the communities surrounding the Company's work unit in accordance with the Company's requirements. These steps are taken so that each program is right on target and able to provide maximum benefit in accordance with the needs as mandated by the existing laws and regulations.

The Company's CSR expenses for the years ended 31 December 2013, 2012 and 2011 were Rp341,050,000, Rp285,724,376, respectively. CSR Program expense and organization for 2011 was consolidated in WIKA, as the Parent Company. The said CSR program was allocated for tree plantings, renovation of houses unfit for habitation, empowerment of community's economy and flood aids.

The Company has implemented CSR program to repair the water pipes in the areas surrounding the factories. The Company also implemented several programs such as renovation for habitable houses, fish breeding for communities around the factories, river cleaning. In the field of education, the Company provides opportunities for on-the-job trainings and research opportunities for universities and schools. In the field of manpower, the Company provides the communities around the factories with employment opportunities at the Company in accordance with the required qualifications. In addition, the Company will continue its CSR program through construction of public toilet facilities and planting of trees in areas around the new factories.

The Company's CSR program is issued at the consolidation level (Parent Company) and the implementations were organized jointly with Parent Company and Subsidiaries or independently.

O. AWARDS

In order to increase the Company's competitiveness, the Company has received various awards both from consumers and institutions as follows:

No.	Award	Institution	Year
1.	Best Pre-cast Concrete Producers (AKI Award)	Indonesia Contractors Association (<i>Assosiasi Kontraktor Indonesia</i>)	2012
2.	Nomination Certificate of Appreciation in SNI Award 2012 Event	National Standardization Agency	2012
3.	Best SOE Manufacturing Product Innovation	Ministry of SOE	2012
4.	Pilot Project Program in South East Asia representing Indonesia in the Study "Economic Benefits of Standard Implementation using ISO Methodology"	National Standardization Agency	2011
5.	Commitment in the Implementation of Work Health and Safety Management System (<i>Sistem Manajemen Keselamatan dan Kesehatan Kerja</i> , "SMK3")	Government of Republic of Indonesia	2008
6.	Letter of Appreciation for the Production of Pre-cast Concrete for Malahayati Jetty in Aceh.	PT Decorient Indonesia	2006
7.	Letter of Appreciation for the Work Health and Safety Performance in Phase II Derajat Geothermal Project	Chevron	2005

X. CONCRETE INDUSTRY IN INDONESIA

Indonesia has a total area of 1,919,400 km², comprising of 17,000 islands, 6,000 of which are inhabited. Based on the total area, Indonesia is the 15th largest country in the world with a population density of 134 people/km². In 2012, Indonesia's income per capita has increased, reaching US\$3,563 compared to US\$3,500 in 2011; whereas as quoted from the speech delivered by the Minister of Economy Hatta Rajasa, the Government targeted the 2025 income per capita to reach US\$14,250 – 15,500.

Considering the above factors, one of the government's priorities is infrastructure development, which consists of transportation infrastructures (ground, sea and air) and support facilities for energy production (power plants, oil and gas). The Government of Indonesia is currently promoting development programs in the Indonesian region, where such developments are currently ongoing in the western Indonesia region and will be followed by the central and eastern Indonesia regions. (Source: Compilation of Bapenas and MP3EI data).

Indonesia's state budget (APBN, *Anggaran Pendapatan dan Belanja Negara*) in the past five years also increased in line with the economic development. In 2012, Indonesia's state budget for infrastructure and economy was Rp52 billion, whereas the 2013 state budget for those items is Rp122.88 billion. Along with the government's plan to develop infrastructure, the concrete industry in terms of demand is projected to increase. Wika Beton being the largest concrete producer in Indonesia will benefit from the increase in demand.

Global Infrastructure

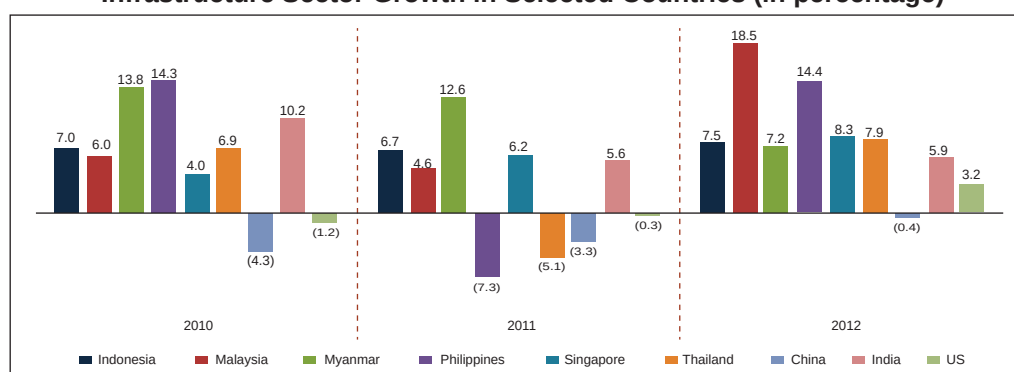
Based on CEIC's reported data, the Indonesia's infrastructure sector in 2012 experienced a 7.5% growth (seven point five percent). The said figure is higher compared to 2010, which merely reached 7% (seven percent) and to 2011, which reached 6.7% (six point seven percent). Compared to other developing countries, the growth in Indonesia's infrastructure sector in 2012 was considerably high. For example, China experienced a slow-down of 0.4% (zero point four percent), whereas India grew by a mere 5.9% (five point nine percent). Even developed countries such as the United States of America only grew by 3.2% (three point two percent) in 2012. Considering the vastness of Indonesia's area and the nature of its geography as an archipelagic country, it is very likely that the growth in the infrastructure sector will continue to increase.

Infrastructure Competitiveness	
Country	Rank
Hong Kong	1
Singapore	2
South Korea	9
USA	14
Malaysia	32
Thailand	46
China	48
Indonesia	78
India	84
Philippines	98

Source: World Economic Forum 2012-2013

Furthermore, the current global infrastructure sector competitiveness index in the 2012-2013 World Economic Forum placed Indonesia in the 78th position compared to 136 countries. The rank indicates that Indonesia's infrastructure industry is still promising, with plenty of opportunities for infrastructure development compared to other countries.

Infrastructure Sector Growth in Selected Countries (in percentage)



Source: CEIC, 2013

Domestic Economy

Indonesia's economy in the third quarter of 2013 grew by 5.62% (yoy), the lowest growth in the past four years. The increase in government expenditure appeared to be incapable of boosting the economy distressed by the increase in the benchmark interest rate (BI rate) by 150 bps during the past five months. Indonesia's 2012 GDP achieved US\$878.04 billion annually, increased compared to the previous year figure of US\$846.83 billion. Sector-wise, the construction sector, which is the largest target market for pre-stressed concrete, demonstrates consistent year-on-year growth within the range of 6.5% to 7.6% (consistently higher than Indonesia's economic growth). Moreover, the pre-stressed industry also plays a significant role in development of the electricity, gas and water sectors.

Indonesia is one of the largest countries in South East Asia, boasting an average economic growth of 6% (six percent) per annum. The fact will be coupled with infrastructure development to sustain Indonesia's economic growth. With regard to the 2014 inflation, the possibility of decreasing inflation rate remains open. The decrease in domestic inflation is projected to suppress the benchmark interest rate of Bank Indonesia, which certainly is a positive factor for the Indonesia's economic growth.

Economic Growth by Sector 2008-2012 (percent)

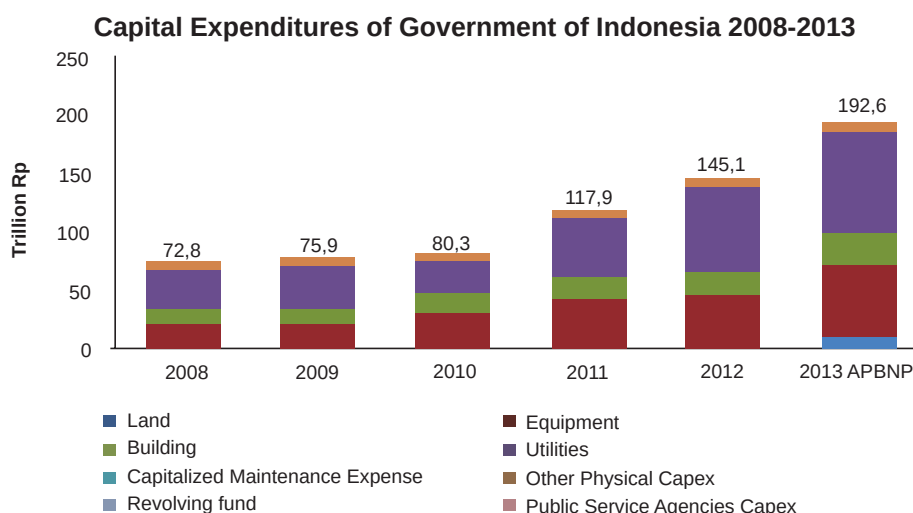
Sector	2008	2009	2010	2011	2012
Agriculture	4.8	4.0	3.0	3.4	4.0
Mining	0.7	4.5	3.9	1.4	1.5
Processing Industry	3.7	2.2	4.7	6.1	5.7
Electricity, Gas and Water	10.9	14.3	5.3	4.8	6.4
Construction	7.6	7.1	7.0	6.6	7.5
Trade, Hotels and Restaurants	6.9	1.3	8.7	9.2	8.1
Transportation and Communication	16.6	15.8	13.4	10.7	10.0
Finance, Real Estate, Services Company	8.2	5.2	5.7	6.8	7.1
Service	6.2	6.4	6.0	6.7	5.2
Economic Growth	6.0	4.6	6.2	6.5	6.2

Source: Ministry of Finance

APBN 2014

The third quarter of 2013 demonstrated that the Government of Indonesia's actual expenditure achieved Rp53.62 trillion, an increase compared to the previous two quarters, which were Rp38.8 trillion in the first quarter of 2013 and Rp50.76 trillion in the second quarter of 2013. Whereas actual capital expenditure during the 2008-2013 period experienced growth of 21.5% (twenty one point five percent) per annum, while in 2013 the Amended State Budget (APBNP) achieved Rp192.6 trillion or equal to 2 percent of GDP. The increase in 2013 was focused on infrastructure developments such as roads, buildings and constructions. In 2014, the development program to be implemented by the Government is guided by a grand design, the 2014 Government Work Plan ("RKP", *Rencana Kerja Pemerintah*), whereby the 2014 RKP is prepared in accordance with the 2011-2025 Master Plan of Acceleration and Expansion of Indonesia's Economic Growth ("MP3EI", *Masterplan Percepatan dan Perluasan Pembangunan Ekonomi Indonesia*).

Nominal-wise, the central government expenditure in the 2014 State Budget Draft (RAPBN) increased to Rp1,230.3 trillion (11.9% of GDP) compared to the allocated expenditure in 2013 Amended State Budget of Rp1,196.8 trillion (12.7% of GDP).



Source: Ministry of Finance 2013

The central government's budget in economic function decreased by 4% (four percent) from Rp122.9 trillion in 2013 to Rp117.8 trillion in 2014. The largest allocation of this function is for transportation, which reached Rp70.3 trillion or equals to 59.7% (fifty nine point seven percent). The transportation allocation alone will be used to finance several programs, among others, road development, management and development of ground, sea and air transportation, management and development of railway systems. Furthermore, the housing and public facilities function remains constant at Rp30.7 trillion. For this function, the government focuses on housing and residential development, indicating a high development in residential areas in 2014.

Central Government Expenditure 2008-2013

Function	APBN 2013 (Trillion Rp)	RAPBN 2014 (Trillion Rp)	Increase (Percent)
Public Services	720.1	795.5	10
Defense	81.8	83.4	2
Security	36.5	31.9	-13
Economy	122.9	117.8	-4
Environmental	12.4	11.6	-6
Housing and Public Facilities	30.7	30.7	0
Healthcare	17.5	12.2	-30
Tourism and Culture	2.5	2.1	-16
Religion	4.1	4.4	7
Education	118.5	132.8	12
Social Protection	7.4	8.1	9
Total	1,154.4	1,230.3	7

Source: Ministry of Finance

Master Plan of Acceleration and Expansion of Indonesia's Economic Growth (*Masterplan Percepatan dan Perluasan Pembangunan Ekonomi Indonesia, "MP3EI"*)

To promote Indonesia's economic growth, the government devised a long-term master plan in the last mid-2011 for the 2011-2025 periods. The master plan contains six corridors or development areas by encouraging potential sectors in the respective areas with budgeted total investment value of up to Rp4,012 trillion). For example, Corridor Two Java Island, where the goods and services industry sector will be driven to achieve effectiveness and efficiency. Accordingly, the aforementioned master plan will encourage significant infrastructure development in each corridor; therefore, the activities are highly positive for the country's infrastructure development growth. The master plan itself focuses on eight main programs from a total of 22 domestic economic activities, e.g., agriculture, mining, energy, industry, maritime, tourism, telecommunication and development of strategic areas. From the MP3EI program, the Government allocates Rp1,786 trillion for infrastructure development and the remaining Rp2,226 trillion for real sectors.

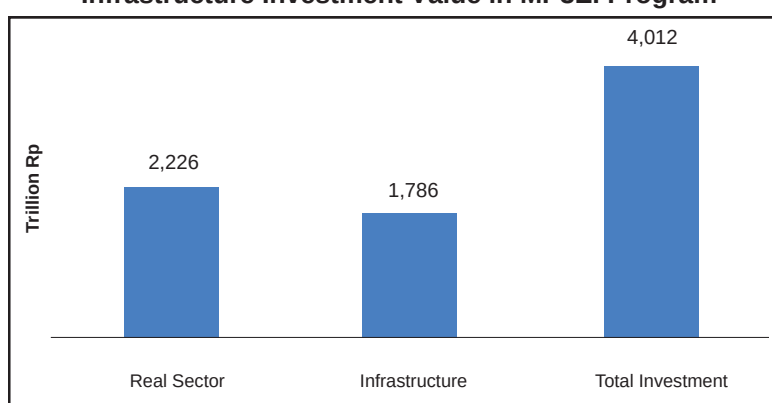
MP3EI Program Corridor

Corridor	Development Target
Sumatera	Natural Resources Production and Processing
Java	Services and Support Industry
Kalimantan	Mining and Energy
Sulawesi	Plantation, agriculture, forestry, fisheries and mining
Bali – Nusa Tenggara	Tourism and Food
Papua – Maluku Islands	Food, fisheries, energy and mining

Source: MP3EI

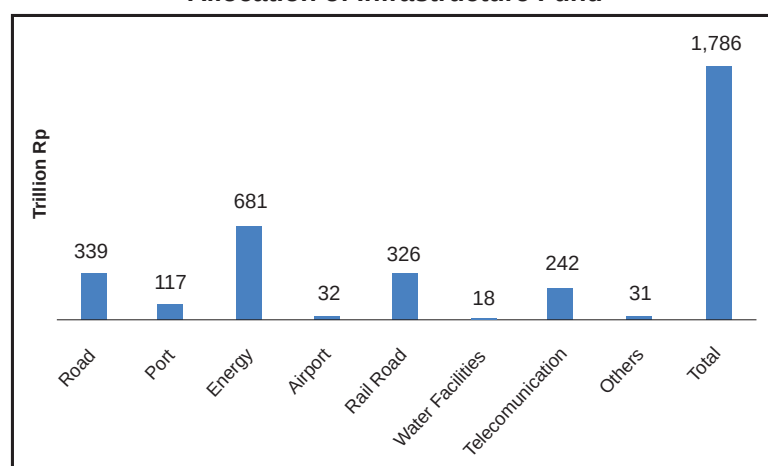
Whereas the infrastructure development allocation of Rp1,786 trillion is and will be allocated into several structures such as energy and telecommunication, each of which of Rp681 trillion and Rp242 trillion, respectively.

Infrastructure Investment Value in MP3EI Program



Source: MP3EI

Allocation of Infrastructure Fund



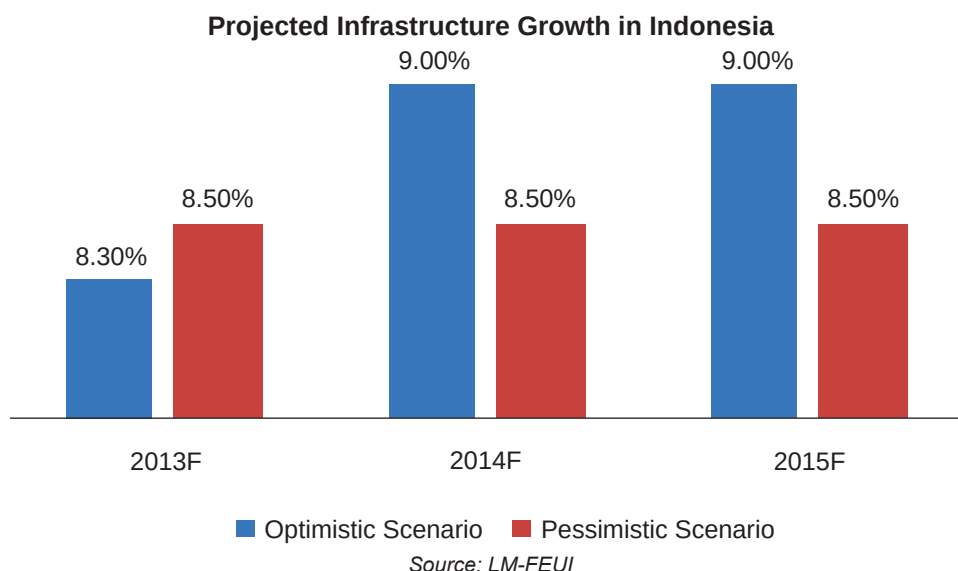
Source: MP3EI

In 2012, the Government has inaugurated 110 (one hundred and ten) projects related to the MP3EI program with a total project value of Rp368 trillion. The projects were distributed among six corridors, i.e., Sumatera Corridor with 34 (thirty four) projects with Rp71.3 trillion, Java Corridor with 31 projects with a total value of Rp216.5 trillion, followed by Kalimantan Corridor with 10 (ten) projects totaling Rp5.9 trillion, and 9 projects in Sulawesi Corridor with a total value of Rp3.8 trillion, Bali and Nusa Tenggara Corridor with eight projects with a total value of Rp15 trillion and Papua with 18 (eighteen) projects with a total value of Rp56 trillion.

Whereas until July 2013, the total investment value of MP3EI program has reached Rp647.46 trillion, consisting of 6 (six) corridors. Based on the data from the Ministry of Economy, the total MP3EI projects in groundbreaking phase up to July 2013 were 240 projects with an investment value of Rp647.46 trillion. From the said total, 94 (ninety four) projects with investment value of Rp364.45 trillion originated from real sector and 146 (one hundred forty six) remaining projects of Rp283.01 trillion.

Domestic Infrastructure Sector Potential

Within the last eight years, the Government of Indonesia's expenditure level in the State Budget (APBN, *Anggaran Pendapatan dan Belanja Negara*) has increased by approximately 29.3% (twenty nine point three percent) per annum, whereby the 2013 state budget has reached Rp203.9 trillion. The rapid growth of state budget creates significant potential for Indonesia's developing construction industry. Further, the Management Foundation - Faculty of Economy of University of Indonesia (*Lembaga Manajemen – Fakultas Ekonomi Universitas Indonesia* "LM-FEUI") stated that in the best case scenario, Indonesia's infrastructure sector in 2014 will grow by 9% (nine percent), and similar figures in 2015. However, a pessimistic scenario projected the domestic infrastructure growth to be 8.5% (eight point five percent) in 2014 and 2015, stagnant at the projected growth of 8.5% (eight point five percent) in 2013.



Pre-stressed Concrete Domestic Market

The application of pre-stressed concrete highly supports the speed of project implementation, which also accelerates the fund absorption process and therefore greatly supports the infrastructure development target set by the Government. Infrastructure projects that will benefit from the use of pre-stressed concrete include constructions of toll roads, bridges, piers and airports in several locations. The same applies for construction of power plants, oil and gas refinery support industry buildings and acceleration in apartment constructions.

The use of pre-stressed concrete that is well-known for its higher quality and speedy installation compared to the cast-in-site concrete also accommodates the Indonesia's condition as a country located between two continental plates, whereby the buildings require stronger structures compared to other areas that are not prone to earthquakes. Combined with the trends of modern buildings that tend to be higher and requires high quality concrete that is very difficult to be provided by cast-in-site concrete.

XI. EQUITY

The summary of equity presented below is prepared based on, and must be read in conjunction with and with reference to, the Company's financial statements for the years ended 31 December 2013, 2012 and 2011 which were audited by the PAF HLB Hadori Sugiarto Adi & Partners, which expressed an unqualified opinion.

(in millions Rupiah)

DESCRIPTION	31 December		
	2011	2012	2013
Share Capital	115,000	115,000	667,000
Treasury Stock	-	-	(58,246)
Retained Earnings			
Appropriated	78,010	106,895	23,245
Unappropriated	236,684	336,172	48,074
Subtotal	429,695	558,067	680,073
Non-Controlling Interest	-	46,263	49,945
TOTAL EQUITY	429,695	604,330	730,018

Equity Pro Forma

If the changes in the Company's equity as a result of the Public Offering of 2,045,466,600 shares at a nominal value of Rp100.00 per share at an Offer Price of Rp590.00 (five hundred and ninety Rupiah) took place on 31 December 2013, the Company's proforma capital structure as of the date would be as follows:

Capital Structure Proforma as of 31 December 2013

(in Rupiah)

Description	Issued and Paid-up Capital	Appropriated Retained Earnings	Unappropriated Retained Earnings	Retained Earnings	Non-controlling Interest	Total Equity
Equity balance from financial statements as of 31 December 2013	667,000,000,000	23,245,163,053	48,074,246,279	680,073,216,189	49,944,553,576	730,017,769,765
Changes in equity as of 31 December 2013 assuming on that date the following occurs:						
Public Offering of 2,045,466,600 Ordinary Registered Shares at a nominal value of Rp100 per share at an offer price of Rp590.00 (five hundred and ninety Rupiah) per share, before excluding the Public Offering fees borne by the Company	1,206,825,294,000	-	-	-	-	1,206,825,294,000
Equity balance from financial statements as of 31 December 2013 following the Public Offering	1,873,825,294,000	23,245,163,053	48,074,246,279	680,073,216,189	49,944,553,576	1,936,843,063,765

XII. DIVIDEND POLICY

The Company plans to distribute dividends in the form of cash at least once every year. The amount of dividend is related to the Company's current profit for the year, also taking into consideration certain financial indicators and not diminish the right of GMS resolution in accordance with the Articles of Association of the Company and prevailing regulations.

The Company may announce a dividend in the current year if the Company recorded a positive retained earnings. Before the end of a financial year, interim dividend can be distributed as long it is allowed by the Articles of Association of the Company and the distribution does not cause the net asset of the Company to become less than the issued and fully paid capital and also taking into consideration the mandatory reserves of the Company as stated in the Limited Liability Company Law. Interim dividend is distributed by the Board of Directors after being authorised by the Board of Commissioners. In the event that the Company suffered from loss after the distribution of interim dividend at the end of the financial year, the interim dividend that has already been distributed must be refunded to the Company. The Boards of Commissioners and Directors shall be jointly and severally responsible for the refund process by the Shareholders.

After the Public Offering, the management of the Company intends to distribute cash dividend to the shareholders of the Company in the maximum amount of 30% (thirty percent) of its net profit generated from the financial year 2014 (under the provisions of the current tax). Meanwhile, for the financial year 2013, the amount of dividends to be paid as much as by Rp20,000,000,000 (twenty billion Rupiah). The decision of timing, amount and payment type of the dividend payment will depend on the Board of Directors' recommendation. However, there is no certainty that the Company is able to distribute dividend in the current or following years. The decision of the Board of Directors to distribute dividend will depend on, as follows:

- a. Company's net income and cash flows availability;
- b. Financial projection and working capital requirement;
- c. Business prospects of the Company;
- d. Capital expenditures and other investment plans;
- e. Investment plan and other growth catalysts; and
- f. Economic condition and general industry climate and other relevant factors to the Board of Directors as well as existing negative covenants which prohibit dividend distribution.

The company's policy in distributing dividends will be decided upon the shareholders in an Annual General Shareholders Meeting shall be held annually

If a dividend distribution is authorised, dividend payment will be in Rupiah. Shareholders, who are registered as of the record date, is entitled to the full amount of paid dividend and subject to prevailing withholding tax applied in Indonesia. Dividend received by foreign Shareholders would be subjected to withholding tax of 20% (based on the current applicable tax regulations).

Subsequent to the Public Offering, new Shareholders have the same right in every way as the existing Shareholders, including a right for dividend. The Company does not have any negative covenants in any of its agreements that may prohibit dividend distribution and adversely affect the rights of the Company's public Shareholders.

The dividend policy of the Company is a statement of current intent; it is not legally binding and will depend on the discretion of the Board of Directors.

XIII. TAXATION

A. TAXATION FOR SHAREHOLDERS

Income tax on dividends is levied under the prevailing laws and regulations. Under Article 4 paragraph 3 item f of the Law of the Republic of Indonesia No. 7 of 1983, as most currently amended by Law No. 36 of 2008 regarding Income Tax (entering into force on 1 January 2009), dividend or distribution of profit earned by limited liability companies as domestic taxpayers, co-operatives, State-Owned or Regional-Owned Enterprises, as result of their equity investment in any business entity established and domiciled in Indonesia, shall not be liable for income tax, if the following requirements are fulfilled:

- The dividend is derived from retained earnings; and
- In the case where the recipient of a dividend is a limited liability company or a State-Owned or Regional-Owned Enterprise, its ownership in the enterprise paying the dividend must not be less than 25% of the total fully paid capital.

Pursuant to the Regulation of the Ministry of Finance No. 234/PMK.03/2009 dated 29 December 2009 on Certain Investment Sectors Generating Income for Pension Funds Excluded as Taxable, the income received by a pension fund approved by the Ministry of Finance shall not be subject to Income Tax if such income was received or acquired from an investment in, among other things, stocks being traded on the IDX, such as the distribution of dividends.

In accordance with the Government Regulation No. 14 of 1997 on Amendment of Government Regulation No. 41 of 1994 on Income Tax on Proceeds from Sale Transactions of Shares at the Stock Exchange, and Circular of the Directorate General of Tax No. SE-06/PJ.4/1997 dated 20 June 1997, regarding the Application of Income Tax on Proceeds from Share Sale Transactions at the Stock Exchange, the following provisions are stipulated:

1. On any income received or earned by any individual or entity from a sale transaction of shares listed in a Stock Exchange, a final income tax will be imposed at 0.1% of the gross value of the transactions. Payment of the related withholding tax is to be made as a deduction by the Stock Exchange through the stock brokers at the time of payment of the sale transaction of shares;
2. Founding shareholders shall be charged with an additional final income tax of 0.5% of the value of shares which it held in the Company at the time of the Public Offering;
3. Payment of additional income tax made by the Company on behalf of each of the founding shareholders within a period of not later than 1 month after shares are traded on the Stock Exchange. However, in the event that the shareholder declines to fulfill tax obligations by not paying an additional 0.5% final income tax, calculation of the Income Tax shall be based on the applicable income tax rate in accordance with Article 17 of Law No. 7 of 1983 as most currently amended by Law No. 36 of 2008 regarding Income Tax.

Pursuant to the Government Regulation No. 19 of 2009 on Income Tax Applicable to Dividend Received or Acquired by Domestic Individual Taxpayer, income in the form of dividend received or acquired by a domestic individual taxpayer is subject to a final Income Tax of 10% of the total gross value.

Dividend paid to a Domestic Taxpayer (including Permanent Corporate Entities) which does not meet the qualifications stipulated under Article 4 paragraph 3 item f of Law No. 7 of 1983 as most currently amended by Law No. 36 of 2008 above, shall be subject to a deduction under Article 23 of Income Tax at the rate of 15% of the gross value, as provided under Article 23 paragraph 1 of Law No. 7 of 1983, as most currently amended by Law No. 36 of 2008 regarding Income Tax. Furthermore, pursuant to Article 23 paragraph 1(a), if such taxpayer does not have a Taxpayer Registration Number, the rate will be 100% higher, or 30% of the gross income.

Dividends payable to Foreign Taxpayers are subject to a tax rate of 20% (twenty percent) of the amount of cash paid (in the event of cash dividends) or 20% (twenty percent) of the par value (in the event of share dividends), or a lower tax rate in the event that dividend payments are received by citizens of Countries that have signed the Double Tax Avoidance Agreement (Perjanjian Penghindaran Pajak Berganda, "P3B") with Indonesia, with due compliance to the provisions set forth in the Directorate General of Tax Regulation No. PER-61/PJ/2009 concerning Implementation Procedures of Double Tax Avoidance Agreement, as amended by PER-24/PJ/2010.

In order to implement the tax rates stipulated in the P3B, Foreign Taxpayers are required to file the Certificate of Domiciles of Non-Resident for Indonesia Tax Withholding in accordance with the Directorate General of Tax Regulation No. PER-61/PJ/2009 concerning Implementation Procedures of Double Tax Avoidance Agreement, as amended by PER-24/PJ/2010, as follows:

1. Form DGT-1 or;
2. Form DGT-2 for banks and foreign taxpayers receiving or acquiring income through a custodian with respect to income derived from a share or bond transfer traded or listed at an Indonesian stock exchange other than interest and dividend, and foreign taxpayers having the form of a pension fund foundation which was established by virtue of the laws of the state party and which is a taxpayer in such state party.
3. A Certificate of Residence (SKD) Form issued by the state party, in the event the competent authority of such state party declines to sign the Form DGT-1/DGT-2, with the following terms:
 - The SKD form is issued in English;
 - Published on or after January 1, 2010;
 - Original document or copy of the document that has already been legalized by tax services officewhere one of the tax collectors is listed as a taxpayer;
 - At least includes information about foreign name; and
 - Includes the signature of an authorized officer, his Deputy, or the official of the office of the tax authorities in the P3B partner countries, or its equivalent, under the prevailing custom in the state party.

In addition to the requirement of filing a Form-DGT1 or Form DGT-2 or SKD Form of the State Party, then in accordance with PER-25/PJ/2010 dated 30 April 2010 on Amendment to Regulation of the Directorate General of Tax No. PER-62/PJ/2009 on the Prevention of the Misuse of the Agreement on the Avoidance of Double Taxation, a foreign taxpayer must meet the beneficial owner requirement or the real owner of economic benefits from income.

B. FULFILLMENT OF TAXATION OBLIGATIONS BY THE COMPANY

As Taxpayers, the Company has tax liability for income tax (PPh) and land and building tax (PBB). The Company has fulfilled its tax obligation in accordance with the law and taxation regulations.

The Company has submitted annual tax return for the fiscal year 2011 and 2012, respectively on 30 April 2012 and 30 April 2013. Until the date of this prospectus is published, the Company has no outstanding tax liabilities.

PROSPECTIVE BUYERS OF SHARES IN THE PUBLIC OFFERING IS EXPECTED TO CONSULT WITH THEIR RESPECTIVE TAX CONSULTANTS ABOUT THE TAX CONSEQUENCES THAT MAY ARISE FROM THE PURCHASE, POSSESSION AND SALE OF SHARES PURCHASED THROUGH THIS PUBLIC OFFERING.

XIV. UNDERWRITING

I. INFORMATION ON THE UNDERWRITERS

In accordance with the terms and conditions set forth in the Deed of Underwriting Agreement No. 21 dated 22 January 2014, as amended by Deed of the First Amendment to Underwriting Agreement No. 19 dated 20 February 2014, both drawn up before Mochamad Nova Faisal, S.H., M.Kn., Notary in South Jakarta, which was subsequently amended in accordance with the Deed of Second Amendment to Underwriting Agreement No. 25 dated 19 March 2014, drawn up before Nila Noordjasmani Soeyasa Besar, S.H., M.Kn., substitute of Mochamad Nova Faisal, S.H., M.Kn., Notary in South Jakarta City ("**Underwriting Agreement**"), the Underwriters whose names are identified below shall jointly or severally agree to offer and sell the Company's Offered Shares to the public based upon their respective underwriting portion with full commitment and bind themselves to purchase the Offered Shares that remain unsold at the close of the Offering Period.

The Underwriting Agreement is a complete agreement between the parties in this Underwriting Agreement, and replaces all prior agreement that might have been made by the parties in this Agreement either in written form or expressly made or made indirectly relating to the terms as stipulated in this Underwriting Agreement. The parties in this Underwriting Agreement states that they have not made other agreement relating to the Underwriting Agreement and agrees to bind themselves not to make another agreement either privately or through notary, in relation with the Public Offering, which is not in compliance and/or is not in accordance with the Underwriting Agreement. If there are agreement/statements made by the parties that are not in compliance with the Underwriting Agreement then the applicable agreement/statements that is binding to the parties is the Underwriting Agreement.

The Underwriters participating in the underwriting of the Company's offered shares have agreed to discharge their duties in conformity with Rule No. IX.A.7.

The composition, underwriting portion and percentage of the members of the syndicated Underwriters in the Company's Public Offering with full commitment are as follows:

No.	Description	Underwriting Portion		
		Shares	Amount (Rp)	Percentage (%)
JOINT LEAD UNDERWRITERS				
1.	PT Bahana Securites (Affiliated)	610,939,900	360,454,541,000	29.868
2.	PT Danareksa Sekuritas (Affiliated)	610,939,900	360,454,541,000	29.868
3.	PT Mandiri Sekuritas (Affiliated)	610,940,200	360,454,718,000	29.868
4.	PT Sucorinvest Central Gani	203,646,600	120,151,494,000	9.956
Sub Total		2,036,466,600	1,201,515,294,000	99.560
UNDERWRITERS				
1.	PT Amantara Securities	250,000	147,500,000	0.012
2.	PT BNI Securities	250,000	147,500,000	0.012
3.	PT Buana Capital	250,000	147,500,000	0.012
4.	PT Danpac Sekuritas	250,000	147,500,000	0.012
5.	PT Equity Securities Indonesia	250,000	147,500,000	0.012
6.	PT Erdikha Elit Sekuritas	250,000	147,500,000	0.012
7.	PT Evergreen Capital	250,000	147,500,000	0.012
8.	PT Grow Asia Capital	250,000	147,500,000	0.012
9.	PT HD Capital Tbk	250,000	147,500,000	0.012
10.	PT Indo Mitra Securities	250,000	147,500,000	0.012
11.	PT Inti Fikasa Securindo	250,000	147,500,000	0.012
12.	PT Investindo Nusantara Sekuritas	250,000	147,500,000	0.012
13.	PT Jasa Utama Capital	250,000	147,500,000	0.012
14.	PT Kresna Graha Sekurindo Tbk	250,000	147,500,000	0.012
15.	PT Lautandhana Securindo	250,000	147,500,000	0.012
16.	PT Madani Securities	250,000	147,500,000	0.012
17.	PT Magenta Kapital Indonesia	250,000	147,500,000	0.012
18.	PT Makinta Securities	250,000	147,500,000	0.012
19.	PT Masindo Artha Securities	250,000	147,500,000	0.012
20.	PT Mega Capital Indonesia	250,000	147,500,000	0.012

No.	Description	Underwriting Portion		
		Shares	Amount (Rp)	Percentage (%)
21.	PT MNC Securities	250,000	147,500,000	0.012
22.	PT NISP Sekuritas	250,000	147,500,000	0.012
23.	PT Nusantara Capital Securities	250,000	147,500,000	0.012
24.	PT Onix Sekuritas	250,000	147,500,000	0.012
25.	PT Panca Global Securities Tbk	250,000	147,500,000	0.012
26.	PT Panin Sekuritas Tbk	250,000	147,500,000	0.012
27.	PT Phillip Securities Indonesia	250,000	147,500,000	0.012
28.	PT Recapital Securities	250,000	147,500,000	0.012
29.	PT Reliance Securities Tbk	250,000	147,500,000	0.012
30.	PT Trimegah Securities Tbk	250,000	147,500,000	0.012
31.	PT Valbury Asia Securities	250,000	147,500,000	0.012
32.	PT Victoria Securities Indonesia	250,000	147,500,000	0.012
33.	PT Wanteg Securindo	250,000	147,500,000	0.012
34.	PT Waterfront Securities Indonesia	250,000	147,500,000	0.012
35.	PT Woori Korindo Securities Indonesia	250,000	147,500,000	0.012
36.	PT Yulie Sekurindo Tbk	250,000	147,500,000	0.012
Sub Total		9,000,000	5,310,000,000	0.440
TOTAL		2,045,466,600	1,206,825,294,000	100.000

The Joint Lead Underwriters and the Underwriters expressly represent that they do not have any affiliated relationship, whether directly or indirectly, with the Company as such term is defined in the Limited Liability Company Law, with the exception of PT Bahana Securities, PT Danareksa Sekuritas and PT Mandiri Sekuritas, who are affiliated with the Company through the ownership of the Government of Indonesia.

II. DETERMINATION OF THE OFFER PRICE IN THE PRIMARY MARKET

The Offer Price for the Offered Shares is determined based upon the mutual agreement and negotiations between the Company, its Shareholders and the Joint Lead Underwriters, with due consideration of the result of the initial offer (book building) which was held from 4 March 2014 – 17 March 2014.

Based upon the result of the book building, the largest demand received by the Joint Lead Underwriters is between Rp470.00 (four hundred and seventy Rupiah) and Rp630.00 (six hundred and thirty Rupiah) per share. Taking into account the result of the bookbuilding as mentioned above, upon the mutual agreement of the Joint Lead Underwriters and the Company, an Offer Price of Rp590.00 (five hundred and ninety Rupiah) per share is determined.

Such determination of price has also taken into account the following factors:

- The market condition at the time of the bookbuilding;
- Global investors demand (domestic and international);
- Qualified potential investors demand;
- Financial Performance of Company;
- Data and information on the Company, the Company's performance, brief history, business prospects and information on the cement, infrastructure and property industry in Indonesia;
- The Company's latest standing and its development;
- Factors as mentioned above in relation to market value determination and such valuation methods for companies which operate in the same industry with the Company;
- Valuation based on PER comparison ratio between such public companies that are listed in the regional stock exchanges which are considered to be comparables; and
- Shares performance in the secondary market.

There is no guarantee or certainty that following the Public Offering, the Company's share price will continually be above the Offer Price or that trading of the Company's stock will actively increase at the IDX where the shares are listed.

XV. CAPITAL MARKET SUPPORTING INSTITUTIONS AND PROFESSIONALS

The Capital Market Supporting Institutions and Professionals participating in this Public Offering are as follows:

1. Public Accountant: HLB Hadori Sugiarto Adi & Rekan

Wisma Staco, 3rd floor, Suite D
 Jl. Casablanca Kav. 18
 Jakarta 12870
 Telephone: (021) 831 7046 - 48, 8370 1104
 Facsimile: (021) 831 7050

Partner : Drs. Djarwoto, Ak.

STTD No : 01/BL/STTD-AP/2006 atas nama Drs. Djarwoto, Ak.
 Reg. Negara No. D-657

STTD Date :31 Mei 2006

Framework : Professional Standards for Public Accountants (*Standar Profesional Akuntan Publik*, "SPAP")

Appointed by the Company under the appointment letter No. KU.09.09/WB-0A.1284A/2013 dated 9 September 2013.

The Public Accountant's principal duties and obligations in this Public Offering are to conduct audit in accordance with the auditing standards determined by IAPI. The standards require the public accountant to plan and exercise the audit in order to obtain a reasonable belief that the financial statements are free from material omissions. In this case, the Public Accountant is fully responsible for the opinion issued for the audited financial statements.

The audit includes inspection based upon tests on evidences that support the figures and disclosures in the financial statements. The audit should also cover assessment of accounting principles adopted and significant estimates by the management, as well as an evaluation of the overall financial statements.

Professional Experience in the Capital Market for the last 3 (three) years:

No.	Company	Activities	Year
1.	PTPN X (Persero) Tbk	Bond	2013
2.	PT Jasa Marga (Persero) Tbk	Bond	2013
3.	PT Bank SULUT Tbk	Audited financial statements: 2012, 2013	2013
4.	PT. BUKAKA Teknik Utama Tbk	Audited financial statements	2013
5.	PT PT Wijaya Karya (Persero) Tbk	Audited financial statements: 2010, 2011, 2012	2012
6.	PT ATPK Resources Tbk and Transaksi Materian	Audited financial statements	2011

2. Legal Consultant: **Tumbuan & Partners**

Jl. Gandaria Tengah III No. 8
Kebayoran Baru
Jakarta 12130
Telephone: (021) 722 7736, 722 7737, 720 8172, 720 2516
Facsimile: (021) 724 4579, 725 7403

Member of *Himpunan Konsultan Hukum Pasar Modal*, or Association of Capital Market Legal Consultant No.89003

STTD No. 13/STTD-KH/PM/1992 dated 23 December 1992 in the name of Fred B. G. Tumbuan

Framework: Capital Market Legal Consultant Professional Standards Annex to the Decision of Association of Capital Market Legal Consultants No. KEP.01/HKHPM/2005 dated 18 February 2005 as amended by Decision of Association of Capital Market Legal Consultants No. KEP.04/HKHPM/XI/2012 dated 6 December 2012 concerning the Amendment to Capital Market Legal Consultant Professional Standards as mandated by Article 66 of the Capital Market Law.

Appointment letter No. SE.02.02/WB-0A.327/2013 dated 13 December 2013.

The Legal Consultant's principal duties and obligations in this Initial Public Offering is to conduct research and examination of the facts about the company and other related information as presented by the Company in terms of law. The result of the audit and review as set out in a Legal Due Diligence Report which forms the basis of the Legal Opinion rendered in an objective and independent manner, in line with the applicable Standard of Profession and Capital Market Regulations.

Professional Experience in the Capital Market in the last 3 (three) years:

No.	Company	Activities	Year
1.	PT Sinar Mas Agro Resources and Technology Tbk (PT SMART Tbk)	Bond	2012
2.	PT Baramulti Sukssessarana Tbk	IPO	2012
3.	PT Fast Food Indonesia Tbk	Bond	2011
4.	PT Citra Kebun Raya Agri Tbk	Tender Offer	2011
5.	PT J Resources Asia Pacific Tbk (d/h PT Pelita Sejahtera Abadi Tbk)	Bond	2011
6.	PT Borneo Lumbung Energi & Metal Tbk	IPO	2010
7.	PT SmartfrenTelecom Tbk	Bond	2010

3. Notary:**M. Nova Faisal, SH., M.Kn**

Cyber 2 Tower, Lantai 22
Jl. H.R. Rasuna Said Blok X-5 No. 13
Jakarta 12950
Telephone: (021) 2902 1312
Facsimile : (021) 2901 1314

STTD: No. 398/BL/STTD-N/2010

Framework : Law No. 30 Year 2004 regarding Notary Office and
Indonesian Notary Association Code of Ethics.

Appointed by the Company under appointment letter No. SE.02.02/WB-
0A.327/2013 dated 13 December 2013

The Notary's principal duties and obligations in this Public Offering are preparing and drafting notarial documents, such as amendment of Company's Articles of Association, Underwriting Agreement between the Company and the Joint Lead Underwriters and Underwriters, and Share Administrations Agreement between the Company and the Share Registrar by referring to the Notary Regulations and Code of Conduct.

Professional Experience in the Capital Market in the last 3 (three) years:

No.	Company	Activities	Year
1.	PT. Hero Supermarket, Tbk	Bond	2013
2.	PT. Agung Podomoro Land, Tbk	Bond	2013
3.	PT. Fajar Surya Wisesa, Tbk	Bond	2013
4.	PT. BRI AGRO Tbk	Bond	2013
5.	PT. Bank Artha Graha Internasional, Tbk	Bond	2012
6.	PT. Agung Podomoro Land, Tbk	Bond	2012
7.	PT. Island Concepts Indonesia, Tbk / PT. Gama Wahyu Abadi	Merger	2011
8.	PT. Ganatra Lymanutama	Acquisition	2011
9.	PT. Agung Podomoro Land, Tbk	Bond	2011

4. Share Registrar:**PT Datindo Entrycom**

Puri Datindo, Wisma Sudirman
Jl. Jend. Sudirman Kav. 34-35
Jakarta 10220
Telephone: (021) 570 9009, 570 8912
Facsimile : (021) 570 9026, 570 8914

STTD No : Kep 16/PM/1991

STTD Date: 19 April 1995

Work Guidelines: Capital Market Regulation and Bapepam and LK

Association Name & Number: *Asosiasi Biro Administrasi Efek Indonesia*
(ABI)

Appointed by the Company under the appointment letter No. SE.02.02/
WB-0A.327/2013dated 13December 2013.

The Share Registrar's principal duties and obligations in this Public Offering include in receiving Shares Subscription List and Shares Subscription Form supplemented by documents required in the share subscription and approved by Underwriters as a submitted subscription for share allotment, and administering the shares subscription based upon the applications available to them. Jointly with the Underwriters, they are entitled to reject subscriptions that do not conform with the subscription requirement subject to the prevailing regulations. In the event of subscriptions exceeding the amount of Offered Shares, they shall exercise allotment based on the allotment formula set by the Allotment Manager, print allotment confirmations and prepare allotment reports. They shall also be responsible for issuing the Allotment Confirmation Forms in the name of the subscriber receiving the allotment and preparing the allotment report. They are also responsible to print a Collective Shares Script (if needed) and prepare a Public Offer Report in accordance with the prevailing regulations.

Professional Experience in the Capital Market in the last 3 (three) years:

No.	Company	Activities	Year
1.	PT Aritama Prima Indonesia Tbk	IPO	2013
2.	PT Cipaganti Citra Graha Tbk	IPO	2013
3.	PT Semen Baturaja (Persero) Tbk	IPO	2013
4.	PT Saratoga Investama Sedaya Tbk	IPO	2013
5.	PT Mitra Phinasthika Mustika Tbk	IPO	2013
6.	PT Austindo Nusantara Jaya Tbk	IPO	2013
7.	PT Pelayaran Nasional Bina Buana Raya Tbk	IPO	2012
8.	PT Waskita Karya (Persero) Tbk	IPO	2012
9.	PT Baramulti Suksessarana Tbk	IPO	2012
10.	PT Pelayaran Nelly Dwi Putri Tbk	IPO	2012
11.	PT Provident Agro Tbk	IPO	2012
12.	PT Toba Bara Sejahtera Tbk	IPO	2012
13.	PT Surya Esa Perkasa Tbk	IPO	2012
14.	PT Cardig Agro Services Tbk	IPO	2011
15.	PT ABM Investama Tbk	IPO	2011
16.	PT Atlas Resources Tbk	IPO	2011
17.	PT Kawasan Industri Jababeka Tbk	Right Issue	2011
18.	PT Delta Dunia Makmur Tbk	Right Issue	2011
19.	PT Jaya Agra Wattie Tbk	IPO	2011
20.	PT Mitrahahtera Segara Sejati Tbk	IPO	2011
21.	PT Garuda Indonesia (Persero) Tbk	IPO	2011
22.	PT Bank Bukopin Tbk	Right Issue	2011
23.	PT Bank Mandiri (Persero) Tbk	Rigth Issue	2011
24.	PT Pan Brothers Tbk	Rigth Issue	2011
25.	PT Bank Negara Indonesia (Persero) Tbk	Rigth Issue	2010
26.	PT Wintermar Offshore Marine Tbk	IPO	2010
27.	PT Agung Podomoro Land Tbk	IPO	2010
28.	PT Tower Bersama Infrastrukture Tbk	IPO	2010
29.	PT Harum Energy Tbk	IPO	2010
30.	PT Bank Jabar Banten Tbk	IPO	2010
31.	PT Bank Tabungan Negara (Persero) Tbk	IPO	2009
32.	PT Pelat Timah Nusantara Tbk	IPO	2009
33.	PT Garda Tujuh Buana Tbk	IPO	2009

No.	Company	Activities	Year
11.	PT Provident Agro Tbk	IPO	2012
12.	PT Toba Bara Sejahtera Tbk	IPO	2012
13.	PT Surya Esa Perkasa Tbk	IPO	2012
14.	PT Cardig Agro Services Tbk	IPO	2011
15.	PT ABM Investama Tbk	IPO	2011
16.	PT Atlas Resources Tbk	IPO	2011
17.	PT Kawasan Industri Jababeka Tbk	Right Issue	2011
18.	PT Delta Dunia Makmur Tbk	Right Issue	2011
19.	PT Jaya Agra Wattie Tbk	IPO	2011
20.	PT Mitrabahtera Segara Sejati Tbk	IPO	2011
21.	PT Garuda Indonesia (Persero) Tbk	IPO	2011
22.	PT Bank Bukopin Tbk	Right Issue	2011
23.	PT Bank Mandiri (Persero) Tbk	Right Issue	2011
24.	PT Pan Brothers Tbk	Right Issue	2011
25.	PT Bank Negara Indonesia (Persero) Tbk	Right Issue	2010
26.	PT Wintermar Offshore Marine Tbk	IPO	2010
27.	PT Agung Podomoro Land Tbk	IPO	2010
28.	PT Tower Bersama Infrastrukture Tbk	IPO	2010
29.	PT Harum Energy Tbk	IPO	2010
30.	PT Bank Jabar Banten Tbk	IPO	2010
31.	PT Bank Tabungan Negara (Persero) Tbk	IPO	2009
32.	PT Pelat Timah Nusantara Tbk	IPO	2009
33.	PT Garda Tujuh Buana Tbk	IPO	2009

5. Appraiser:

KJPP Toha, Okky, Heru & Rekan

Graha Piesta, lantai 2
 Jl. Warung Buncit Raya No. 12
 Warung Jati Barat
 Jakarta 12550
 Telephone : (021) 7884 0777
 Facimile: (021) 781 3680, 781 3681

Association member : MAPPI (No. 93-S-00334)

KJPP Business License : No. 135/KM.1/2009, dated 10 February 2009

No. STTD : 12/BL/STTD-P/AB/2006. Dated 18 September 2006

Framework : the prevailing Indonesia Appraisal Standard (*Standar Penilaian Indonesia*, "SPI").

Appointed by the Company under the appointment letter No. SE.02.02/WB-0A.327/2013 dated 13 December 2013.

The appraisal company's principal duties and obligations in this Public Offering include direct physical examination, research, analysis of data, obtain market value of the fixed assets owned by the Company in accordance with the Indonesia Appraisal Standard (SPI) 2007 and the Appraisal Code of Ethics (KEPI).

Professional experience in the last 3 (three) years:

No.	Company	Activities	Year
1.	PT. Indo Acidatama, Tbk	Affiliated Transaction	2013
2.	PT. Wijaya Karya (Persero) Tbk	Fairness Opinion of the Plan of Transfer of Assets Building Owned by PT Wika Industri dan Konstruksi to PT Wijaya Karya (Persero), Tbk	2013
3.	PT. Wijaya Karya (Persero) Tbk	Fairness Opinion of Sale of Land and Building Transaction of PT Wika Industri dan Konstruksi to PT Wika Beton	2013
4.	PT Eksploitasi Energi Indonesia, Tbk	Rights Issue	2012
5.	Bank Nusantara Parahyangan, Tbk	Fairness Opinion of Subordinated Loan Transaction from Majority Shareholders and Affiliated Group	2011
6.	PT. Wijaya Karya (Persero) Tbk	Debt Equity Swap Plan(Valuation on Shares of PT Wijaya Karya Intrade)	2011
7.	PT. Wijaya Karya (Persero) Tbk	Plan of Shares Sale and Purchase Transaction (Valuation on Shares of PT Wijaya Karya Intrade Energy)	2011
8.	PT. Wijaya Karya (Persero) Tbk	Plan of Shares Sale and Purchase Transaction (Valuation on Shares of PT Wijaya Karya Intrade to PT Wika Intrade Energy)	2011
9.	PT. Wijaya Karya (Persero) Tbk	Shares Conversion Plan (Fairness Opinion on the Conversion Plan of the Company's Receivables from PT Wika Intrade to Capital Participation and Purchase of Shares owned by PT Wika Intrade in PT Wika Intrade Energy)	2011
10.	PT. Wijaya Karya (Persero) Tbk	Additional Shares Participation (Fairness Opinion on Additional Shares Participation Plan in PT Wijaya Karya Insan Pertiwi through Capital Injection)	2011

THE CAPITAL MARKET SUPPORTING INSTITUTIONS AND PROFESSIONS AND THE COMPANY ARE NOT AFFILIATED PARTIES OF THE COMPANY, EITHER DIRECTLY OR INDIRECTLY, AS DEFINED IN THE CAPITAL MARKET LAW.

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XVI. LEGAL OPINION

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Jakarta, 20 March 2014

No. 064/T&P/III/2014

To :

1. **Chairman of the Board of Commissioners**
Financial Services Authority (*Otoritas Jasa Keuangan/OJK*)
Gedung Sumitro Djojohadikusumo
Jl. Lapangan Banteng Timur No. 1-4
Jakarta 10710

Attn.: **The Capital Market Supervisory Executive Head**

2. **PT Wijaya Karya Beton Tbk**
JW Building
Jl. Raya Jatiwaringin No. 54, Pondok Gede
Bekasi 17411
Jawa Barat, Indonesia

Attn.: **Board of Directors**

Subject: Legal Opinion in connection with the Initial Public Offering of Shares of PT Wijaya Karya Beton Tbk

Dear Sirs,

In order to fulfill the provision in Article 70 of Law of the Republic of Indonesia No. 8 of 1995 concerning the Capital Market ("**Capital Market Law**"), PT Wijaya Karya Beton Tbk, a limited liability company duly incorporated and validly existing under the laws of the Republic of Indonesia and having its domicile in Bekasi, West Java ("**the Company**") intends to file a registration statement with the Financial Services Authority (*Otoritas Jasa Keuangan* or "**OJK**") (formerly known as the Capital Market and Financial Institutions Supervisory Agency or *Badan Pengawas Pasar Modal dan Lembaga Keuangan* or *Bapepam-LK*), to conduct an initial public offering of shares ("**Public Offering**") in the maximum number of 2,045,466,600 (two billion forty five million four hundred sixty six thousand and six hundred) registered shares which are newly issued shares having a par value of Rp100.00 (one hundred Rupiah) or amounting to 23.47% (twenty three point forty seven percent) of the issued and paid-up capital of the Company ("**Shares**"). The Shares are offered to the public at the shares price of Rp590.00 (Five hundred ninety Rupiah) per share. All Shares of the Company will be listed at PT Bursa Efek Indonesia ("**IDX**") as stipulated in the Preliminary Listing Agreement of Securities as defined below.

To conduct the Public Offering, the Company has obtained the approvals from (i) the General Meeting of Shareholders of the Company as stipulated in the Deed of Statement of Shareholders' Resolution In Lieu of a General Meeting of Shareholders and Amendment of the Articles of Association of PT Wijaya Karya Beton abbreviated as PT Wika Beton No. 03 dated 8 January 2014, executed before Mochamad Nova Faisal, S.H., M.Kn., Notary in

Jakarta; and (ii) approval from the creditors namely PT Bank Rakyat Indonesia (Persero) Tbk, PT Bank Mandiri (Persero) Tbk, PT Bank CIMB Niaga Tbk, PT Bank DBS Indonesia, as elaborated below.

The Public Offering will be conducted by the Company together with the Managing Underwriters and Underwriters as defined herein below where the Managing Underwriters and Underwriters have made a full commitment to the Company's Public Offering. In relation thereto, the Company together with the Managing Underwriters and Underwriters have signed the Underwriting Agreement as stipulated in the Underwriting Agreement as defined below.

The proceeds that will be obtained from the Public Offering, after deduction of all the costs incurred for the Public Offering, shall be used for the following purposes:

1. Approximately 85% (eighty five percent) will be used for business expansion comprising of the following:
 - Approximately 14,10% (fourteen comma ten percent) for processing of natural quarry materials in Cigudeg, Donggala, Boyolali and South Lampung. This is to guarantee the natural material supply both from its quantity as well as its quality aspects. The activities of processing the natural quarry materials are, amongst others, mining activities, quarry activities, and distribution of processing outputs to the PPB or to the costumers.
 - Approximately 39,95% (thirty nine comma ninety five percent) for the development of new factories in South Lampung, Pasuruan and East Kalimantan. This is to increase the production capacity, development of new products, and expansion of marketing territory supported by production facility. The activities conducted in the construction of new factories are, amongst others, land clearing, construction of supporting facilities, construction of infrastructures, and construction of production facilities.
 - Approximately 21,30% (twenty one comma thirty percent) for capacity expansion of existing factories at the factories in North Sumatera, Lampung, Bogor, Karawang, Majalengka, Boyolali, South Sulawesi and mold products. This is to meet market demands in such territories with the possibility of capacity expansion of approximately 5% per annum. The existing factory capacity expansion work is performed sustainably based on the estimation of the increase of precast concrete product market demand in the relevant territory.
 - Approximately 21,14% (twenty one comma fourteen percent) for the services business development such as purchase of inner boring pile equipment and addition of post tensioning equipment. This is the Company's strategy in undertaking forward integration, as an existing complementary product. The plans in purchasing inner boring pile equipment and addition of post tensioning equipment shall be conducted gradually based on the target or market demand which had started and operated in the second quarter of the year 2014.
 - Approximately 3,51% (three comma fifty one percent) for the establishment of mould maker. This is to guarantee the supply of production equipments and a mold with specification and quality.
2. Approximately 15% (fifteen percent) will be used for additional working capital. Such working capital is to finance the operation activities such as: purchasing and usage of raw materials, salary and trade debts.

In the event that the proceeds obtained from the Public Offering are insufficient to fulfill the investment needs and working capital of the Company, then the Company's internal funds will be used.

If subsequently the Company intends to amend the appropriation plan of the proceeds then the Company will request prior approval from the GMS and will report it to the OJK in accordance with Regulation No. X.K.4 – Attachment to the Decision of the Chairman of the Capital Market and Financial Institutions No. Kep-27/PM/2003 dated 17 July 2003 concerning Realization of the Use of Proceeds Obtained from the Initial Public Offering.

The plan for the use of proceeds obtained from the abovementioned Public Offering is as described in the prospectus that will be published in the framework of the Public Offering ("**Prospectus**").

In the event that the abovementioned use of proceeds is an Affiliated Transaction or a Conflict of Interest and/or Material Transaction or Changes of the Main Business Activities, then the Company shall observe Regulation No. IX.E.1 - Attachment to the Decision of the Chairman of the Capital Market and Financial Institutions Supervisory Agency ("**Bapepam-LK**") No. Kep-412/BL/2009 dated 25 November 2009 concerning Transaction with Affiliated Parties and Conflict of Interest of Certain Transaction and/or Regulation No. IX.E.2 - Attachment to the Decision of the Chairman of Bapepam-LK No. Kep-614/BL/2011 dated 28 November 2011 concerning Material Transaction and Main Business Activities Changes.

We have accepted the appointment as Independent Legal Consultant as stipulated in the Engagement Letter of the Company No. SE.02.02/WB-0A.327/2013 dated 13 December 2013. To accept this assignment, we have fulfilled the qualifications as required under the Capital Market Law namely by being a member of the Capital Market Legal Consultants Association (*Himpunan Konsultan Hukum Pasar Modal / "HKHPM"*) by having obtained the Registration Letter of Capital Market Supporting Professionals (*Surat Tanda Terdaftar/STTD*) issued by Bapepam-LK, respectively in the name of:

1. Fred B.G. Tumbuan, S.H., LPh., LTh., STTD No. 13/STTD-KH/PM/1992 dated 23 December 1992, HKHPM Member No. 89003;
2. Jennifer Berendina Tumbuan, S.H., LL.M., STTD No. 425/PM/STTD-KH/2002 dated 5 March 2002, HKHPM Member No. 200211; and
3. Endang Setyowati, S.H., M.H., STTD No. 230/PM/STTD-KH/1998 dated 21 December 1998, HKHPM Member No. 99004.

Our main task as Independent Legal Consultant in the framework of the Public Offering is to review the legal aspects of the Company and its Subsidiaries (which are owned directly or indirectly by the Company with the total amount of ownership in the maximum of 50% or above) consisting of:

- a. PT Wijaya Karya Komponen Beton ("**WIKAKobe**"); and
 - b. PT Wijaya Karya Krakatau Beton ("**WIKAKrakatau Beton**");
- (Henceforth WIKAKobe and WIKAKrakatau Beton together will be referred to as "**Subsidiaries**");

and to issue a legal opinion with regard to the Company and Subsidiaries with due observance of the Professional Standard of the Capital Market Legal Consultant Association, Attachment of HKHPM Decision No. KEP.01/HKHPM/2005 dated 18 February 2005 as amended by HKHPM Decision No. Kep.04/HKHPM/XI/2012 dated 6 December 2012

concerning the Amendment of the Professional Standard of the Capital Market Legal Consultants as mandated by Article 66 of the Capital Market Law ("**Legal Opinion**").

This Legal Opinion is issued based on the results of the legal due diligence that we have carried out in respect to documents of the Company and Subsidiaries as stipulated in the Legal Due Diligence Report dated 20 March 2014 ("**LDD**") with due observance of the prevailing laws and regulations of the Republic of Indonesia including but not limited to the Capital Market Law and Law of the Republic of Indonesia No. 40 of 2007 concerning Limited Liability Company ("**Company Law**").

I. LEGAL DUE DILIGENCE REPORT

The legal due diligence that we have performed on the Company and Subsidiaries, covers among others, the examinations of the:

A. Establishment and Articles of Association of the Company

The Company which is domiciled in Bekasi, West Java, was established under the name of "PT Wijaya Karya Beton" abbreviated Wika Beton as set out in the Deed of Establishment of the Limited Liability Company PT Wijaya Karya Beton No. 44 dated 11 March 1997, executed before Achmad Bajumi, S.H., substitute of Imas Fatimah, S.H., Notary in Jakarta *juncto* Deed of Entry, Exit and Amendment of Articles of Association No. 39 dated 19 November 1997, executed before Imas Fatimah, S.H., Notary in Jakarta, which deed was approved by the Minister of Law and Human Rights of the Republic of Indonesia ("**MoLHR**") (formerly known as the Minister of Justice of the Republic of Indonesia, the Minister of Justice and Human Rights of the Republic of Indonesia, or the Minister of Law and Regulations of the Republic of Indonesia or other names) as set out in his Decision Letter No. C2-12776.HT.01.01.TH.97 dated 9 December 1997, and is registered in the Company Registry Office of South Jakarta, under registration No. 2096/BH.09.03/I/98 dated 13 January 1998 and is published in the State Gazette of the Republic of Indonesia No. 43 dated 29 May 1998, Supplement No. 2832 ("**Deed of Establishment**").

The Articles of Association of the Company have been several times amended and the amendments to the Articles of Association in the frame of the adjustment with the requirements of the Company Law, are as set out in the Deed of Statement of Meeting Resolution and Amendment of the Articles of Association of PT Wijaya Karya Beton No. 67 dated 8 Augusts 2008, executed before Imas Fatimah, S.H., Notary in Jakarta which deed was approved by the MoLHR as set out in his Decision Letter No. AHU-65006.AH.01.02.Year 2008 dated 17 September 2008, and is registered in the Company Registry, under registration No. AHU-0086728.AH.01.09.Year 2008 dated 17 September 2008 and is published in the State Gazette of the Republic of Indonesia No. 4 dated 12 January 2010, Supplement No. 401.

The most recent amendment(s) to the Company's Articles of Association in order to comply with the Regulation No. IX.J.1, Attachment to the Decision of the Chairman of BAPEPAM-LK No. Kep-179/BL/2008 dated 14 May 2008 concerning the Main provisions of the Articles of Association of a Company making a Public Offering of shares and Public Company ("**Regulation No. IX.J.1**") are as set out in the Deed of Statement of Shareholders' Resolution In Lieu of the General Meeting of Shareholders' of PT Wijaya Karya Beton abbreviated as PT Wika

Beton No. 03 dated 8 January 2014, executed before Mochamad Nova Faisal, S.H., M.Kn., Notary in South Jakarta, and which has obtained (i) the approval of the MoLHR as stated in his Decision Letter No. AHU-01257.AH.01.02.Tahun.2014 dated 9 January 2014, and which has been registered in the Company Registry under No. AHU-0002307.AH.01.09.Year.2014 dated 9 January 2014, and (ii) which has been received and registered in the Database of the Administration System for Legal Entities (*Sistem Administrasi Badan Hukum*) at the MoLHR No. AHU-AH.01.10-01308 dated 10 January 2014, and which also has been registered in the Company Registry under No. AHU-0002925.AH.01.09.Year 2014 dated 10 January 2014 ("**Deed No. 03/2014**").

B. Purpose and Objects of the Company

On the issuance date of this Legal Opinion, the purpose and objects of the Company pursuant to the Deed No. 03/2014 are to engage in the field of trading and concrete industry, construction services and other related business activities.

In order to achieve the aforementioned purpose and objects, the Company may carry out the following main activities:

- a. Carry out the planning, production, selling, installation and implementation of construction of concrete products, among others:
 1. Transmission Poles and electricity distribution and telephone poles;
 2. Poles;
 3. Rail road pads;
 4. Concrete products for bridges;
 5. Concrete products for land supporting walls;
 6. Pipes;
 7. Concrete products for buildings;
 8. Concrete products for maritime buildings; and
 9. Other concrete products.
- b. Carry out planning services, execution and supervision of construction in the business field of:
 1. Civil;
 2. Electrical; and
 3. Post-tensioning.
- c. Carry out planning, production, and sales of products/components of building materials.
- d. Carry out export and import activities related with the business activities as mentioned above in letters (a), (b), and (c).

In addition to the main activities as mentioned above, the Company may perform supporting business activities in order to optimize the utilization of available resources to:

- a. Carry out planning services, implementation and supervision of construction in the business field of:
 1. Architecture;
 2. Mechanical;
 3. Environmental system;
 4. installation of heavy building components/Heavy Lifting; and
 5. other construction services;

- b. produce and sell ready mix concrete/Ready Mix;
- c. undertake natural resources management materials/Quarry;
- d. perform business planning, and installation of concrete products;
- e. conduct utilization of coal Fly Ash and Copper Slag, as well as management of toxic and hazardous waste B3;
- f. conduct planning, management, sales, purchase, lease and trade of business fields of ports and jetties;
- g. conduct mining on natural material resources/quarry;
- h. conduct planning, production, sales, and trade of products / source of natural materials/quarry;
- i. conduct planning, implementation, management, sales, purchase, lease and trade of services in the sector of land and sea transportation;
- j. conduct industrial business and trade of concrete production equipment;
- k. conduct industrial business and trade of chemical cement materials;
- l. conduct industrial business and trade of pre-strained steel;
- m. conduct industrial business and trading of cement;
- n. conduct investment business.

The Company can also carry out any activities that are consistent with the abovementioned purpose and objects and any related activities for its own expense or jointly with other persons or entity, with due observance of the prevailing laws and regulations.

C. Capital and Shareholders Composition of the Company

On the issuance date of this Legal Opinion, the capital and shareholders composition of the Company as set out in the Deed of Statement of Shareholders' Resolution In Lieu of the General Meeting of Shareholders and the Amendment of the Articles of Association of PT Wijaya Karya Beton abbreviated as PT Wika Beton No. 01 dated 6 January 2014, executed before Mochamad Nova Faisal, S.H., M.Kn., Notary in South Jakarta and which deed was approved by the MoLHR as stated in his Decision Letter No. AHU-00972.AH.01.02.Year.2014 dated 8 January 2014, and which has been registered in the Company Registry under No. AHU-0001842.AH.01.09.Year.2014 dated 8 January 2014 ("**Deed No. 01/2014**"), *juncto* Deed No. 03/2014, are as follows:

Explanation	Nominal Value: Rp100.- per share		
	Number of Shares (Shares)	Nominal Value (Rupiah)	Percentage (%)
Authorized Capital	26,680,000,000	2,668,000,000,000	
Shareholders			
1. PT Wijaya Karya (Persero)	5,229,280,000	522,928,000,000	78.40
2. Koperasi Karya Mitra Satya ("KKMS")	977,519,049	97,751,904,900	14.66
3. Yayasan Wijaya Karya	86,043,000	8,604,300,000	1.29
4. The Company	377,157,951	37,715,795,100	5.65
Issued and Paid-Up Capital	6,670,000,000	667,000,000,000	100.00
Shares in Portfolio	20,010,000,000	2,001,000,000,000	-

D. Composition of the Members of the Board of Commissioners and Board of Directors

On the issuance date of this Legal Opinion, the composition of the members of the Board of Commissioners and Board of Directors of the Company as set out in the Deed of Statement of Shareholders' Resolution In Lieu of the General Meeting of Shareholders of PT Wijaya Karya Beton Tbk abbreviated as PT Wika Beton No. 16 dated 14 March 2014, executed before Nila Noordjasmani Soeyasa Besar, S.H., M.Kn., substitute of Mochamad Nova Faisal S.H., M.Kn., Notaris in South Jakarta, the filing of which has been received and registered in the Database of the Administration System for Legal Entities (*Sistem Administrasi Badan Hukum*) at the MoLHR No. AHU-AH.01.10-11876 dated 19 March 2014, and registered in the Company Registry under No. AHU-0023527.AH.01.09.Tahun 14 dated 19 March 2014 are as follows:

Board of Commissioners

President Commissioner	:	Budi Harto
Commissioner	:	Agustinus Boedjono
Commissioner	:	Narima Prasetyo
Commissioner	:	Tumik Kristianingsih
Independent Commissioner	:	Asfiah Mahdiani
Independent Commissioner	:	Priyo Suprobo

Board of Directors

President Director	:	Wilfried Imanuel Adisulung Singkali
Director	:	Entus Asnawi Mukhson
Director	:	Fery Hendriyanto
Director	:	Hadian Pramudita
Director	:	Hari Respati
Independent Director	:	Muhammad Zulkarnain

Audit Committee of the Company

As stated in the Decision Letter of the Board of Commissioners of PT Wijaya Karya Beton Tbk No. MJ.04.01/WB-0A.037/2014 dated 21 February 2014 concerning the amendment and of the Audit Committee of PT Wijaya Karya Beton Tbk, the Company has made the amendment and appointment of the Audit Committee for a period of 5 (five) years as of the date of the signing of the decision letter without prejudice to the right of the Board of Commissioners to dismiss them at any time, with the following composition:

Chairman	:	Asfiah Mahdiani
Members	:	Soemartojo Rosmala

The duties, functions, responsibilities and authorities of Audit Committee are as stipulated in the Audit Committee Charter.

The formation of the Audit Committee is in accordance with Regulation No. IX.1.5 and Regulation of BEI No. I-A.

Corporate Secretary of the Company

To comply with the provision as stipulated in Regulation No. IX.I.4, Attachment to the Decision of the Chairman of BAPEPAM-LK No. Kep-63/PM/1996 dated 17 January 1996 concerning the Appointment of the Corporate Secretary ("**Regulation No. IX.I.4**"), the Board of Directors of the Company has appointed and nominated Puji Haryadi, S.H. to be the Corporate Secretary as of 13 June 2012 as stated in the Decision Letter of PT Wijaya Karya Beton No. SK.02.01/WB-OA.091/2012 dated 11 June 2012 concerning the Appointment of Puji Haryadi, S.H., as Corporate Secretary.

Internal Audit Unit of the Company

The Company has established an Internal Audit Unit known as Internal Supervisory Unit (*Satuan Pengawas Intern*) as stated in the Decision Letter No. SK.01.01/WB-OA.024/2006 dated 27 March 2006 concerning the Establishment of Internal Supervisory Unit *juncto* Decision Letter No. SK.01.01/WB-OA.027/2006 dated 27 March 2006 concerning the Organizational Structure of the Internal Supervisory Unit as a supervisory body effective, as of 20 April 2006.

The Internal Supervisory Unit is chaired by Muhammad Syafi'i Manap with the period of office effective as of 20 February 2010 as stated in the Decision Letter No. SK.02.01/WB-OA.010/2010 dated 28 January 2010.

As stated in the Decision Letter No. SK.02.01/WB-OA.095/2013 dated 10 July 2013, the Board of Directors of the Company has appointed Murda Sehri as the *Madya Examiner II (Pemeriksa Madya II)* of the Internal Supervisory Unit effective as of 20 July 2013 and Letter of Assignment No. PU.03.01/WB-OA.526/2011 dated 27 June 2011, the Board of Directors of the Company has assigned Muhammad Iqbal as the Junior Examiner I (*Pemeriksa Muda I*) (VI Echelon) of the Internal Supervisory Unit.

The Company has an Internal Supervisory Charter (*Internal Audit Charter*) of PT Wijaya Karya Beton dated 27 January 2014 which has been arranged in line with Regulation No. IX.I.7, Attachment to the Decision of the Chairman of BAPEPAM-LK No. Kep-496/BL/2008 dated 28 November 2008 concerning the Establishment and Guidelines for Drafting of the Internal Audit Charter ("**Regulation No. IX.I.7**").

E. Licenses and Operational Documents of the Company

The Licenses and Operational Documents of the Company, amongst others are as follows:

1. License and Documents related to Trading

- a. **Large - Trading Business License (*Surat Izin Usaha Perdagangan or SIUP Besar*) No. 510/06-BPPT/PB/III/2013**, issued by the Head of the Integrated Licensing Service Agency of Bekasi. This SIUP is valid as long as the Company is carrying out its trading business activity with the obligation to re-register every 5 (five) years.

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Head of Cipta Karya of Karawang Regency on behalf of the Regent of Karawang.

- (iv) Business Location License (SITU) or Nuisance License (HO) **Statement Letter No. 030/SCS-TR/I/2014**, dated 20 January 2014, issued by PT Suryacipta Swadaya which states that the Company is not obliged to obtain nuisance license, location license and legalization of land tread considering the fact that the Company is located in the Suryacipta Industrial Area.
- (v) License with regards to Amdal, UPL, UKL **Legalization Document of Environment Management Efforts and Environment Monitoring Efforts No. 660.1/45.6/BPLH**, dated 21 February 2012, issued by the Head of Environmental Management Agency of Karawang Regency, with the industrial activities of goods made from cement.

Remarks:

The Company has submitted the Report of UKL/UPL for the Semester-II Year 2013 to the Environmental Management Agency of Karawang Regency, as evidenced by the Receipt dated 17 January 2014, issued by the Environmental Management Agency of Karawang Regency.

- (vi) License related to Waste (*Limbah*) **Decision of the Head of Investment Agency and Integrated Service of Karawang Regency No. 503/Kep.3278/BPMPT/2012**, dated 27 June 2012 concerning the Granting of Approval of Liquid Waste Disposal to PT Suryacipta Swadaya and which is valid for 5 (five) years.

Decision of the Minister of Environment of the Republic of Indonesia No. 07.11.02 Year 2014 concerning Utilization of Hazardous and Toxic Materials Waste License of PT Wijaya Karya Beton, Concrete Product Factory of Karawang and which is valid for 5 (five) years.

- (vii) Other Operational Licenses **Certificate of Company's Domicile (SKDP) No. 023/SCS-Dir/III/2011**, dated 28 March 2011, issued by PT Suryacipta Swadaya as the developer and management agency of the Suryacipta Industrial City, which states that the Company is domiciled at Jl. Surya Madya III Kav. I-34, Kutanegara Village, District of Ciampel, Karawang, Province of West Java.

Company Registration Certificate (TDP) No. 10.08.1.26.02186, dated 25 May 2011, issued by the Head of Industry, Trade, Mines and Energy Service Office of Karawang Regency, as the Head of Registration Office and which is valid until 25 May 2016.

b. PPB Bogor

- (i) Decision Letter concerning the Factory Establishment
Decision Letter of the Board of Directors of PT Wijaya Karya Beton No.SK.01.01/WB-A.020/97 dated 12 March 1997 concerning the establishment of the Concrete Product Factory of Bogor, valid as of 12 March 1997.

- (ii) License with regards to Domestic Investment
Domestic Investment Principle License No. 07/32/IP/PMDN/2014 Company No. 9389.2014 dated 4 February 2014, granting the Domestic Investment in Principle License to the Company as a temporary license until the Company obtains its Business License, amongst others with details as follows:

a. Name of Company	: PT Wijaya Karya Beton Tbk
b. Business Field	: Mortar industry or ready to use concrete
c. Location of Project	: Jl. Raya Narogong KM. 26, Cileungsi, Bogor Regency, West Java Province
d. Production Type of Goods/Services	: - Concrete for land retaining wall, with a capacity of 10.642 Ton - Concrete products for bridges with a capacity of 21.623 Ton, - Concrete poles, with a capacity of 3.296 Ton - Poles, with a capacity of 133.391 Ton.

- (iii) Industrial Business License
License Letter No. 96/11/16/IPI-Kimia/B/XI/08, dated 27 November 2008, issued by the Head of Industry and Trade Agency of Bogor Regency concerning the Expansion of Industry to the Company to carry out industrial goods made from cement and lime for construction and which is valid until 27 November 2013.

Note:

Based on the Company's explanation, currently the Company is still in the administration process of extending the expansion of the Industrial Business License. However in carrying out its business activities, the Company possesses a Domestic Investment in Principle License as stated in point (ii) above.

- (iv) Building Construction License
The Company has obtained the Building Construction License for PPB Bogor based on:
- 1) **License Letter No. No.647.1/344/TB-DCK/2008**, dated 27 June 2008, issued by Head of Cipta Karya Office of the Bogor Regency.

- 2) **Decision of the Regent of Bogor, No. 647.1/18/TB-DCK/2004**, dated 21 January 2004, issued by the Head of Cipta Karya Office of Bogor Regency on behalf of the Regent of Bogor; and
 - 3) **Decision of the Head of the Investment Coordinating Board of the Provincial Region Tier-I, West Java, the Regent as Head of Region Tier-II of Bogor, No. 593.5/SK.81-BKPM/1992**, dated 1 April 1992, issued by the Head of the Investment Coordinating Board of the Provincial Region Tier-I, West Java.
- (v) Business Location License (SITU) or Nuisance License (HO) **Decision of the Regent of Bogor No. 566.71.P/004/00521/BPT/2012**, dated 5 November 2012 concerning the Granting of Re-registration for Nuisance License (HO), type of business "Concrete Product Industry, Steel Construction, Metal, Gas Cylinder, Insulator, Asphalt, Workshop, Solar Water Heater/Purifier and Solar Electricity Devices Industry" located in Kembang Kuning Village, District of Klapanunggal to PT Wijaya Karya Tbk (Persero) and which is valid until 5 November 2015.
- (vi) Licenses with regards to Environmental Impact Analysis ("Amdal"), Environmental Management Efforts ("UPL"), Environmental Monitoring Efforts ("UKL").

Letter of the Head of Spatial Planning and Environment, Bogor Regency, on behalf of the Regent of Bogor, No. 660/337.B/PDL-DTRLH, dated 24 May 2002 concerning the Approval of UKL/UPL Document on behalf of PT Wijaya Karya which has been rectified based on the responses of the examination result of UKL/UPL documents.

Remarks:

The manager of WIKA industrial area has submitted the Report of UKL/UPL for semester II Year 2013 to the Environmental Agency of Bogor Regency, as evidenced by the Control Card of Document Receipt/Goods, dated 16 January 2014, issued by the Environmental Management Agency of Bogor Regency.

- (vii) License related to Waste (*Limbah*) **Decision of the Regent of Bogor No. 658.31/021/P/00006/BPT/2012**, dated 31 January 2012 concerning the Granting of the Extension of Liquid Waste Disposal License for Production Facility Track 1, 2, 3 and 4 in Kembang Kuning Village, District of Klapanunggal to PT Wijaya Karya and which is valid until 25 February 2015.
- (viii) Other Operational License **Certificate of Company's Domicile (SKDP)**, dated 15 February 2011, issued by the Village Head of Nambo, District of Klapanunggal, Bogor Regency, which states that WIKA is

domiciled in Jl. Raya Narogong KM 26, Nambo Village, District of Klapanunggal, Bogor Regency.

Remarks:

The abovementioned SKDP of the Company is a joint domicile statement letter with other companies located in PT Wijaya Karya area.

Re-registration of License Letter No. 593.3/Kep.49/II/SIPPA-BPPT/2011, dated 1 July 2011, issued by the Head of the Integrated Licensing Service Agency of West Java concerning the Utilization of Surface Water (SIPPA) to PT Wijaya Karya and is valid until 14 March 2013.

Note:

Based on the information from the Company, currently the Company is still in the administration process of the extension of SIPPA, as evidenced by the receipt of the extension dated 12 June 2013, issued by the Integrated Licensing Service Agency of the Province of West Java.

Remarks:

Considering that the location of PPB Bogor is located in WIKA Industrial Area, therefore several licenses such as Building Construction License, Nuisance License/SITU, License related to the Waste, SIPPA, and Environmental License, have been granted in the name of PT Wijaya Karya (Persero) Tbk.

c. **PPB Boyolali**

- (i) Decision Letter concerning the Factory Establishment
Decision Letter of the Board of Directors of PT Wijaya Karya Beton No.SK.01.01/WB-A.022/97, dated 12 March 1997 concerning the establishment of the Concrete Product Factory of Boyolali, valid as of 12 March 1997.
- (ii) Industrial Business License
Industrial Business License No. 073/11.32/SIUI.B/VI/2012-P2, dated 25 June 2012, issued by the Head of Investment Agency and Integrated Licensing Services Agency of Boyolali Regency and which is valid until 14 July 2017.
- (iii) Building Construction License
The Company has obtained the Building Construction License for PPB Boyolali based on:
 - 1) **Decision of the Head of Licensing and Investment Agency of Boyolali Regency No. 503/199/31 Year 2011**, dated 7 July 2011;
 - 2) **Decision of the Regent of Boyolali, No. 503/470 Year 2005**, dated 5 September 2005;
 - 3) **Decision of the Head of the Public Works Transportation and the Sanitary Office of Boyolali Regency No. 503/1743/Mjs/KPT Year 2003**, dated 14 August 2003;

- 4) **Decision of the Head of the Public Works Transportation and Sanitary Office of Boyolali Regency No. 503/1159 Year 2003**, dated 26 July 2003; and
- 5) **Building Construction License No. 6/1981**, dated 27 March 1981, issued by the Head of Public Works Office of Dati II Boyolali Regency on behalf of the Regent of Boyolali No. 57/G4c/DPU/IV/1981.

- (iv) Business Location License (SITU) or Nuisance License (HO) **Decision of the Head of the Investment and Integrated Licensing Services Agency of Boyolali Regency No. 503/854/30/IX/Tahun 2012**, dated 22 September 2012 concerning the Granting of Nuisance License to the Company for the concrete product factory business and which is valid until 21 September 2015.

Decision of the Head of the Investment Services and Integrated Licensing Services Agency of Boyolali Regency No. 503/882/30/X/Tahun 2012, dated 6 October 2012 concerning the Granting of Nuisance License to the Company for the business to gather finished concrete product and which is valid until 5 October 2015.

- (v) License with regards to Amdal, UPL, UKL **Letter of the Environmental Agency of Boyolali Regency No. 660.1/832/25/2010**, dated 22 October 2010 concerning the recommendation for UKL/UPL of Concrete Product Factory Activity by PT Wijaya Karya Beton in Boyolali.

Remarks:

The Company has submitted the Report on UKL/UPL for the IV quarter of Year 2013 to the Environmental Agency of Boyolali Regency, as evidenced by the Letter of Delivery of Goods/Document No. 009.SP.WB-2E/2014, dated 15 January 2014, received by the Head of Sub-Directorate of Environmental Contamination Control of the Environmental Agency of Boyolali Regency dated 15 January 2014.

- (vi) License related to Waste (*Limbah*) **Decision of the Head of Environmental Agency of Boyolali Regency No. 900/42/28/2014**, dated 26 February 2014 concerning Granting of Liquid Waste Disposal License to PT Wijaya Karya Beton Boyolali domiciled at Jalan Raya Boyolali – Solo Km 4,5 and which is valid for 5 years.
- (vii) Other Operational License **Decision of the Regent of Boyolali No. 900/42/28/2014**, dated 26 February 2014 concerning Approval for the Extension of Ground Water Concession to PT Wijaya Karya Beton for the First Well and which is valid until 15 July 2016.

Certificate of Company's Domicile (SKDP) No. 474/842/62/2013, dated 24 December 2013, issued by the Head of Sub-District of Mojosongo, and acknowledged by the District Head of Mojosongo, which states that the Company is domiciled

in Jalan Raya Boyolali – Solo KM. 4,5 Kp. Mojosongo, Sub-District of Mojosongo, District of Mojosongo, Boyolali Regency, and which is valid until 24 December 2014.

Company Registration Certificate (TDP) No. 113312300017, dated 25 June 2012, issued by the Head of the Investment Agency and Integrated Services of Boyolali Regency and is valid until 21 July 2017.

d. **PPB North Sumatera**

- (i) Decision Letter concerning the Factory Establishment
Decision Letter of the Board of Directors of PT Wijaya Karya Beton No.SK.01.01/WB-A.018/97 dated 12 March 1997 concerning the establishment of the Concrete Product Factory in North Sumatera which is valid as of 12 March 1997.
- (ii) Industrial Business License
Excerpt of the Decision of the Regent of Deli Serdang No. 12.536/DU-IB/993/012/XII/2011, dated 14 December 2011 concerning the Extension of Industrial Business License to the Company and which must be re-registered once every 5 (five) years, no later than 10 October 2016.
- (iii) Building Construction License
The Company has obtained a Building Construction License for PPB North Sumatera based on **the Excerpt of the Letter of Stipulation of the Regent as the Head of Tier-II of Deli Serdang in Lubuk Pakam No. SC3.647/8157/Bg**, dated 26 May 1989, issued by the Provincial Government Secretary of Regency Tier-II of Deli Serdang Regency.
- (iv) License related to Waste (*Limbah*)
Decision of the Head of Environmental Agency of Deli Serdang Regency No. 351.1/230/II/2014, dated 19 February 2014 concerning the Extension of Liquid Waste Disposal License (IPLC) to the Water Agency for the purpose of the industrial activities of PT Wijaya Karya Beton and which is valid for 3 (three) years since the stipulated date.
- (v) Business Location License (SITU) or Nuisance License (HO)
Statement Letter concerning the Re-registration of the Nuisance License of Business Location of Company No. 503.530.08/8410, dated 6 December 2013, issued by the Provincial Government Secretary of the Deli Serdang Regency on behalf of the Regent of Deli Serdang who granted the approval to the Company for the business location of the concrete factory which utilizes a machine with a power of 150 KVA and which must be re-registered no later than 24 August 2014.

- (vi) License with regard to Amdal, UPL, UKL
Letter of the Regional Environmental Impact Management Agency No. 660.P/1855/660.1/DS/2010, dated 27 December 2010 concerning the Recommendation for the UKL/UPL Document Revision on the Precast Concrete Product Industrial Activity by the Company which states that technically UKL-UPL could be approved.

Remarks:

The Company has submitted the Monitoring Report of UKL/UPL for semester-II of Year 2013 to the Regional Environmental Impact Management Agency of Deli Serdang, as evidenced by Letter No. SE.01.01/WB-2A.004/2014, dated 3 January 2014, received by the Head of Sub-Directorate of the AMDAL, UKL-UPL Evaluation, dated 6 January 2014.

- (vii) Other Operational Licenses
Excerpt of the Decision of the Regent of Deli Serdang No. 070 Year 2014, dated 8 January 2014, concerning the granting of the extension of the Utilization of Surface Water License to PT Wijaya Karya Beton, and which is valid until 8 January 2017.

Statement Letter No. 500/706, dated 19 September 2012, issued by the District Head of Sunggal, Deli Serdang Regency, which states that the Company is located at Jalan Medan Binjai KM. 15,5 No.1 Diski – 29351, Sei Semayang Village, District of Sunggal, Deli Serdang Regency.

Company Registration Certificate (TDP) No. 021312300732, dated 19 December 2013, issued by the Head of Industry and Trade Office of Deli Serdang Regency, as Head of the Company Registration Office, on behalf of the Regent of Deli Serdang and which is valid until 10 October 2018.

e. PPB Majalengka

- (i) Decision Letter concerning the Factory Establishment
Decision Letter of the Board of Directors of PT Wijaya Karya Beton No.SK.01.01/WB-A.021/97 dated 12 March 1997 concerning the Establishment of the Concrete Product Factory at Majalengka, which is valid as of 12 March 1997.
- (ii) Industrial Business License
Industrial Business License No. 530/001/1UI-Her/XI-BPPTPM/2013, dated 22 November 2013, issued by the Head of Integrated Service Agency of the Majalengka Regency, on behalf of the Regent of Majalengka to the Company.
- (iii) Building Construction License
The Company has obtained a Building Construction License for PPB Majalengka based on:
 - 1) **Decision Letter of the Head of the Integrated Licensing and Investment Services Agency of Majalengka**

- Regency No. No.647/369/BPPTPM/XII/2012**, dated 28 December 2012, issued by the Head of Integrated Licensing and Investment Services Agency of Majalengka Regency; and
- 2) **License Letter No. 648.12/383/BPT/2008**, dated 13 May 2008, issued by the Head of Integrated Service Agency of the Majalengka Regency.
- (iv) Business Location License (SITU) or Nuisance License (HO) **Decision of the Head of Integrated Service and Investment Agency of the Majalengka Regency No. 536/104.SK-IG/XI-BPPTPM/2010**, dated 5 November 2010 concerning the Nuisance License to PT Wijaya Karya and which must be re-registered every 5 (five) years.
- Remarks:**
Considering that the location of PPB Majalengka is located in WIKA Industrial Area, therefore several licenses related to HO/SITU are in the name of PT Wijaya Karya (Persero) Tbk.
- (v) License with regards to Amdal, UPL, UKL **Letter of the Environmental Office of the Regency Government of Majalengka No. 4/XII/KLH/2008**, dated 24 December 2008 concerning the Recommendation of UKL/UPL for Precast Concrete Product Industry to the Company.
- Remarks:**
The Company has submitted a Report of UKL/UPL for semester-II of Year 2013 to the Environmental Management Agency of Majalengka Regency, as evidenced by Letter No. TP.01.02/WB.2D.007/2014, dated 15 January 2014, received by the Head of Sub-Directorate of the AMDAL, BPLH, dated 16 January 2014.
- (vi) Liquid Waste Disposal License **Letter of the Head of the Environmental Management Agency of Majalengka Regency No. 660/29/BPLH** dated 23 January 2014, concerning the Recommendation for the Disposal of Waste Water stating that in principle it approves the Recommendation Application for the Company's Waste Water Disposal.
- (vii) Other Operational Licenses **Certificate of Company's Domicile (SKDP) No. 141/337/Pem.Des/2011**, dated 9 December 2011, issued by the Village Head of Burujul Kulon, and is acknowledged by the District Head of Jatiwangi, which states that the Company is located at Jl. Raya Barat Burujul Kulon Blok Ciwalur RT 007/RW 014, Burujul Kulon Village, District of Jatiwangi, Majalengka Regency.

Decision Letter of the Head of the Integrated Licensing and Investment Services Agency of Majalengka Regency No. No.540/003.SK-ABT/II-BPPTPM/2014 dated 11 February 2014

concerning Utilization of Ground Water (IPA) License and which must be re-registered for the first year on 13 February 2015.

f. **PPB South Sulawesi**

- (i) Decision Letter concerning the Factory Establishment
Decision Letter of the Board of Directors of PT Wijaya Karya Beton No.SK.01.01/WB-A.024/1997 dated 12 March 1997 concerning the establishment of Concrete Product Factory in South Sulawesi, which is valid since 12 March 1997.
- (ii) Industrial Business License
Decision of the Mayor of Makassar No. 503/0022/UI-P/13/KPAP, dated 24 October 2013 concerning the Industrial Business License, issued by the Head of Administration Licensing Service Agency on behalf of the Mayor of Makassar who granted the approval to the Company for Industrial Business License and which is valid until 24 October 2018.
- (iii) Building Construction License
The Company has obtained a Building Construction License for PPB in South Sulawesi based on:
 - 1) **Decision of the Mayor of Makassar No. 503/0238/IMB/14/KPAP**, dated 9 July 2013, issued by the Head of Administration Licensing Service Office on behalf of the Mayor of Makassar; and
 - 2) **Decision of the Municipality Mayor as the Regional Head Tier-II Ujung Pandang No. 7038-IM**, dated 14 November 1995, issued by the Municipality/Regional Secretary.
- (iv) Business Location License (SITU) or Nuisance License (HO)
Decision of the Mayor of Makassar No. 503/0490/IG-P/13/KPAP, dated 22 October 2013 concerning the Nuisance License (HO) of the Company which obliges the Company to pay a retribution within the framework of supervision, control, enforcement, and guidance every 5 (five) years.
- (v) License with regards to Amdal, UPL, UKL
Decision of the Regional Head of Environmental Impact Management Agency of Makassar City No. 660.1/B/05/Kep/III/2003, undated, concerning the Approval of Environment Management Efforts (UKL) and Environment Monitoring Efforts (UPL) of the Concrete Production Factory of PT Wijaya Karya Beton.

Remarks:

The Company has submitted the Report of UKL/UPL for semester-II of Year 2013 to the Environmental Agency of Makassar, dated 17 January 2014, as evidenced by Letter No. TP.01.02/WB-2G.006/2014, dated 17 January 2014.

- (vi) Other Operational Licenses
Statement Letter No. KIMA.772/DTP/IX/2013, dated 10 September 2003, issued by the Board of Directors of PT Kawasan Industri Makassar (PT KIMA), which states that the Company is truly located in the Industrial Area of Makassar Kavling S-4,5, Jl. Kimia Raya 2, Industrial Area of Makassar.

Decision of the Mayor of Makassar No. 503/0461/SIUPB-P/13/KPAP, dated 22 October 2013, issued by the Head of Administration Licensing Service Office of the Makassar City Government concerning the Large – Trading Business License (*SIUP Besar*). The relevant SIUP is valid until 22 October 2018.

Company Registration Certificate (TDP) No. 202312609453, dated 22 October 2013, issued by the Head of the Administration Licensing Service Office of Makassar, on behalf of the Mayor of Makassar and which is valid until October 2018.

License Letter No. 660.411/289/BLHD/IV/2013, dated 8 April 2013 concerning the Grant of Approval for the Extraction of Ground Water (IPA) to PT Wijaya Karya Beton – Makassar, issued by the Regional Environmental Agency of Makassar, and is valid until 8 April 2016.

Remarks:

Considering that the location of PPB South Sulawesi is located in the Makassar Industrial Area, therefore based on the Statement Letter of PT Kawasan Industri Makassar (Persero) No. KIMA.026/DIR/II/2014, dated 17 January 2014, which states that the Company is located in the Makassar Industrial Area, the processing of liquid waste is integrated with the waste processing of PT Kawasan Industri Makassar (Persero).

g. PPB Pasuruan

- (i) Decision Letter concerning the Factory Establishment
Decision Letter of the Board of Directors of PT Wijaya Karya Beton No.SK.01.01/WB-A.023/97, dated 12 March 1997 concerning the establishment of Concrete Product Factory at Pasuruan, which is valid as of 12 March 1997.
- (ii) Industrial Business License
Decision of the Head of Licensing and Investment Agency of the Pasuruan Regency No. 530/56/424.061/2003, dated 6 October 2003 concerning Large Industrial Business License of industrial goods made from Cement and lime for Construction (by means of the in Principle Approval) to the Company and which is valid as long as the Company is carrying out its business activities.
- (iii) Building Construction License
The Company has obtained a Building Construction License for PPB Pasuruan based on:

- 1) **Decision of the Head of Licensing and Investment Services Agency of Pasuruan Regency No. 647/1288/424.077/2011**, dated 29 December 2011;
 - 2) **Decision of the Regent of Pasuruan, No. 503/112/424.077/2011**, dated 8 December 2011;
 - 3) **Decision of the Head of Licensing and Investment Office of Pasuruan Regency No. 647/212/424.061/2005**, dated 12 April 2005;
 - 4) **Decision of the Head of Licensing and Investment Service Office of Pasuruan Regency No. 647/587/424.061/2005**, dated 15 September 2005;
 - 5) **Decision of the Head of Licensing and Investment Service Office of Pasuruan Regency No. 647/800/424.061/2003**, dated 6 October 2003; and
 - 6) **Letter of Governor of the Regional Head Tier-I of East Java No. 593/2981/230/1980**, dated 4 August 1980, issued by the Deputy Governor Official on behalf of the Governor as Regional Head Tier-I of East Java.
- (iv) Business Location License (SITU) or Nuisance License (HO)
Decision of the Head of Licensing and Investment Services of Pasuruan Regency No. 530.08/860/424.077/2013, dated 31 July 2013 concerning the Nuisance License for Precast Concrete Industry in the name of PT Wijaya Karya Beton and which is valid as long as the Company is carrying out its business activities, and which must be re-registered every 3 (three) years.
- (v) License with regards to Amdal, UPL, UKL
Decision of the Head of Provincial Environmental Impact Management Agency of Pasuruan Regency No. Reg.123/UKL&UPL/2006, dated 22 December 2006 which has been adjusted with the Response Letter No. 666/1568/424.086/2006, dated 14 December 2006.

Remarks:

The Company has submitted the Report of UKL/UPL for semester-II of Year 2013 to the Environmental Agency of Pasuruan Regency Government, as evidenced by the Receipt dated 15 January 2014, issued by the Environmental Management Agency of Pasuruan Regency Government.

- (vi) Licenses related to Waste (*Limbah*)
Decision of the Head of Environmental Agency of Pasuruan Regency No. 660.31/005/424.078/2013, dated 8 April 2013 concerning the Extension of Liquid Waste Disposal License (IPLC) to the Water Agency for the purpose of the industrial activities of PT Wijaya Karya Beton in Pasuruan Regency and which is valid for 3 (three) years since the stipulated date.

Decision of the Minister of Environmental Affairs of Republic Indonesia No. 448 of 2013, dated 23 December 2013 concerning the Utilization of Hazardous and Toxic Materials

Waste License of PT Wijaya Karya Beton, Concrete Product Factory of Pasuruan and which is valid for 5 (five) years.

(vii) Other Operational Licenses

Certificate of Company's Domicile (SKDP) No. Reg:470/206/424.12.2012/2013 dated 11 February 2014, issued by the Village Secretary of Kejapanan on behalf of the Village Head of Kejapan, which states that the Company is located at Jalan Raya Melia No. 323, Melian Village, Kejapan Village, District of Gempol, Pasuruan Regency and which is valid until **11 July 2014**.

Company Registration Certificate (TDP) No. 13.26.1.23.00105, dated 19 September 2011, issued by the Head of Industrial and Trade Office of Pasuruan Regency as the Head of the Company Registration Office and which is valid until 13 September 2016.

Decision of the Head of Licensing and Investment Services Agency of the Pasuruan Regency No. 611.26/56/424.077/2013, dated 18 June 2013 concerning the License Letter for the Collection/Utilization of Surface Water (SIPA), the Extension of Drill Well I (One) for the purpose of Concrete Industry Activity in the name of PT Wijaya Karya Beton in the District of Gempol, Pasuruan Regency which is valid for 3 (three) years since the stipulated date.

h. **PPB Lampung**

(i) Decision Letter concerning the Establishment of Factory
Decision Letter of the Board of Directors of PT Wijaya Karya Beton No.SK.01.01/WB-A.019/97, dated 12 March 1997 concerning the Establishment of Concrete Product Factory in Lampung, valid since 12 March 1997.

(ii) **Industrial Business License No. 503/02/KPMPPT/UII/2012**, dated 19 March 2012, issued by the Head of the Investment and Integrated Licensing Services Agency of the Pesawaran Regency, on behalf of the Regent of Pesawaran to the Company and still valid as long as the Company is carrying out its business activities.

(iii) Building Construction License
Company has obtained a Building Construction License for PPB Lampung based on:

- 1) **Building Construction License No. 503/052/KPMPPT/IMB/2013**, dated 31 October 2013, issued by the Head of the Investment and Integrated Licensing Services office of the Pesawaran Regency on behalf of the Regent of Pesawaran;
- 2) **Building Construction License No. 503/027/KPMPPT/IMB/2011**, dated 6 December 2011,

- issued by the Head of the Investment Agency and Integrated Licensing Services Office of the Pesawaran Regency on behalf of the Regent of Pesawaran;
- 3) **Building Construction License No. 640/39/IV.03/II/2007**, dated 16 February 2007, issued by the Deputy-Regent of South Lampung;
 - 4) **Building Construction License No. 503/329/IV.13/XII/2007**, dated 7 December 2007, issued by the Head of the Integrated One Door Services on behalf of the Regent of South Lampung;
 - 5) **Building Construction License No. 650.00142.33.1996**, dated 29 July 1996, issued by the Regency Head Tier-II of South Lampung;
 - 6) **Building Construction License No. 650.01763.33.1995**, dated 19 January 1995, issued by the Regency Head Tier-II of South Lampung; and
 - 7) **Building Construction License No. 012/BKPMD/II/1987**, dated 2 February 1987, issued by the Head of the Regional Investment Coordinating Board of Regional Head Tier-I of Lampung.
- (iv) Business Location License (SITU) or Nuisance License (HO)
Nuisance License Letter No. 503/261/KPMPPT/HO/2013, dated 31 October 2013, issued by the Head of the Investment Agency and Integrated Licensing Services Office of Pesawaran Regency on behalf of the Regent of Pesawaran to the Company and the Company must re-register it no later than 31 October 2016.
- (v) License with regards to Amdal, UPL, UKL
Letter of the Head of the Environmental Office of Pesawaran Regency No. 660/007/IV.08/AMDAL/RKP/2013, dated 13 March 2013 concerning the recommendation of the UKL/UPL of the Concrete Industry Activities to the Company.
- Remarks:**
The Company has submitted the Report of UKL/UPL for semester-II for the Year 2013 to the Environmental Office of Pesawaran Regency, as evidenced by the Letter of the Company received by the Environmental Office of Pesawaran Regency (no number and date).
- (vi) License related to Waste (*Limbah*)
Decision of the Head of the Environmental Office of Pesawaran Regency No. 660/004/IV.08/AMDAL/PPLC.DU/2012, dated 14 December 2012 concerning the Granting of the Re-registration of the Letter of Approval for Liquid Waste Disposal to Waters Resources and/or to Public Waters for the Company and which is valid until 15 December 2014.
- (vii) Other Operational Licenses
Certificate of Company's Domicile (SKDP) No. 465/940/V.03.02/I/2014, dated 7 January 2014, issued by the

Village Head of Bumi Agung, District of Tegineneng, Pesawaran Regency Government and is valid until 7 January 2015.

Decision of the Regent of Pesawaran No. 31/III.11/HK/2012, dated 30 March 2012 concerning the Extension of Ground Water Taking License of PT Wijaya Karya Beton, issued by the Regent of Pesawaran and which is valid for 5 (five) years with the obligation to re-register once a year.

Remarks:

The Company has submitted re-registration of the Ground Water Taking License to the Mining and Energy Office of Pesawaran Regency, as evidenced by the Statement Letter of Re-registration, No. 503/001/DU/III.11/2014, dated 21 January 2014, and which is valid until 30 March 2015.

3. Licenses and Documents related to Manpower

- a. Mandatory Manpower Report about the employees of the **Company's Office** as stipulated in Article 6 Paragraph (2) of Law No. 7 of 1981 concerning Mandatory Report of the Company's Manpower with the following description:

- i. Registration No. : 05/WL/TK/JT/II/2014
- ii. Total Number of Employees : 91 persons
- iii. Re-registration Date : 7 January 2015

- b. Mandatory Manpower Report about the employees of **PPB Karawang** as stipulated in Article 6 Paragraph (2) of Law No. 7 of 1981 concerning Mandatory Report of the Company's Manpower with the description as follows:

- i. Registration No. : Unreadable
- ii. Total Number of Employees : 54 persons
- iii. Re-registration Date : 30 August 2014

- c. Mandatory Manpower Report about the employees of **PPB Bogor** as stipulated in Article 6 Paragraph (2) of Law No. 7 of 1981 concerning Mandatory Report of the Company's Manpower with the description as follows:

- i. Registration No. : 2919
- ii. Total Number of Employees : 149 persons
- iii. Re-registration Date : 1 March 2015

- d. Mandatory Manpower Report about the employees of **PPB Boyolali** as stipulated in Article 6 Paragraph (2) of Law No. 7 of 1981 concerning Mandatory Report of the Company's Manpower with the description as follows:

- i. Registration No. : 16/13/2014
- ii. Total Number of Employees : 99 persons
- iii. Re-registration Date : 1 March 2015

- e. Mandatory Manpower Report about the employees of **PPB Majalengka** as stipulated in Article 6 Paragraph (2) of Law No. 7 of 1981 concerning Mandatory Report of the Company's Manpower with the description as follows:
 - i. Registration No. : 172
 - ii. Total Number of Employees : 59 persons
 - iii. Re-registration Date : 11 August 2014
- f. Mandatory Manpower Report about the employees of **PPB South Sulawesi** as stipulated in Article 6 Paragraph (2) of Law No. 7 of 1981 concerning Mandatory Report of the Company's Manpower with the description as follows:
 - i. Registration No. : 17/533/2013
 - ii. Total Number of Employees : 45 persons
 - iii. Re-registration Date : 1 October 2014
- g. Mandatory Manpower Report about the employees of **PPB Lampung** as stipulated in Article 6 Paragraph (2) of Law No. 7 of 1981 concerning Mandatory Report of the Company's Manpower with the description as follows:
 - i. Registration No. : 004
 - ii. Total Number of Employees : 57 persons
 - iii. Re-registration Date : 15 January 2015
- h. Mandatory Manpower Report about the employees of **PPB Pasuruan** as stipulated in Article 6 Paragraph (2) of Law No. 7 of 1981 concerning Mandatory Report of the Company's Manpower with the description as follows:
 - i. Registration Number : 66/85/2013
 - ii. Total Number of Employees : 170 persons
 - iii. Re-registration Date : 31 March 2014
- i. Mandatory Manpower Report about the employees of **PPB North Sumatera** as stipulated in Article 6 Paragraph (2) of Law No. 7 of 1981 concerning Mandatory Report of the company's Manpower, with the description as follows:
 - i. Registration Number : 560/45/DTKTR/2014
 - ii. Total Number of Employees : 144 persons
 - iii. Re-registration Date : 29 January 2015
- j. **Participation Certificate of Employee Social Insurance (Jamsostek) No. 0900000009370**, dated 25 May 2009, issued by PT Jamsostek (Persero), which states that the Company is registered as the participant of the Employee Social Insurance (*Jamsostek*) in accordance with Law No. 3 of 1992 *juncto* Government Regulation No.14 of 1993. The Company has also paid the *Jamsostek* fees for the months of December 2013, January, and February 2014.

- k. **Statement Letter of the Company No. SE.02.03/WB-0A.057/2014**, dated 10 February 2014, which declares that until the day the Statement Letter has been signed, amongst others declare that the prevailing Company's Employees Minimum Wage per month has fulfilled the provisions of the Regional Minimum Wage either in the area of the head office in West Java Province or any Province where the factories are located.
 - l. On the date of the issuance of this Legal Opinion, the Company is still in the process of negotiation with the Company's Workers Union in relation to the Collective Labor Agreement, which expires on 24 May 2013.
- 4. **Licenses and Operational Documents in relation to the other Operations of the Company**
 - a. **Certificate of Company's Domicile (SKDP) No. 503/23/KI.Jtc/XI/2013**, dated 25 November 2013, issued by the Sub-District Head of Jaticepaka, District of Pondok Gede, Bekasi Regency, which states that the Company is domiciled at Jl. Raya Jatiwaringin, RT 001, RW 004, Sub-District of Jaticepaka, District of Pondok Gede, Bekasi City and this SKDP is valid until 21 November 2014.
 - b. **Company Registration Certificate (TDP) No. 102614607491**, dated 22 March 2013, issued by the Head of Integrated Licensing Service Office, as the Head of the Company Registration Office of Bekasi City and this TDP is valid until 28 February 2018.
 - c. **Taxpayer Registration Number (NPWP) No. 01.061.154.9-093.000**, issued by the Taxation Service Office, Regional Office, Directorate General for Taxes, Ministry of Finance of the Republic of Indonesia, registered on 1 April 2012.
 - d. **Confirmation Letter of Taxable Entrepreneur, No. PEM-01153/WPJ.19/KP.0403/2012**, dated 16 April 2012, issued by the Taxation Service Office, Regional Office, Directorate General for Taxes, Ministry of Finance of the Republic of Indonesia.
 - e. **Customs Identity Number (NIK) No. 05.012583**, issued by the Director of Customs & Excise Information, Directorate General of Customs & Excise, Ministry of Finance of the Republic of Indonesia.
- 5. **Other Licenses owned by the Company.**
 - a. **Decision of the Regent of South Lampung No. B/607/I.01/HK/2013** dated 17 September 2013 Granting Location License in the measurement of $\pm 900.000 \text{ m}^2$ to PT Wijaya Karya Beton for the Development of Cement Industry and Mining C Class at Sumur Village, District of Ketapan, South Lampung Regency, which is valid for 36 months and can be extended if the extent of the acquiring of said land has reach more than 50% of the total amount of the granting location license.

Remarks:

In connection with this location license, in the past the Company has obtained the **Decision of South Lampung Regency No. B/530/IV.02/HK/2013** dated 17 July 2013 concerning Grant of Space Utilization in Principal Approval to PT Wijaya Karya Beton at Sumur Village, District of Ketapan, South Lampung Regency.

- b. **Decision of Bogor Regency No. 541.3/016/Kpts/ESDM/2013** dated 3 December 2013 concerning Granting of Mining Activities License (IUP) Exploration to PT Wijaya Karya Beton at the mining location situated in Mekarjaya Village, District of Cigudeg, Bogor Regency and which is valid for 18 months.

Remarks:

In connection with this IUP, in the past the Company has obtained the **Letter of the Head of Energy and Mineral Resources of Bogor Regency No. 541.3/1657-PU/EUDM** dated 27 November 2013 concerning Granting of Regional Mining Activities License (WIUP).

- c. **Decision of Donggala Regency No. 188.45/0568/DESDM/2013** dated 18 October 2013 concerning Approval of Mining Activities License (IUP) Operation Production of Rock Mining Material (Sand, Stone, Gravel) to PT Wijaya Karya Beton and license which is valid for 5 year can be extended twice.

Remarks:

In connection with this IUP, in the past the Company has obtained:

- i) **Decision of Donggala Regency No. 188.45/0507/BLHD** dated 24 September 2013 concerning Environmental License of mining activities of rock mining materials at Loli Dondo Village, District of Banawa, Regency of Donggala by PT Wijaya Karya Beton and which the validity period of the license is the same as the validity of the Business License.
- ii) **Letter of the Head of Environment Management Agency of Donggala Regency No. 660.13/BLHD/IX/2013** dated 23 September 2013 concerning Recommendation of UKL-UPL Mining Activities of Rock Mining Material at Loli Dondo, District of Banawa, Donggala Regency.
- iii) **Letter of Assignment of the Head of the Public Works Transportation of Donggala Regency No. 660.663/DPU Kab-Dgl/VII/727/2013** dated 22 August 2013 concerning Spatial Layout Recommendation.
- iv) **Letter of the Head of Forestry and Landscape of Donggala Regency No. 522.21/253/VIII/DISHUT BUN** dated 1 August 2013 concerning study on the function of PT Wijaya Karya Beton potential mining district.

F. Company's Assets/Capital

The Company owns assets/properties in the form of:

1. Land and buildings.
Such land and buildings, part of which are given as collateral to PT Bank Rakyat Indonesia (Persero) Tbk, PT Bank Mandiri (Persero) Tbk, PT Bank CIMB Niaga Tbk, in connection with to the Company's debt pursuant to the credit agreement executed by the Company with its creditors.
2. Shares participation in:
 - a. WIKA Kobe in the amount of 51% of the total number of the issued and paid up capital in WIKA Kobe; and
 - b. WIKA Krakatau Beton in the amount of 60% of the total number of the issued and paid up capital in WIKA Krakatau Beton;
3. Machineries and equipment used in the production of precast concrete. Part of the machineries and equipment are given as collateral to PT Bank Rakyat Indonesia (Persero) Tbk, PT Bank Mandiri (Persero) Tbk, PT Bank CIMB Niaga Tbk, in connection with the Company's debt pursuant to the credit agreement executed by the Company with its creditors; and
4. Intellectual property rights in the form of patent and trademark.

G. Agreements between the Company with Third Parties

Important agreements executed by the Company with other third parties amongst others the agreement in the framework of the Issuance of Medium Term Notes I of Year 2013 ("**MTN**").

Based on the Deed of the Issuance Agreement and Appointment of the Supervisory Agent and Security Agent of the Medium Term Notes I PT Wijaya Karya Beton of the Year 2013 No. 9 dated 13 November 2013, executed before Jose Dima Satria, S.H., M.Kn., Notary in the Administrative City of South Jakarta, by and between the Company ("**Issuer**"), PT Mandiri Sekuritas and PT Maybank Kim Eng Securities (both acting as the "**Arranger**" and/or "**Placement Agent**") as well as PT Bank Mandiri (Persero) ("**Supervisory Agent**" and "**Security Agent**"), The Company has offered and issued commercial papers in the form of debts to potential investor by way of private placement, known as "Medium Term Notes I PT Wijaya Karya Beton of the Year 2013" ("**MTN**"), in the amount of Rp366,000,000,000.- (three hundred and sixty six billion Rupiah) which is part of the amount that will be issued in the maximum of Rp400,000,000,000.- (four hundred billion Rupiah). The MTN funds are intended for business expansion through the increase of production capacity, and operational territory expansion, as well as working capital. The interest rate of the MTN is 9.5% (nine point five percent) per annum, which interest shall be paid every 3 months, with the first payment to be made on 15 February 2014. The Company is obliged to settle the MTN principal amount on 15 November 2015.

Concerning the issuance of the MTN, the Company acknowledges that the Company is truly and legally indebted to the MTN Holders which in this case is represented by PT Bank Mandiri (Persero) Tbk in the amount of Rp366,000,000,000.- (three hundred and sixty six billion Rupiah) including MTN

interest and added with the other indebted amounts in accordance with the Agreement on the Issuance and Appointment of Supervisory Agent and Security Agent of the Medium Term Notes I PT Wijaya Karya Beton of the Year 2013 and other agreements made in relation to MTN that must be repaid by the Company to the MTN holders, as stipulated in the deed of Acknowledgement of Debt No. 3 dated 9 December 2013, executed before Jose Dima Satrai, S.H., M.Kn., Notary in the Administrative City of South Jakarta.

The security for the issuance of MTN is in the maximum amount of 100% (one hundred percent) of the MTN Principal Amount which shall be given not later than 30 (thirty) Calendar Days since the Issuance Date, in the form of finished goods inventory that are currently owned and/or will be owned by the Company as stipulated in the deed of Fiduciary Security over Finished Goods Inventory No. 10 dated 13 November 2013, executed before Jose Dima Satria, S.H., M.Kn., Notary in the Administrative City of South Jakarta.

In the issuance of this MTN, KSEI is acting as the paying agent based on the deed of the Paying Agent Agreement of the Medium Term Notes I PT Wijaya Karya Beton of Year 2013 No. 18 dated 14 November 2013, executed before Jose Dima Satrai, S.H., M.Kn., Notary in the Administrative City of South Jakarta.

Other than the agreement in the framework of the Issuance of the Medium Term Notes I of Year 2013, the Company also entered into important agreements with other parties including affiliated parties as follows:

1. Credit Agreement;
2. Lease Agreement;
3. Manpower Agreement;
4. Cooperation Agreement;
5. Operational Agreement; and
6. Insurance Agreement.

H. Agreements and Documents Related to Public Offering

1. **Securities Underwriting Agreement No. 21** dated 22 January 2014, as amended by the Addendum I to the Securities Underwriting Agreement No. 19 dated 20 February 2014, both executed before Mochamad Nova Faisal, S.H., M.Kn., Notary in South Jakarta, between the Company ("**Issuer**") and latest amended by the Addendum II to the Securities Underwriting Agreement No. 25 dated 19 March 2014 executed before Nila Noordjasmani Soeyasa Besar, S.H., M.Kn., substitute of Mochamed Nova Faisal, S.H., M.Kn., Notary in South Jakarta, between the Company ("**Emiten**") with PT Mandiri Sekuritas, PT Danareksa Sekuritas, PT Bahana Sekuritas and PT Sucorinvest Central Gani (all as the "**Managing Underwriters**" as well as the "**Underwriters**") PT Amantara Sekuritas, PT BNI Sekuritas, PT Buana Capital, PT Danpac Sekuritas, PT Equity Sekuritas Indonesia, PT Erdikha Elit Sekuritas, PT Evergreen Capital, PT Grow Asia Capital, PT HD Capital Tbk, PT Indo Mitra Sekuritas, PT Inti Fikasa Securindo, PT Investindo Nusantara Sekuritas, PT Jasa Utama Capital, PT Kresna Graha Sekurindo Tbk, PT Lautandhana Securindo, PT Madani Sekuritas, PT Magenta Kapital Indonesia, PT Makinta Sekuritas, PT Masindo Artha Sekuritas, PT Mega Capital Indonesia, PT MNC Sekuritas, PT NISP Sekuritas, PT Nusantara Capital Sekuritas, PT Onix Sekuritas, PT Panca Global Sekuritas Tbk, PT Panin Sekuritas Tbk, PT

Phillip Securities Indonesia, PT Recapital Securities, PT Reliance Securities Tbk, PT Trimegah Securities Tbk, PT Valbury Asia Securities, PT Victoria Securities Indonesia, PT Wanteg Securindo, PT Waterfront Securities Indonesia, PT Woori Korindo Securities Indonesia, PT Yulie Sekurindo Tbk (all as the “Underwriters”) (“Underwriting Agreement”).

2. **Deed of Management Administration of Shares Agreement No. 22** dated 22 January 2014, as amended by the **Addendum I to the Administration Management Agreement No. 20 dated 20 February 2014**, both executed before Mochamad Nova Faisal, S.H., M.Kn., Notary in South Jakarta, and amended by the **Addendum II to the Management Administration of Shares Agreement No. 26** dated 19 March 2014 executed before Nila Noordjasmani Soeyasa Besar, S.H., M.Kn., substitute of Mochamd Nova Faisal, S.H., M.Kn., Notary in South Jakarta, between the Company and PT Datindo Entrycom (Securities Administration Bureau).
3. **Preliminary Listing Agreement** dated 22 January 2014, privately executed, between the Company and BEI (“**Preliminary Listing Agreement**”).
4. **Registration of Equity Securities Agreement in KSEI No. SP-0005/PE/KSEI/0114** dated 22 January 2014, privately executed, between the Company and PT Kustodian Sentral Efek Indonesia (“KSEI”).

I. Other Documents

1. The Company Statement Letter No. SE.02.03/WB-0A.012/2014 dated 6 January 2014 which stipulates that until the signing date of this Statement Letter, (i). the Company is not involved in any criminal, civil, administrative, employment, taxation and arbitration cases in the court/arbitral institutions and/or other authorized agencies in Indonesia; (ii). there are no petitions for insolvency or suspension of payment obligation filed against the Company at the authorized District Court in Indonesia; (iii). not involved in any out of court legal dispute/conflict which could materially affect the Company's business continuity; and (iv). there are no potential litigations/claims/summons being faced by the Company, except for a potential court case with respect to a current debt default by the Company which has a material value to PT Trillion Glory International and PT Istaka Karya (Persero).
2. The Company has obtained an approval from PT Bank Mandiri (Persero) Tbk in connection with the Initial Public Offering (IPO) plan, where PT Bank Mandiri (Persero) Tbk has signed as evidence of approval of the Application Approval letter in the frame of the implementation of the Initial Public Offering (IPO) of PT Wijaya Karya Beton of Year 2014 No. KU.02.01/WB-0A.55/2014 from the Company dated 13 January 2014.
3. The Company has obtained an approval from PT Bank Rakyat Indonesia (Persero) Tbk in connection with the Initial Public Offering (IPO) plan, based on the letter No. B.70-MNS/NDS/01/2014 dated 16 January 2014 issued by PT Bank Rakyat Indonesia (Persero).

4. The Company has obtained an approval from PT Bank CIMB Niaga Tbk in connection with the Initial Public Offering (IPO) plan, where Bank CIMB Niaga Tbk has signed as evidence of approval of the Application Approval letter for the Initial Public Offering (IPO) of PT Wijaya Karya Beton of Year 2014 No. KU.02.01/WB-0A.56/2014 from the Company dated 13 January 2014.
5. The Company has obtained an approval from PT Bank DBS Indonesia in connection with the Initial Public Offering (IPO) plan, as stated in the letter No. 038//DBSI IBG-JKT/2014 dated 16 January 2014 issued by PT Bank DBS Indonesia (Persero).

J. Documents of Subsidiaries

Legal due diligence of the Subsidiaries included the following:

1. establishment and articles of association;
2. capital and shareholding record;
3. purpose and objects;
4. board of commissioners and board of directors;
5. licenses and operational documents;
6. assets/properties;
7. agreements between the Subsidiaries and third parties; and
8. other documents.

II. ASSUMPTIONS

In performing the legal due diligence stipulated above, we made the following assumptions:

1. Other than the documents that we have received to conduct the legal due diligence, there are no other documents concerning amendments of the articles of association, changes to the composition of the Board of Commissioners and the Board of Directors, dissolution and liquidation, business licenses or permits revocation/cancellation/suspension of licenses/permits, as well as other documents concerning the establishment, organization, existence, implementation of business activities, the Company's assets and its Subsidiaries as well as the agreements between the Company and the Subsidiaries with third parties which have not been delivered to us;
2. All documents provided to us are complete and true including every resolutions (either made by the general meeting of shareholders, Board of Directors and Board of Commissioners) of the Company and its Subsidiaries have been legally adopted and have never been revoked or declared to be null and void by law and we have no reason or cause to doubt the validity of the above stated;
3. All statements and explanations provided by the members of the Board of Directors and Board of Commissioners, employees, as well as advisors of the Company and its Subsidiaries and third parties affiliated or connected with the Company and its Subsidiaries are complete and in conformity with the actual conditions and do not contain misleading nor incomplete information;

4. All documents submitted in the form of copies photocopies are the same as their originals;
5. All signatures on the original documents of all documents that have been delivered to us are authentic signatures of the persons having the authority and the legal capacity to sign said documents;
6. All statements concerning or in connection with the material facts as stipulated in the documents submitted to us are true; and
7. The parties that entered into the agreements with the Company and/or Subsidiaries and/or governmental officials that signed the agreements or issued the licenses, performed the registration or listing in the interest of the Company and/or the Subsidiaries had the authority to perform such acts legally and validly.

III. LEGAL OPINION

Based on the above, in our capacity as the Independent Legal Consultant, we submit this Legal Opinion on the Company and its Subsidiaries in connection with the Public Offering as follows:

A. Legal Opinion concerning the Company

1. The Company named PT Wijaya Karya Beton Tbk having its domicile in Bekasi is an Indonesian legal entity in the form of a limited liability company which has been duly established under the laws of the Republic of Indonesia.
2. The amendments to the Company's articles of association have been made in accordance with the provisions of the Company's articles of association and the prevailing laws and regulations of the Republic of Indonesia and which have been approved/notified and/or registered by/to the competent authority, have been published in accordance with the prevailing laws and regulations of the Republic of Indonesia, except for the amendments to the articles of association as stipulated in:
 - a. Deed of Minutes of Extraordinary General Meeting of Shareholders of PT Wijaya Karya Beton Tbk No. 15 dated 30 April 2007, executed before Hambit Maseh, S.H., Notary in Jakarta, which has not yet been registered at the local Company Registration Office ("KKP") and has not yet been published in the Supplement of the State Gazette of the Republic of Indonesia ("TBNRI");
 - b. Deed of Amendment of the Articles of Association No. 31 dated 15 August 2007, executed before Imas Fatimah, S.H., Notary in Jakarta, which has not yet been registered at the local KPP;
 - c. Deed of Statement of Meeting Resolution and Amendment of the Articles of Association of PT Wijaya Karya Beton No. 67 dated 8 August 2008, executed before Imas Fatimah, S.H., Notary in Jakarta, which has not been registered at the local KPP.

- d. Deed of Statement of Shareholders' Resolution In Lieu of the General Meeting of Shareholders No. 94 dated 15 July 2011, executed before Sri Ismiyati, S.H., Notary in North Jakarta, which has not been registered at the local KKP and no proof of its publication in the TBNRI has been received;
- e. Deed of Statement of Shareholders' Resolution In Lieu of the General Meeting of Shareholders No. 9 dated 16 January 2013, executed before Karin Christiana Basoeki, S.H., Notary in Central Jakarta, which has not been registered at the local KKP and no proof of its publication in the TBNRI has been received;
- f. Deed of Statement of Shareholders' Resolution of the General Meeting of Shareholders' of PT Wijaya Karya Beton No. 57 dated 23 August 2013, executed before Sri Ismiyati S.H., Notary in North Jakarta, which has not been registered at the local KKP and no proof of its publication in the TBNRI has been received;
- g. Deed of Statement of Shareholders' Resolution In Lieu of the General Meeting of Shareholders' and Amendment of the Articles of Association of PT Wijaya Karya Beton abbreviated as PT WIKA Beton No. 01 dated 6 January 2014, executed before Mochamad Nova Faisal, S.H., M.Kn., Notary in the City of South Jakarta, which has not been registered at the local KKP and no proof of its publication in the TBNRI has been received ("**Deed No. 01/2014**");
- h. Deed of Statement of Shareholders' Resolution In Lieu of the General Meeting of Shareholders' and Amendment of the Articles of Association of PT Wijaya Karya Beton abbreviated as PT WIKA Beton No. 03 dated 8 January 2014 executed before Mochamad Nova Faisal, S.H., M.Kn., Notary in the City of South Jakarta, which has not been registered at the local KKP and no proof of its publication in the TBNRI has been received.

In the event the Company intentionally neglected its obligation to register the matters that must be registered in the Company Register, then pursuant to the provisions of Article 32 in conjunction with Article 35 Law No. 3 of 1982 concerning the Mandatory Company Registration, the Company could become liable and charged with imprisonment of a maximum of up to 3 (three) months or a fine of a maximum amount of Rp3,000,000.- (three million Rupiah) and it will be the management of the company and the proxy that will be subject to criminal prosecution.

As long as the announcements in the TBNRI of each amendment to the articles of association have not been made, then such amendment to the articles of association, although being valid, will however not be binding on third parties.

Consequently the amendment to the articles of association will only be binding on each shareholder, members of the Board of Directors and Board of Commissioners of the Company. Third parties are defined as persons other than those mentioned above, such as bank creditors who have extended loans to the Company.

Thus if the amendment to the articles of association contains a provision requiring the approval from the Board of Commissioners for certain legal acts (which previously is not the case), and such limitation is not made known by the Board of Directors to the bank creditors, then bank creditors must be considered to be a party acting in good faith as stipulated in Article 117 paragraph (2) of the Company Law, since they could not know such amendment to the articles of association that has not been published in the TBNRI.

As stipulated in Article 30 of the Company Law, the publication in the TBNRI of the Deed of Establishment of the limited liability company and each of the amendments of the articles of association of the limited liability company shall be made by the MoLHR no later 14 days from the date of issuance of MoLHR's decision or since the receipt of the notification.

The amendment to the Company's articles of association of the Company in becoming a public company as stipulated in Deed No. 03/2014, has been made in accordance with the Company's articles of association, the prevailing laws and regulations including the Company Law and Regulation No. IX.J.1.

3. Until the issuance date of this Legal Opinion, the business activities carried out by the Company are in accordance with the purpose and objects as stipulated in the Company's articles of association and in accordance with the prevailing laws and regulations.
4. Until the issuance date of this Legal Opinion, the Company's shares have been duly and validly issued and subscribed and fully paid by each of the Company's shareholders in accordance with the provisions of the articles of association of the Company. The history of the capital structure and its changes including the Company's shareholding composition has been continuously performed in accordance with the Company's articles of association and the prevailing laws and regulations, and has obtained the required approval from or notified to the competent authority.

The repurchase of shares by the Company in the amount of 65,027,233 shares from KKMS as stated in the Deed of Sale and Purchase of Shares No. 52 dated 20 December 2013 *juncto* the Deed of Statement of Shareholders' Resolution In Lieu of the General Meeting of Shareholders of PT Wika Beton No. 51 dated 20 December 2013, both executed before Mochamad Nova Faisal, S.H., M.Kn., Notary in City of South Jakarta, were in compliance with the provisions of Article 37 paragraph (1) and Article 38 of the Company Law as well as the Articles of Association of the Company. Based on the Company's Statement Letter dated 10 February 2014, the Company plans to re-issue the shares to the public by taking into account the provisions of the Company Law, Capital Market Law, Articles of Association and the prevailing laws and regulations.

The increase of issued and paid up capital originating from the capitalization of reserves / profits / retained earnings / stock dividends / interim dividends in the amount of Rp552,000,000,000.- as stated in Deed No. 01/2014 was also in compliance with the requirements as mentioned in Article 71 and 72 of the Company Law and the Company's Articles of Association.

5. Apart from the registration that has not been made with the local KPP, each member of the Board of Commissioners and Board of Directors has been appointed in accordance with the provisions of the Company's articles of association and has been reported/notified to the MoLHR in accordance with the prevailing laws and regulations of the Republic of Indonesia.

Based on the Statement Letter from each member of the Company's Board of Commissioners and Board of Directors, each member of the Company's Board of Commissioners and Board of Directors: (i). is not involved in any criminal, civil, administrative, manpower, tax or arbitration case before the competent court/ arbitration institution and/or other competent authorities in Indonesia; (ii). no bankruptcy or suspension of payment obligation petition has been filed against/by the person concerned before the commercial court of the competent district court in Indonesia; and (iii). Is not involved in any legal dispute/other type of dispute outside the court that could materially affect the continuity of the Company's business.

Each member of the Company's Board of Directors and Board of Commissioners has complied with the provisions of Regulation No. IX.I.6, Attachment to the Decision of the Chairman of BAPEPAM-LK Regulation No. Kep-45/PM/2004 dated 29 November 2004 concerning the Board of Directors and Board of Commissioners of Issuers and Public Companies.

The Company has appointed the Independent Commissioner and Independent Directors and such appointment is in accordance with Regulation No. IX.I.5 and Regulation of BEI No I-A.

The Company has appointed a corporate secretary and has made it in accordance with the provisions of Regulation No. IX.I.4.

The Company has also formed an Audit Committee and the formation of the Audit Committee is in accordance with Regulation No. IX.I.5 and Regulation of BEI No. I.A.

Until the issuance date of this Legal Opinion, the Company has an Internal Supervisory Unit and Internal Audit Charter as mandated by Regulation No. IX.I.7.

6. Until the issuance date of this Legal Opinion, to the extent of our knowledge, the Company has obtained the material licenses required to carry out its business activities in accordance with the prevailing laws and regulations and until the issuance date of this legal opinion, such material licenses are still valid except for (i) License for Taking and Utilizing Surface Water (SIPPA) for PPB Bogor; and (ii) License for the Utilization of Toxic and Hazardous Waste (B3) for PPB Bogor, and PPB Boyolali; which are currently in the extension process.

Based on Article 3 of the West Java Provincial Regulation No. 10 of 2001 concerning the Taking and Utilization of Surface Water ("**Provincial Regulation No. 10/2001**"), all surface water taking for certain needs can only be done after obtaining a SIPPA from the Governor where the implementation shall be conducted by the Head of the Office.

Since the SIPPA of the PPB of Bogor is still in the extension process, therefore based on Article 20 of the Provincial Regulation No. 10/2001, the SIPPA may be revoked, amongst others, if the Company (i) does not comply with the provisions as regulated in this Provincial Regulation and has been given a written warning of a maximum of 3 (three) times consecutively; (ii) the implementation and utilization are contrary to public interest and/or disrupts the water balance; (iii) does not perform re-registration. The Company may be subject to criminal sanctions as regulated under Article 22 of the Provincial Regulation No. 10/2001 such as imprisonment sanction of no more than 3 months or fine in the maximum amount of Rp5,000,000.- and/or administrative sanction by sealing of water taking points and or revocation of the license as regulated in Article 23 of the Provincial Regulation No. 10/2001.

Whereas, the legal consequences of not yet obtaining the License for the Utilization of Toxic Hazardous Material are as follows:

- a. Administrative sanction as stipulated in Article 76 of Law No. 32 of 2009 concerning the Protection and Management of Environment ("**Environmental Law**") for a Company that has not yet obtained the Liquid Waste Disposal License and License for the Utilization of Toxic Hazardous Material;
- b. Criminal sanction as stipulated in Articles 102 and 103 of the Environmental Law for a Company that has not yet obtained the License for the Utilization of Toxic Hazardous Material; and
- c. Criminal sanction as stipulated in Article 104 of the Environmental Law for a Company that has not yet obtained the License for the Utilization of Toxic Hazardous Material.

Based on the Company's Statement Letter dated 18 March 2014 in relation to the licenses extension that have not yet been obtained for the Utilization of Toxic Hazardous Material (B3) for PPB Bogor, and PPB Boyolali, the Company will therefore not use/utilize any Toxic Hazardous Material in the form of fly ash and copper slag for concrete production process at PPB Bogor, and PPB Boyolali.

Until the date of the issuance of this Legal Opinion, no connections have been imposed on the Company by the competent authority.

7. Until the issuance date of this Legal Opinion, to the extent of our knowledge, the Company has caused its employees to participate in the *Jamsostek* program.

In connection with the compliance with of the provisions concerning Regional Minimum Wage, the Company has complied with the provision of the minimum wage applicable in West Java and in each Province in accordance with the location of each factory.

To the extent of our knowledge, the Company is currently not involved in a dispute with its employees. Until the issuance date of this Legal Opinion, the Company and all the Concrete Product Factories of the Company have filed the manpower report (Mandatory Manpower Report) at the local

regional Manpower and Transmigration Office in accordance with Law No. 7 of 1981 concerning Mandatory Manpower Report.

The Company is in the process of negotiation with the Company's Workers Union concerning the Collective Labor Agreement ("PKB"), considering that the PKB term has expired on 24 May 2013. Referring to Article 123 paragraph (4) of Law No. 13 of 2003 concerning Manpower it is stipulated that "In the event that the PKB has expired and the negotiation on the renewal/amendment of such PKB is being performed, then the previous PKB remains valid for a maximum period of 1 year.

8. Until the issuance date of this Legal Opinion, to the extent of our knowledge, the Company's assets / property in the form of rights over land and building especially land and building owned by the Company based on the Right of Building certificate in the name of the Company and the control of land and building based on the Deed of Sales and/or Letter of Transfer of Land Control Rights ("SPH") executed by the Company and the owner of the land before the local Land Deed Official, shareholdings in Subsidiaries, as well as machineries and equipments, intellectual property rights as stipulated in the Legal Due Diligence, after having verified the evidence of ownership, are truly registered in the name of the Company and thus confer on the Company as the owner thereof the right to exercise its rights on the assets / property with due regard to the prevailing laws and regulations of the Republic of Indonesia.

The Company also controls land and building based on the Deed of Building Agreement of Sale and Purchase ("APJB"). Considering that the said land has not yet been registered in the name of the Company, then if the owner/controller of the rights over the land ("Seller") is declared bankrupt by the competent court, the rights over the land and building which have been bound by said APJB even if it has been paid in full by the Company as the buyer, by law they will be included in the Seller's bankruptcy estate. Therefore, the Company will lose its rights to acquire or use the said land and building. To protect the interest of the Company, it would be better for Company to immediately sign the Deed of Sales and Purchase with such land owner.

To the extent of our knowledge, part of the assets / properties are being secured as follows:

a. PT Bank Rakyat Indonesia (Persero) Tbk

5 (five) areas of land based on Right of Building certificate ("SHGB") No. 118/Sei Semayang, SHGB No. 130/Sei Semayang, SHGB No. 120/Sei Samayang, SHGB No. 8/Bumi Agung and SHGB No. 30/Bumi Agung which have been secured by real mortgage right (*hak tanggungan*) and several machineries and equipments which have been secured by fiducia security are being encumbered by way of cross collateral for the Company's debt to PT Bank Rakyat Indonesia (Persero) Tbk;

b. PT Bank Mandiri (Persero) Tbk

4 (four) areas of land based on SHGB No. 14/Kejapanan, SHGB No. 25/Kejapanan, SHGB No. 408/Kejapanan and SHGB No.

3/Kembangkuning which have been secured by real mortgage right (*hak tanggungan*) and several machineries and equipments which have been secured by fiducia guarantee which are being encumbered by way of cross collateral for the Company's debt to PT Bank Mandiri (Persero) Tbk;

c. PT Bank CIMB Niaga Tbk

3 (three) areas of land based on SHGB No.101/Mojosongo, SHGB No. 160/Mojosongo and SHBG No. 99/Mojosongo which have been secured by real mortgage right (*hak tanggungan*) and as several machineries and equipments which have been secured by fiducia security.

In the event that one of the assets / properties as mentioned above will be attached by the Company's creditor, then such attachment will not interrupt the production process of the Company since: (i) such assets / properties are not the entire assets / properties owned by the Company; and (jj) the Company still owns other PPBs where their assets / properties are not being encumbered.

Part of the assets / properties have been insured and until the date of the issuance of this Legal Opinion, the insurance policies on the said part of the assets / properties are still valid. However, the amount of insurance cover of the material assets / properties that have been insured has not yet reached the major part of the risk value of the insured object. Based on the Company's Statement Letter dated 10 February 2014, the Company will increase value of the insurance cover of the insured objects or cover the insured risk by increasing the amount and value to at least 50% of the total value of the Company's building, machinery and equipment.

9. Important Agreements between the Company and third parties have been signed by parties authorized to represent the Company and therefore, are valid and binding on the Company.

In connection with the issuance of MTN, there are no provisions concerning the option rights to convert the Medium Term Notes to Equity Securities based on the Deed of the Issuance and Appointment of Supervisory Agent and Security Agent of the Medium Term Notes I PT Wijaya Karya Beton of Year 2013 No. 9 dated 13 November 2013, executed before Jose Dima Satria, S.H., M.Kn., Notary in the Administrative City of South Jakarta and other documents related to the issuance of MTN and the Company's Statement Letter dated 10 February 2014. The Company must settle the MTN principal value in the amount of Rp366,000,000,000.- (three hundred and sixty six billion Rupiah) on 15 November 2015 and pay the interest once in every 3 months in the amount of 9.5% (nine point five percent) per annum, with the first payment falling due on 15 February 2014.

10. Until the issuance date of this Legal Opinion, there are no negative covenants of the Company's creditors that may harm the public shareholders.

The Company has also obtained an approval from its creditors of its plan to make an Initial Public Offering.

11. Based on the Company's Statement Letter the Company is (i). not involved in any criminal, civil, administrative, manpower, tax and arbitration cases before the competent court/ arbitration institution/authorities and/or other competent institution in Indonesia; (ii). no bankruptcy or suspension of debt payment obligation petition has been filed against/by the Company at the commercial court of the competent district court in Indonesia; (iii). is not involved in a legal dispute/disagreement outside the court that could materially affect the continuity of the Company's business; (iv). no potential litigation/claims/summons is being faced by the Company, except for a potential case with respect to a debt default currently faced by the Company which has a material value to PT Trillion Glory International and PT Istaka Karya (Persero).
12. The Employee Stock Allocation (ESA) Program Plan has been approved by the General Meeting of Shareholders of the Company as mentioned in Deed No. 03/2014. The amount of shares to be allocated for the ESA program is 3% of the total amount of the initial public offering of shares of the Company or in the maximum amount of 61,364,000 shares as determined under the Company's Board of Directors Decision Letter No. SK.01.01/WB-0A.019/2014 dated 11 February 2014 concerning the Employee Stock Allocation (ESA) Program in the Form of Granting of Reward Shares and Employees Fixed Shares Quota. The implementation of the ESA Program shall take into account the IDX regulations applicable in where the Company's shares are listed and the prevailing laws and regulations.
13. The Legal Aspect of the Company including the Company's capitalization structure and the Company's shareholding structure included in the Prospectus is in accordance with the results of the legal due diligence as elaborated in the LDD.

B. Legal Opinion concerning the Subsidiaries

1. WIKA Kobe is an Indonesian legal entity in the form of Foreign Direct Investment Company ("**PMA**") that has been legally established under the prevailing laws and regulations of the Republic of Indonesia.

WIKA Krakatau Beton is an Indonesian legal entity in the form of limited liability company duly established under the prevailing laws and regulations of Indonesia.
2. Until the issuance date of this Legal Opinion, the Subsidiaries have not amended its Articles of Association.
As such, the valid Articles of Association of WIKA Kobe is as stipulated in the Deed of Establishment of PT Wijaya Karya Komponen Beton No. 18 dated 10 May 2012, executed before Karin Christina Basoeki, S.H., Notary in Central Jakarta which deed was approved by the MoLHR as evident in his Decision Letter No. AHU-25815.AH.01.01. Tahun 2012 dated 14 May 2012 and is registered in the Company Registry under No. AHU-0043111.AH.01.09. Tahun 2012 dated 14 Mei 2012 ("**Deed of Establishment of WIKA Kobe**").

The prevailing provisions of WIKA Krakatau Beton's Articles of Association is as elaborated in the Deed of Establishment of the Limited Liability Company of PT Wijaya Karya Krakatau Beton No. 16 dated 16 December 2013, executed before Indrajati Tandjung, S.H., Notary in the City of Cilegon which deed was approved by the MoLHR as evidenced in his Decision Letter No. AHU-02372.AH.01.01.Tahun 2014 dated 17 January 2014, and is registered in the Company Registry under No. AHU-0004311.AH.01.09.Tahun 2014 dated 17 January 2014 ("**Deed of Establishment of WIKA Krakatau Beton**").

As long as the announcement at the TBNRI the Deed of Establishment of WIKA Kobe and the Deed of Establishment of WIKA Krakatau Beton has not yet been done, then the Deed of Establishment of WIKA Kobe and the Deed of Establishment of WIKA Krakatau Beton is declared to be valid, however, it does not have a binding power towards third parties.

Thus the Deed of Establishment of WIKA Kobe and the Deed of Establishment of WIKA Krakatau Beton is only valid for every shareholders, members of the Board Directors and Board of Commissioners of WIKA Kobe and WIKA Krakatau Beton. Third parties are defined as persons other than those mentioned above, such as bank creditor who provides loan to WIKA Kobe and WIKA Krakatau Beton.

Therefore if the Deed of Establishment of WIKA Kobe and the Deed of Establishment of WIKA Krakatau Beton or the amendment to each articles of association requires the need for an approval from the Board of Commissioners for certain legal act (which previously is not the case), and such limitation is not made known by the Board of Directors to the bank creditor, then the bank creditor must be considered as a party acting in good faith as referred to in Article 117 paragraph (2) of the Company Law, since it could not know the Deed of Establishment of WIKA Kobe and the Deed of Establishment of WIKA Krakatau Beton or amendment of the articles of association that are yet to be announced at the TBNRI.

Pursuant to the provision of Article 30 of the Company Law, the announcement at the TBNRI on the deed of establishment of limited liability companies of any amendments to the articles of association of limited liability companies shall be made by the MoLHR, by the latest 14 days as of the date of the issuance of MoLHR's decision or since the receipt of the announcement.

3. Until the issuance date of this Legal Opinion, the business activity carried out by WIKA Kobe is in accordance with the purpose and objective as stipulated in the WIKA Kobe's articles of association as well as in accordance with the prevailing laws and regulations.

WIKA Krakatau Beton has yet to carry out its business activity based on the Statement Letter WIKA Krakatau Beton dated 10 February 2014.

4. The shares of the Subsidiaries have been duly and validly issued and subscribed and fully paid by each of the Subsidiaries' shareholders in accordance with the provisions of the articles of association of the Subsidiaries.

5. Apart from the registration that has not been performed at the local KPP, each member of the Board of Commissioners and Board of Directors of WIKA Kobe and WIKA Krakatau Beton has been appointed in accordance with the provisions of the articles of association of WIKA Kobe and WIKA Krakatau Beton as well as has been reported/notified to the MoLHR in accordance with the prevailing laws and regulations of the Republic of Indonesia.

Based on the Statement Letter from each of member of the Board of Commissioners and Board of Directors of WIKA Kobe, each Board of Commissioners and Board of Directors of WIKA Kobe: (i). is not involved in any criminal, civil, administrative, manpower, tax or arbitration case at the competent court/arbitration board and/or other competent institution in Indonesia; (ii). no bankruptcy petition or suspension of payment obligation has been filed against/by the person concerned before the commercial court at the competent district court in Indonesia; and (iii). is not involved in any legal dispute/disagreement outside the court that could materially affect the continuity of WIKA Kobe's business.

Based on the Statement Letter of each member of the Board of Directors and Board of Commissioners of WIKA Krakatau Beton, each member of the Board of Directors and Board of Commissioners of WIKA Krakatau Beton (i). is not involved in criminal, civil, administrative, manpower, tax and arbitration cases at the competent court/ arbitration board and/or other competent authorities in Indonesia; (ii). no petitions for insolvency or suspension of payment obligation has been filed against/by the persons concerned before the commercial court at the competent district court in Indonesia; (iii). not involved in any legal dispute/disagreement outside the court that could materially affect the continuity of WIKA Krakatau Beton's business .

6. As of the issuance date of this Legal Opinion, to the extent of our knowledge, WIKA Kobe has obtained the necessary material licenses to carry out its business activity and until the issuance date of this legal opinion, such material licenses are still valid, except for licenses related to environmental matters.

Wika Krakatau Beton has just obtained the operational licenses, such as the Certificate of Company's Domicile, Taxpayer Registration Number, Confirmation Letter of Taxable Entrepreneur, Business Location License (SITU), Trading Business License (SIUP) and the Company Registration Certificate.

7. As of the issuance date of this Legal Opinion, WIKA Kobe has involved its employees in the manpower social security program as mandated by Law No. 24 of 2011 concerning the Social Security Implementation Agency ("BPJS") ("Law No. 24/2011"), as of 1 January 2014, which was previously managed by PT *Jamsostek*, have been transferred to the Manpower BPJS. WIKA Kobe has been registered as Manpower BPJS participant since 27 January 2014 as mentioned in BPJS Participation Certificate No. 1400000001384.

WIK A Kobe has conducted the manpower report in the Bekasi City Manpower and Transmigration Office pursuant to Law No. 7 of 1981 concerning Mandatory Manpower Report in the Company and WIK A Kobe has three foreign workers with the license from the competent authorities based on the Decision of the Director General of the Guidance of Manpower Placement No. 13973/PPTK/PTA/2012 dated July 2012 concerning the Plan for the Use of Foreign National Employee to PT Wijaya Karya Komponen Beton, which approved the plan on the use foreign employees at WIK A Kobe for the duration of 2 (two) years starting from the year 2012 until 31 October 2014 for 6 (six) positions with the foreign workers in the amount of 1 person located in Karawang (Regency), Bekasi (Regency), Bekasi (City).

In connection with the fulfillment of the provision on Regional Minimum Wage, WIK A Kobe has fulfilled the applicable minimum wage provision in West Java Province.

WIK A Krakatau Beton has yet to own manpower, does not employee foreign manpower and therefore is not yet obliged to conduct a Mandatory Manpower Report and social security program for manpower in accordance with Law No. 24/2011 based on WIK A Krakatau Beton's Statement Letter dated 10 February 2014.

8. As of the date of issuance of this Legal Opinion, to the extent of our knowledge, WIK A Kobe's material assets / properties are rights over the land and building based on the Right to Build certificate on behalf of WIK A Kobe, moveable goods in the form of motor vehicle registered on behalf of WIK A Beton, as well as machine and equipments as elaborated in the LDD, are truly registered on behalf of WIK A Kobe, and therefore grants the right to WIK A Kobe as the owner to perform its rights in connection with the ownership of material assets / properties by observing the prevailing Laws and Regulations of the Republic of Indonesia.

Until the date of the issuance of this Legal Opinion, WIK A Krakatau Beton has yet to own or control the material assets / properties based on WIK A Krakatau Beton's Statement Letter dated 10 February 2014.

9. Important Agreements between the Subsidiaries and third parties have been signed by a party authorized to represent WIK A Kobe and WIK A Krakatau Beton, therefore, is valid and binds WIK A Kobe.
10. Based on the Statement Letters from each Subsidiaries, each Subsidiary (i). is not involved in criminal, civil, administrative, manpower, tax or arbitration cases before the competent court/ arbitration boards and/or other competent institution in Indonesia; (ii). no bankruptcy petition or suspension of payment obligation has been filed against/by the Subsidiaries to the commercial court at the competent district court in Indonesia; (iii). is not involved in any legal disputes/disputes outside the court that could materially affect the continuity of the Company's business; and (iv). no potential litigation/claims/summons is faced by the Company.

This Legal Opinion is issued with the following provision:

1. Unless expressly waived by the parties in the Public Offering, as regards the laws and regulations that are not imperative by nature (not mandatory), then all the laws and regulations of the Republic of Indonesia that are related to the Public Offering will be operative by the parties, including but not limited to the provisions in the Indonesian Civil Code especially the provisions as set out in Article 1338 of the Indonesian Civil Code.
2. The implementation of obligations in connection with the Public Offering are subject to the prevailing bankruptcy and suspension of payment obligations laws and regulations and other regulations that apply generally.

This legal opinion is made in truth as the Independent Legal Consultant and unaffiliated with the Company and its Subsidiaries pursuant to the prevailing laws and regulations of the Republic of Indonesia and we are responsible for the content of this Legal Opinion.

This Legal opinion is addressed to and fully for the benefit of the Financial Services Authority and may not be given to or used by another party except with our prior written consent.

Sincerely yours,
TUMBUAN & PARTNERS


Fred B.G. Tumbuan
Senior Partner

**XVII. INDEPENDENT AUDITOR REPORT AND FINANCIAL
STATEMENTS OF THE COMPANY**

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**SURAT PERNYATAAN DIREKSI TENTANG
DIRECTORS STATEMENT LETTER**

**TANGGUNG JAWAB ATAS LAPORAN KEUANGAN KONSOLIDASIAN
THE RESPONSIBILITY ON THE CONSOLIDATED FINANCIAL STATEMENTS**

**PT WIJAYA KARYA BETON Tbk. DAN ENTITAS ANAK
PT WIJAYA KARYA BETON Tbk. AND SUBSIDIARIES**

**UNTUK PERIODE 12 (DUA BELAS) BULAN YANG BERAKHIR 31 DESEMBER 2013, 2012 DAN 2011
FOR 12 (TWELVE) MONTH PERIOD ENDED DESEMBER 31, 2013, 2012 AND 2011**

Kami yang bertanda tangan di bawah ini :

We Are Undersigned:

Nama	:	Wilfred I. A. Singkali	:	Name
Alamat Kantor	:	Gedung JW, Jalan Raya Jatiwaringin No. 54 Pondok Gede - Bekasi 17411	:	Office Address
Nomor Telepon	:	021- 84973363	:	Phone Number
Jabatan	:	Direktur Utama PT Wijaya Karya Beton Tbk.	:	Position
Nama	:	Entus Asnawi Mukhsan	:	Name
Alamat Kantor	:	Gedung JW, Jalan Raya Jatiwaringin No. 54 Pondok Gede - Bekasi 17411	:	Office Address
Nomor Telepon	:	021- 84973363	:	Phone Number
Jabatan	:	Direktur Keuangan & SDM PT Wijaya Karya Beton Tbk.	:	Position

Menyatakan bahwa :

1. Bertanggung jawab atas penyusunan dan penyajian laporan keuangan perusahaan yang disertakan dengan laporan auditor independen;	1. <i>Responsible for the preparation and presentation of the company's financial statements which is enclosed with independent auditor's report;</i>
2. Laporan Keuangan perusahaan telah disusun dan disajikan sesuai dengan Standar Akuntansi Keuangan di Indonesia;	2. <i>The company's financial statements have been prepared and presented in conformity with generally accepted accounting principles in Indonesia;</i>
3. a. Semua informasi dalam laporan keuangan perusahaan telah dimuat secara lengkap dan benar;	3. a. <i>All information contained in the company's financial statements are complete and correct;</i>
b. Laporan keuangan perusahaan tidak mengandung informasi atau fakta material yang tidak benar dan tidak menghilangkan informasi atau fakta material;	b. <i>The company's financial statements do not contain misleading material information or fact;</i>
4. Bertanggung jawab atas sistem pengendalian intern dalam perusahaan.	4. <i>We are responsible for the company's internal control.</i>

Demikian pernyataan ini dibuat dengan sebenarnya

This statements letter is made truthfully

Bekasi 14 Februari 2014 / February 14, 2014

Direktur Utama / President Director

Direktur Keuangan & SDM / Finance & HRD Director



Wilfred I. A. Singkali

Entus Asnawi Mukhsan

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Hadori Sugiarto Adi & Rekan

Certified Public Accountants

Jakarta, 14 Februari 2014
No.: 017/LAI-WB/II/14

Jakarta, February 14, 2014
No.: 017/LAI-WB/II/14

Kepada Yth:

Pemegang Saham, Dewan Komisaris dan Direksi
PT Wijaya Karya Beton

*The Shareholders, Board of Commissioners
and Directors
PT Wijaya Karya Beton*

Laporan Auditor Independen

Kami telah mengaudit Laporan Posisi Keuangan Konsolidasian PT Wijaya Karya Beton dan entitas anak tanggal 31 Desember 2013, 2012 dan 2011 serta laporan laba rugi komprehensif, laporan perubahan ekuitas, dan laporan arus kas untuk periode yang berakhir pada tanggal-tanggal tersebut serta suatu ringkasan kebijakan akuntansi signifikan dan informasi penjelasan

Tanggungjawab Manajemen atas Laporan Keuangan Konsolidasian

Manajemen bertanggung jawab atas penyusunan dan penyajian wajar laporan keuangan tersebut sesuai dengan Standar Akuntansi Keuangan di Indonesia, dan atas pengendalian internal yang ditentukan perlu oleh manajemen untuk memungkinkan penyusunan laporan keuangan tersebut bebas dari kesalahan penyajian material, yang disebabkan kecurangan atau kesalahan.

Tanggung jawab Auditor

Tanggung jawab kami adalah untuk menyatakan suatu opini atas laporan keuangan tersebut berdasarkan audit kami. Kami melaksanakan audit berdasarkan Standar Auditing yang ditetapkan oleh Institut Akuntan Publik Indonesia. Standar tersebut mengharuskan kami untuk mematuhi ketentuan etika, serta merencanakan dan melaksanakan audit untuk memperoleh keyakinan

Independent Auditors' Report

We have audited the accompanying Consolidated statement of financial position of PT Wijaya Karya Beton and its subsidiary as of December 31, 2013, 2012 and 2011 as well as the related statements of comprehensive income, statement of changes in equity and statement of cash flows for the periods then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Indonesian Financial Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error

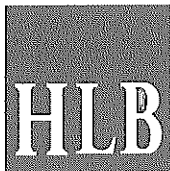
Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conduct our audit in accordance with Standard on Auditing established by the Indonesian Institute of Certified Public Accountants. Those Standard require that we comply with ethical requirements and plan and perform the audit

KANTOR PUSAT JAKARTA

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HLB Hadori Sugiarto Adi & Rekan is a member of International. A world-wide organization of accounting firms and business advisers.

Nomor Izin Usaha KAP : KEP-116/KM.1/2009



No.: 017/LAI-WB/II/14

memadai bahwa laporan keuangan konsolidasian bebas dari kesalahan penyajian material. Suatu audit mencakup pelaksanaan prosedur untuk memperoleh bukti-bukti tentang jumlah-jumlah dan pengungkapan dalam laporan keuangan. Prosedur yang dipilih tergantung pada pertimbangan auditor, termasuk penilaian atas risiko kesalahan penyajian material dalam laporan keuangan, yang disebabkan kecurangan atau kesalahan. Dalam melakukan penilaian atas risiko tersebut, auditor mempertimbangkan pengendalian internal yang relevan dengan penyusunan dan penyajian wajar laporan keuangan untuk merancang prosedur audit yang tepat sesuai dengan kondisinya, namun tidak untuk tujuan menyatakan suatu opini atas efektivitas pengendalian intern entitas. Suatu audit juga mencakup pengevaluasian atas ketepatan kebijakan akuntansi yang digunakan dan kewajaran estimasi akuntansi yang dibuat oleh manajemen, serta pengevaluasian atas penyajian laporan keuangan secara keseluruhan.

Kami yakin bahwa bukti audit yang telah kami peroleh adalah cukup dan tepat untuk menyediakan dasar bagi opini kami.

Opini

Menurut opini kami, laporan keuangan tersebut menyajikan secara wajar, dalam semua hal yang material, posisi keuangan PT Wijaya Karya Beton dan entitas anak tanggal 31 Desember 2013, 2012 dan 2011, serta kinerja keuangan dan arus kas untuk periode yang berakhir pada tanggal tersebut sesuai dengan Standar Akuntansi Keuangan di Indonesia.

to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessments, whether due to fraud or error. In making those risk assessments, auditor consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonable of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial positions of PT Wijaya Karya Beton and its subsidiary as of December 31, 2013, 2012 dan 2011 and their consolidated financial performance and cash flows for the periods then ended in accordance with Indonesian Financial Accounting Standards.



Hadori Sugiarto Adi & Rekan

Certified Public Accountants

No.: 017/LAI-WB/II/14

Hal Lain

Audit kami laksanakan dengan tujuan untuk menyatakan pendapat atas laporan keuangan pokok secara keseluruhan. Informasi tambahan tentang laporan keuangan induk perusahaan terlampir disajikan untuk analisis tambahan terhadap laporan keuangan konsolidasian, dan bukan merupakan bagian laporan keuangan pokok yang diharuskan. Informasi tersebut telah menjadi obyek prosedur audit yang kami terapkan dalam audit atas laporan keuangan konsolidasian PT Wijaya Karya Beton dan entitas anak tahun yang berakhir tanggal 31 Desember 2013, 2012 dan 2011, dan menurut pendapat kami disajikan secara wajar dalam semua hal yang material, berkaitan dengan laporan keuangan pokok secara keseluruhan.

Dalam rangka Pendaftaran Umum Perdana Saham, laporan auditor independen ini dimuat dalam prospektus.

Other Matter

Our audit was conducted for the purpose of forming an opinion of consolidated financial statements taken as a whole. The attached holding company financial statements are presented for the purpose of additional analysis and is not a part of the basic been subjected to the auditing procedures applied financial statements. Such information had in the audit of consolidated financial statements of PT Wijaya Karya Beton and its subsidiaries as of December 31, 2013, 2012 and 2011, and in our opinion, present fairly in all material respects in relation to the consolidated financial statements taken as a whole.

Due to Initial Public Offering on Share, this independent auditor's report is attached on the circular.

Drs. Djarwoto, Ak, CPA
Practice License # AP 0307

NOTICE TO READERS

The accompanying consolidated financial statements are not intended to present the financial position and the results of operations changes in stockholder's equity and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than those in Indonesia. The standards, procedures and practices to audit such financial statements are those generally accepted and applied in Indonesia.

**LAPORAN KEUANGAN KONSOLIDASIAN /
CONSOLIDATED FINANCIAL STATEMENTS**

**PT WIJAYA KARYA BETON
DAN ENTITAS ANAK
LAPORAN POSISI KEUANGAN KONSOLIDASIAN**
Tanggal 31 Desember 2013, 2012 dan 2011
(Dinyatakan dalam Ribuan Rupiah, kecuali dinyatakan lain)

**PT WIJAYA KARYA BETON
AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION**
As of December 31, 2013, 2012 and 2011
(Expressed in Thousand Rupiah, unless otherwise stated)

	Catatan / Notes	2013	2012	2011	
ASET					ASSETS
ASET LANCAR					CURRENT ASSETS
Kas dan Setara Kas	2f,3	413.026.822	340.319.362	225.719.987	Cash and Cash Equivalent
Piutang Usaha	2e,2a,4				Account Receivables
(Setelah dikurangi akumulasi penurunan nilai piutang sebesar Rp 35.332.841, Rp 35.330.676 dan Rp 40.404.086 Per 31 Desember 2013, 31 Desember 2012 dan 2011)					(Net off accumulated allowance for impairment of Rp 35.332.841, Rp 35.330.676 and Rp 40.404.086 as of December 31, 2013, December 31, 2012 and 2011)
Pihak Ketiga		199.617.568	123.230.040	153.982.485	Third Parties
Pihak Berelasi		222.288.921	186.188.590	152.972.801	Related Parties
Pendapatan Akan Diterima	5	27.516.701	48.857.472	5.351.891	Accrued Income
Piutang Lain-Lain	6	1.854.697	551.017	501.608	Other Receivables
Pajak Dibayar Dimuka	2r,14	36.810.657	24.553.127	28.736.105	Tax Prepaid
Persediaan	2i,7	846.026.589	881.216.572	704.070.171	Inventories
Uang Muka	8	5.452.672	9.632.389	12.681.698	Advance
Biaya Dibayar Dimuka	2k,9	143.423.312	179.430.997	107.924.088	Prepaid Expense
Jumlah Aset Lancar		1.896.017.939	1.793.979.565	1.391.940.834	Total Current Assets
ASET TIDAK LANCAR					NON - CURRENT ASSETS
Aset Pajak Tangguhan	2r,14	5.788.750	18.814.939	13.558.036	Deferred Tax Assets
Properti Investasi	2l,10	3.487.123	3.700.000	3.700.000	Investment Property
Aset Tetap					Fixed Assets
(Setelah dikurangi akumulasi penyusutan sebesar Rp 260.732.087, Rp 199.891.015 dan Rp 155.437.021 Per 31 Desember 2013, 31 Desember 2012 dan 2011)					(Net off accumulated depreciation to Rp 260.732.087, Rp 199.891.015 and Rp 155.437.021 as of December 31, 2013, December 31, 2012 and 2011)
	2m,2n,11	1.012.106.939	584.605.241	429.643.841	
Jumlah Aset Tidak Lancar		1.021.382.812	607.120.180	446.901.877	Total Non - Current Assets
JUMLAH ASET		2.917.400.751	2.401.099.745	1.838.842.712	TOTAL ASSETS

Lihat catatan atas Laporan Keuangan Konsolidasian yang merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

See the accompanying Notes to the Consolidated Financial Statements which are an integral part of the financial statements as a whole.

**PT WIJAYA KARYA BETON
DAN ENTITAS ANAK
LAPORAN POSISI KEUANGAN KONSOLIDASIAN**
Tanggal 31. Desember 2013, 2012 dan 2011
(Dinyatakan dalam Ribuan Rupiah, kecuali dinyatakan lain)

**PT WIJAYA KARYA BETON
AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION**
As of December 31, 2013, 2012 and 2011
(Expressed in Thousand Rupiah, unless otherwise stated)

	Catatan / Notes	2013	2012	2011	
LIABILITAS DAN EKUITAS					LIABILITIES AND EQUITY
LIABILITAS JANGKA PENDEK					CURRENT LIABILITIES
Pinjaman Jangka Pendek	12	172.519.354	19.491.685	15.856.502	Short Term Loans
Utang Usaha	2e,13				Trade Payables
Pihak Ketiga		308.494.956	387.880.227	326.053.861	Third Parties
Pihak Berelasi		16.604.949	33.119.830	7.177.381	Related Parties
Utang Pajak	2r,14	24.333.295	43.397.724	38.582.889	Tax Payables
Utang Muka Diterima	2i,15	78.456.443	35.407.103	50.315.332	Advances Received
Pendapatan Diterima Dimuka	16	911.802.894	962.659.545	631.954.372	Unearned Revenue
Biaya Yang Masih Harus Dibayar	17	254.433.807	278.076.194	311.891.791	Accrued Expenses
Utang Lain-lain	18	26.466.220	17.983.169	21.071.786	Other Payables
Utang Sewa Pembiayaan					Current Maturities of Obligations
Jatuh Tempo dalam 1 Tahun	2m,20	1.236.158	-	-	Under Finance Lease
Jumlah Liabilitas Jangka Pendek		1.794.348.077	1.778.015.476	1.402.903.914	Total Current Liabilities
LIABILITAS JANGKA PANJANG					NON - CURRENT LIABILITIES
Utang Sewa Pembiayaan - setelah					Obligation Under Finance Lease -
dikurangi Jatuh Tempo dalam 1 Tahun	2m,20	2.552.191	-	-	Net Off Current Maturities
Utang Medium Term Notes	21	366.000.000	-	-	Medium Term Notes Payable
Liabilitas Imbalan Paska Kerja	2o,19	24.482.713	18.754.490	6.244.112	Post Employee Benefits Liabilities
Jumlah Kewajiban Jangka Panjang		393.034.904	18.754.490	6.244.112	Total Non - Current Liabilities
JUMLAH LIABILITAS		2.187.382.982	1.796.769.966	1.409.148.026	TOTAL LIABILITIES
EKUITAS					EQUITY
EKUITAS YANG DIATRIBUSIKAN KEPADA PEMILIK ENTITAS INDUK					EQUITY ATTRIBUTABLE TO OWNERS OF THE PATNERS ENTITY
Modal Saham	23				Share Capital
Modal Dasar 26.680.000.000 saham, nilai nominal Rp 100 (rupiah penuh) per saham. Modal ditempatkan dan disetor 6.670.000.000 saham					Authorized Capital 26.680.000.00 0 shares, par value of Rp 100 (full amount) per share. Issued and paid in are 6.670.000.000 shares.
Modal Dasar 4.600.000.000 saham, nilai nominal Rp 100 (Rupiah penuh) per saham. Modal ditempatkan dan disetor 1.150.000.000 saham		667.000.000	115.000.000	115.000.000	Authorized Capital 4,600,000,000 shares, par value of Rp 100 (full amount) per share. Issued and paid up capital are 1.150.000.000 shares.
Saham Diperoleh Kembali	2u,23	(58.246.193)	-	-	Treasury Stock
Saldo Laba	24				Retained Earnings
Ditentukan Penggunaannya		23.245.163	106.894.828	78.010.247	Appropriated
Belum Ditentukan Penggunaannya		48.074.246	336.172.008	236.684.439	Unappropriated
Sub Jumlah		680.073.216	558.066.836	429.694.686	Subtotal
Kepentingan Non Pengendali	1c,22	49.944.554	46.262.943	-	Non Controlling Interest
Jumlah Ekuitas		730.017.770	604.329.779	429.694.686	Total Equity
JUMLAH LIABILITAS DAN EKUITAS		2.917.400.751	2.401.099.745	1.838.842.712	TOTAL LIABILITIES AND EQUITY

Lihat catatan atas Laporan Keuangan Konsolidasian yang merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

See the accompanying Notes to the Consolidated Financial Statements which are an integral part of the financial statements as a whole.

**PT WIJAYA KARYA BETON
DAN ENTITAS ANAK**

LAPORAN LABA RUGI KOMPREHENSIF KONSOLIDASIAN

Untuk Tahun - Tahun Yang Berakhir Tanggal 31 Desember 2013, 2012 dan 2011

(Dinyatakan dalam Ribuan Rupiah, kecuali dinyatakan lain)

**PT WIJAYA KARYA BETON
AND SUBSIDIARIES**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For The Years Ended December 31, 2013, 2012 and 2011

(Expressed in Thousand Rupiah, unless otherwise stated)

	Catatan / Notes	2013	2012	2011	
PENDAPATAN USAHA	2p,26	2.643.724.434	2.030.596.831	1.635.086.530	REVENUES
BEBAN POKOK PENJUALAN	2p,27	(2.255.748.727)	(1.765.144.964)	(1.428.780.933)	COST OF SALES
LABA KOTOR		387.975.707	265.451.867	206.305.597	GROSS PROFIT
BEBAN USAHA	2p,28				OPERATING EXPENSES
Beban Umum dan Administrasi		(47.902.756)	(31.243.120)	(26.784.986)	General and Administrative Expenses
Beban Pengembangan		(1.976.934)	(1.446.494)	(1.936.288)	Business development expenses
Beban Pemasaran		(1.893.052)	(1.477.406)	(1.264.751)	Marketing Expenses
Jumlah Beban Usaha		(51.772.742)	(34.167.020)	(29.986.025)	Total Operating Expenses
LABA USAHA		336.202.965	231.284.847	176.319.572	OPERATING INCOME
PENDAPATAN (BEBAN) LAIN-LAIN	29				OTHER INCOME (EXPENSE)
Pendapatan (Beban) Bunga		(3.620.139)	1.899.688	6.210.577	Interest (Expense) Income
Beban Penurunan Nilai Piutang		(1.118.390)	(1.168.662)	(18.225.378)	Allowance for Impairment
Selisih Kurs		(5.365.894)	(5.794.765)	9.459.569	Foreign Exchange
Lain - lain Bersih		2.423.097	7.459.956	16.001.031	Others - Net
Jumlah Pendapatan (Beban) Lain-Lain		(7.681.326)	2.396.218	13.445.799	Total Other - Net Income (Expense)
LABA SEBELUM PAJAK PENGHASILAN		328.521.639	233.681.065	189.765.371	PROFIT BEFORE INCOME TAX
Beban Pajak Penghasilan	2r,14	(87.315.397)	(54.312.954)	(45.342.464)	Total Income Tax
LABA BERSIH		241.206.242	179.368.111	144.422.907	NET INCOME
PENDAPATAN KOMPREHENSIF LAIN		-	-	-	OTHER COMPREHENSIVE INCOME
LABA KOMPREHENSIF		241.206.242	179.368.111	144.422.907	COMPREHENSIVE INCOME
LABA YANG DAPAT DIATRIBUSIKAN KE :					INCOME ATTRIBUTABLE TO :
- PEMILIK ENTITAS INDUK		242.874.631	178.920.167	144.422.907	PARENT ENTITY OWNER -
- KEPENTINGAN NON PENGENDALI		(1.668.390)	447.943	-	NON CONTROLLING INTEREST -
JUMLAH		241.206.242	179.368.111	144.422.907	TOTAL
JUMLAH LABA KOMPREHENSIF YANG DAPAT DIATRIBUSIKAN KEPADA :					TOTAL COMPREHENSIVE INCOME :
- PEMILIK ENTITAS INDUK		242.874.631	178.920.167	144.422.907	PARENT ENTITY OWNER -
- KEPENTINGAN NON PENGENDALI		(1.668.390)	447.943	-	NON CONTROLLING INTEREST -
JUMLAH		241.206.242	179.368.111	144.422.907	TOTAL
LABA BERSIH PER SAHAM	2s,25	36,16	26,89	21,65	EARNING PER SHARE

Lihat catatan atas Laporan Keuangan Konsolidasian yang merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

See the accompanying Notes to the Consolidated Financial Statements which are an integral part of the financial statements as a whole.

**PT WIJAYA KARYA BETON
DAN ENTITAS ANAK**
LAPORAN PERUBAHAN EKUITAS KONSOLIDASIAN
Untuk Tahun - Tahun Yang Berakhir Tanggal 31 Desember 2013, 2012 dan 2011
(Dinyatakan dalam Ribuan Rupiah, kecuali dinyatakan lain)

**PT WIJAYA KARYA BETON
AND SUBSIDIARIES**
CONSOLIDATED STATEMENT OF CHANGES IN EQUITIES
For The Years Ended December 31, 2013, 2012 and 2011
(Expressed in Thousand Rupiah, unless otherwise stated)

	Modal Ditempatkan dan Disetor / Issued and Paid up Capital	Saldo Laba / Retained Earnings		Saham Diperoleh Kembali / Treasury Stock	Jumlah / Total	Keperentingan Non Pengendali / Non Controlling Interest	Jumlah Ekuitas / Total Equity	
SALDO PER 1 JANUARI 2011	115.000.000	78.010.247	129.091.054	-	322.101.301	-	322.101.301	BALANCE AS OF JANUARY 1, 2010
Dividen WIKA	-	-	(28.874.345)	-	(28.874.345)	-	(28.874.345)	Dividend of WIKA
Dividen KKMS	-	-	(7.480.076)	-	(7.480.076)	-	(7.480.076)	Dividend of KKMS
Dividen Yayasan Wijaya Karya	-	-	(475.101)	-	(475.101)	-	(475.101)	Dividend of Yayasan Wijaya Karya
Labda Bersih Komprehensif	-	-	144.422.907	-	144.422.907	-	144.422.907	Comprehensive Income
SALDO PER 31 DESEMBER 2011	115.000.000	78.010.247	236.684.439	-	429.694.686	-	429.694.686	BALANCE AS OF DECEMBER 31, 2011
Setoran Modal Entitas Anak	-	-	-	-	-	45.815.000	45.815.000	Paid Up Capital Stock
Dividen WIKA	-	-	(39.629.646)	-	(39.629.646)	-	(39.629.646)	Dividend of WIKA
Dividen KKMS	-	-	(652.069)	-	(652.069)	-	(652.069)	Dividend of KKMS
Telah Dientukan Penggunaannya	-	28.884.581	(28.884.581)	-	-	-	(10.266.302)	Dividend of Yayasan Wijaya Karya Appropriated
Labda Bersih Komprehensif	-	-	178.920.167	-	178.920.167	447.943	179.368.111	Comprehensive Income
SALDO PER 31 DESEMBER 2012	115.000.000	106.894.828	336.172.008	-	558.066.836	46.262.943	604.329.779	BALANCE AS OF DECEMBER 31, 2012
Kapitalisasi Dividen Saham	552.000.000	(83.649.665)	(468.350.335)	-	(58.246.193)	-	(58.246.193)	Capitalization of Dividend Stock
Saham Diperoleh Kembali	-	-	-	-	-	-	5.350.000	Treasury Stock
Setoran Modal Entitas Anak	-	-	-	-	-	5.350.000	5.350.000	Paid Up Capital Stock
Dividen WIKA	-	-	(49.095.694)	-	(49.095.694)	-	(49.095.694)	Dividend of WIKA
Dividen KKMS	-	-	(12.718.540)	-	(12.718.540)	-	(12.718.540)	Dividend of KKMS
Dividen Yayasan Wijaya Karya	-	-	(807.825)	-	(807.825)	-	(807.825)	Dividend of Yayasan Wijaya Karya
Labda Bersih Komprehensif	-	-	242.874.632	-	242.874.632	(1.668.390)	241.206.243	Comprehensive Income
SALDO PER 31 DESEMBER 2013	667.000.000	23.245.163	48.074.246	(58.246.193)	680.073.216	49.944.554	730.017.770	BALANCE AS OF DECEMBER 31, 2013

Lihat Catatan atas Laporan Keuangan Konsolidasian yang merupakan bagian
yang tidak terpisahkan dari laporan keuangan secara keseluruhan

See the accompanying Notes to the Consolidated Financial Statements which are an integral
part of the financial statements as a whole.

**PT WIJAYA KARYA BETON
DAN ENTITAS ANAK
LAPORAN ARUS KAS KONSOLIDASIAN**

Untuk Tahun - Tahun Yang Berakhir Tanggal 31 Desember 2013, 2012 dan 2011
(Dinyatakan dalam Ribuan Rupiah, kecuali dinyatakan lain)

**PT WIJAYA KARYA BETON
AND SUBSIDIARIES**

CONSOLIDATED STATEMENT OF CASH FLOW

For The Years Ended December 31, 2013, 2012 and 2011
(Expressed in Thousand Rupiah, unless otherwise stated)

	Catatan / Notes	2013	2012	2011	
ARUS KAS DARI AKTIVITAS OPERASI					CASH FLOWS FROM OPERATING ACTIVITIES
Penerimaan Kas dari Pelanggan		2.716.664.365	2.465.167.985	1.609.038.013	Received from Customers
Pembayaran Kepada Pemasok		(2.266.464.943)	(1.875.820.905)	(1.288.327.944)	Payment to Suppliers
Pembayaran Kepada Direksi dan Karwawan		(88.911.003)	(57.956.089)	(46.274.002)	Payment for Director and Employee
Pembayaran Pajak Penghasilan		(124.796.584)	(157.807.180)	(108.229.440)	Payment of Income Tax
Penerimaan Bunga		7.278.914	3.564.696	10.663.356	Interest Received
Pembayaran Bunga		(10.968.977)	(1.838.016)	(1.172.654)	Interest Paid
Pembayaran Operasi Lainnya		(109.037.664)	(81.462.088)	(40.537.698)	Payment of Others Operating
Kas Bersih Diperoleh dari (Digunakan untuk) Aktivitas Operasi		123.764.107	293.848.404	135.159.632	Net Cash Provided by (Used for) Operating Activities
ARUS KAS DARI AKTIVITAS INVESTASI					CASH FLOWS FROM INVESTING ACTIVITIES
Pembelian Aset Tetap		(454.305.244)	(174.250.109)	(162.238.845)	Acquisition of Fixed Assets
Kas Bersih Diperoleh dari (Digunakan untuk) Aktivitas Investasi		(454.305.244)	(174.250.109)	(162.238.845)	Net Cash Provided by (Used for) Investing Activities
ARUS KAS DARI AKTIVITAS PENDANAAN					CASH FLOWS FROM FINANCING ACTIVITIES
Penerimaan Pinjaman Bank	12	439.213.003	77.895.583	72.180.373	Receipt of Bank Loans
Pembayaran Pinjaman Bank	12	(286.185.333)	(76.260.400)	(67.491.708)	Payment of Bank Loans
Pelunasan Pinjaman dari Pihak Berelasi		-	(1.901.085)	(2.000.000)	Payment of Loans from Related Parties
Pembayaran Hutang Sewa Pembiayaan		(260.821)	-	-	Payment Obligation Under Finance Lease
Setoran Modal Pihak Non Pengedali		5.350.000	45.815.000	-	Paid Up Capital Stock Non Controlling
Penerimaan dari Medium Term Notes	21	366.000.000	-	-	Proceed from issued MTN
Perolehan Saham Kembali		(58.246.193)	-	-	Treasury Stock
Pembayaran Dividen	24				Payment of Dividend
Pemilik Entitas Induk		(49.095.694)	(39.629.646)	(28.874.345)	Parents Entity
Kepentingan Non Pengendali		(13.526.365)	(10.918.372)	(7.955.177)	Non Controlling Interest
Kas Bersih Diperoleh dari (Digunakan untuk) Aktivitas Pendanaan		403.248.597	(4.998.920)	(34.140.857)	Net Cash Provided by (Used for) Financing Activities
KENAIKAN (PENURUNAN) BERSIH KAS DAN SETARA KAS		72.707.460	114.599.376	(61.220.070)	INCREASE (DECREASE) OF NET CASH AND CASH EQUIVALENT
SALDO KAS DAN SETARA KAS PADA AWAL PERIODE	3	340.319.362	225.719.987	286.940.057	BEGINNING BALANCE OF CASH AND CASH EQUIVALENT
SALDO KAS DAN SETARA KAS PADA AKHIR PERIODE	3	413.026.822	340.319.362	225.719.987	ENDING BALANCE OF CASH AND CASH EQUIVALENT

Lihat catatan atas Laporan Keuangan Konsolidasian yang merupakan bagian yang tidak terpisahkan dari laporan keuangan secara keseluruhan.

See the accompanying Notes to the Consolidated Financial Statements which are integral part of the financial statements as a whole.

CATATAN ATAS LAPORAN KEUANGAN KONSOLIDASIAN /
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. GAMBARAN UMUM

a. Pendirian Perseroan

PT (Persero) Wijaya Karya Beton untuk selanjutnya disebut dengan Wilka Beton, didirikan di Jakarta dengan akta Perseroan Terbatas PT Wijaya Karya Beton No. 44 tanggal 11 Maret 1997 ("Akta No. 44"), dibuat di hadapan Achmad Bajumi, SH., selaku pengganti dari Imas Fatimah, SH., notaris di Jakarta. PT Wijaya Karya Beton memulai kegiatan operasionalnya sejak tanggal 11 Maret 1997.

Akta tersebut telah memperoleh pengesahan dari Menteri Kehakiman Republik Indonesia dengan Keputusannya No. C2-12776/HT.01.01.TH.97 tanggal 9 Desember 1997 dan telah didaftarkan dalam daftar Perseroan sesuai Undang-Undang No. 3 tahun 1982 tentang Wajib Daftar Perseroan di Kantor Pendaftaran Perseroan Kodya Jakarta Selatan No. 2096/BH.09.03/1/98 tanggal 13 Januari 1998 serta telah diumumkan dalam tambahan No. 2832 dari Berita Negara R.I. No. 43 tanggal 29 Mei 1998.

Anggaran Dasar telah beberapa kali mengalami perubahan yang terakhir diubah dengan Akta Perubahan Anggaran Dasar No.57 Tanggal 23 Agustus 2013, dibuat di hadapan Sri Ismiyati, S.H., Notaris di Jakarta. Perubahan tersebut telah mendapat Pengesahan dari Menteri Kehakiman Republik Indonesia dengan Surat Keputusan Menteri Hukum dan Hak Asasi Manusia Republik Indonesia No.AHU.46501.AH.01.02 Tahun 2013 Tanggal 3 September 2013.

b. Kegiatan Usaha Perseroan

Sesuai dengan akta perubahan Anggaran Dasar Perseroan No. 57 tanggal 23 Agustus 2013 yang dibuat oleh Sri Ismiyati, SH., Notaris di Jakarta dan telah disahkan oleh Kementerian Hukum dan Hak Asasi Manusia Republik Indonesia Nomor : AHU-46501.AH.01.02.Tahun 2013, maka maksud dan tujuan serta kegiatan usaha PT Wilka Beton adalah sebagai berikut :

1. Berusaha dalam bidang usaha industri beton, jasa konstruksi, dan bidang usaha lain yang terkait.
2. Untuk mencapai maksud dan tujuan tersebut di atas, Wilka Beton dapat melaksanakan kegiatan usaha sebagai berikut :
 - a. Melakukan Perancangan, Produksi, Penjualan, Pemasangan dan Pelaksanaan Konstruksi produk-produk beton antara lain :
 - 1) Tiang Transmisi dan distribusi kelistrikan dan tiang telepon
 - 2) Tiang pancang
 - 3) Bantalan jalan rel
 - 4) Produk beton untuk jembatan
 - 5) Produk beton untuk dinding penahan tanah
 - 6) Pipa
 - 7) Produk beton untuk bangunan gedung
 - 8) Produk beton untuk bangunan maritim
 - b. Melakukan usaha Jasa Perencanaan, Pelaksanaan dan Pengawasan Konstruksi dalam bidang usaha Sipil, Elektrikal dan Postensioning.
 - c. Melakukan Perencanaan, Produksi dan Penjualan produk/komponen bahan bangunan
 - d. Melakukan usaha impor dan ekspor yang terkait dengan usaha tersebut
 - e. Melakukan usaha Jasa Perencanaan, Pelaksanaan dan Pengawasan Konstruksi dalam bidang usaha arsitektur, mekanikal, tata lingkungan pemasangan komponen berat dan jasa pelaksanaan konstruksi lainnya.
 - f. Memproduksi dan menjual beton siap pakai / Ready Mix
 - g. Melakukan pengelolaan sumber material alam atau quarry.
 - h. Melakukan usaha perencanaan, pemasangan, dan manajemen industri produk beton.
 - i. Melakukan pemanfaatan fly ash batu bara dan coper slag serta pengelolaan limbah B3
 - j. Melakukan Perencanaan, Pengelolaan, Penjualan, Pembelian, sewa-menyewa, dan perdagangan bidang usaha kepelabuhan dan dermaga
 - k. Melakukan penambangan sumber material alam atau quarry
 - l. Melakukan Perencanaan, Produksi, Penjualan dan Perdagangan produk, sumber material alam atau quarry
 - m. Melakukan Perencanaan, Pelaksanaan, Pengelolaan, Penjualan, Pembelian, sewa-menyewa dan Perdagangan Jasa Usaha Angkutan Darat dan Laut.
 - n. Melakukan Usaha Investasi.

1. GENERAL

a. The Company Establishment

PT (Persero) Wijaya Karya Beton to hereafter with Wilka Beton, was established in Jakarta with the deed of a limited liability company PT Wijaya Karya Beton No. 44 dated March 11, 1997 ("Act No. 44"), made in the presence of Achmad Bajumi, SH., as successor of the Imas Fatimah, SH., notary in Jakarta. PT Wijaya Karya Beton operational activities started since March 11, 1997.

The certificate has obtained the endorsement of Minister of Law of the Republic of Indonesia with its decision No.C2-12776/HT. 01.01. TH. 97 dated December 9, 1997 and have been registered in the list of companies according to Act No. 3 of 1982 about a mandatory list of companies in the Company Registration Office of south Jakarta No.2096/BH. 09.03/1/98 Dated January 13, 1998 and published in the Gazette Supplement No. 2832 from Indonesia of Republic State News no. 43 Dated May 29,

Articles of Association have been amended several time, last amended by the statutes Amendments No. 57 date August 23, 2013, made in front of Sri Ismiyati, S.H., Notary in Jakarta. These changes have got an acceptance from the Minister of Justice of the Republic of Indonesia with its Decision the Minister of Law and Human Right of the Republic of Indonesia No.AHU.46501.AH.01.02 dated September 3, 2013.

b. Company Activities

In accordance with the deed of Foundation of the company No. 57 dated Agustus 23, 2013 made by Sri Ismiyati, S.H., Notary in Jakarta and has been accepted by the Ministry of Law and Human Right had passed by the Republic of Indonesia has announced the Addition of News Number AHU-46501.AH.01.02.Tahun 2013, the intent and purpose as well as the business activities of PT Wilka Beton is as follows :

1. Manufacturing concrete, construction services, and other related businesses.
2. To achieve these goals and purpose above, Wilka Beton can carry out business activities as follows :
 - a. The planning, produce, the sale of concrete products, among other things :
 - 1) Electric transmission and electrical distribution and telephone pole
 - 2) Piling
 - 3) Railroad pads
 - 4) Concrete products for bridge structure
 - 5) Concrete products for retaining wall
 - 6) Pipe
 - 7) Concrete products for building structure
 - 8) Concrete products for hydro structure
 - b. Performing business of planning services , implementation and construction supervising in civil, electrical, and Postensioning.
 - c. The planning, produce and sale of the products of the component parts of a building material.
 - d. Performing business import and export - related to the business activities
 - e. Performing business of planning services , implementation and construction supervising in architecture bussiness, mechanical, environmental governance of heavy components instalation.
 - f. Manufactures and sells a concrete ready mix
 - g. Perform management of natural resources or quarry.
 - h. Perform business planning, the installation, and industrial management products concrete.
 - i. Perform utilization of coal fly ash and copper slag and waste management (Hazardous wastes).
 - j. Perform Planning, Management, Sales, Purchasing, leasing, and businesses trading port and jetty.
 - k. Perform mining of natural resources or quarry
 - l. Perform Planning, Production, Sales and Trading products of natural resourches or quarry
 - m. Perform Planning, Implementation, Management, Sales, Purchases, leases and Trade in Services of the land and marine.
 - n. Perform of investment business

1. GAMBARAN UMUM (Lanjutan)

b. Kegiatan Usaha Perseroan (Lanjutan)

Kegiatan usaha yang saat ini dilakukan adalah sebagai berikut:

1. Melakukan perencanaan, produksi, penjualan produk - produk beton, antara lain :

- Tiang pancang
- Tiang listrik dan tiang telepon
- Bantalan jalan rel
- Komponen beton pracetak
- Pipa
- Produk - produk beton lainnya

2. Melakukan usaha jasa konsultasi, jasa konstruksi pelaksanaan dan pemasangan :

- Produk-produk beton sebagaimana tersebut dalam huruf (a)
- Pondasi
- Prategang atau prestressing
- Pemasangan komponen bangunan berat

3. Memproduksi dan menjual beton siap pakai

PT Wijaya Karya Beton merupakan anak Perseroan dari PT Wijaya Karya (Persero) Tbk dengan kepemilikan 83,1%. Sejak tahun 1997 Perseroan telah menjalankan operasinya dengan dibagi atas beberapa Wilayah Penjualan (WP), di mana tiap Wilayah Penjualan didukung dengan satu rata - rata Pabrik Produk Beton (PPB), berikut ini merupakan lokasi kantor dan pabrik :

Kantor Pusat

Jl. Raya Jatiwaringin No. 54 Pondok Gede - Bekasi 17411

Kantor Wilayah Penjualan

- Wilayah Penjualan I
- Wilayah Penjualan II
- Wilayah Penjualan III
- Wilayah Penjualan IV
- Wilayah Penjualan V
- Wilayah Penjualan VI

- Jl. Gunung Krakatau No. 15, Medan 20239
- Jl. Bambang Utoyo Rama Kasih Raya No. 957 Palembang
- Jl. Biru Laut X No. 1-2, Jakarta 13340
- Jl. Teuku Umar No. 21, Semarang 50234
- Jl. Rungkut Industri Raya 10, Surabaya 60293
- Jl. Kima Raya 11 Kav. S/4-5-6, Kawasan Industri Makassar

Pabrik Produk Beton

- Sumatera Utara
- Lampung
- Bogor
- Majalengka
- Boyalali
- Pasuruan
- Sulawesi Selatan
- Karawang

- Jl. Binjai Km. 15,5 No. 1, Deli Serdang Sumatera Utara
- Jl. Raya Kota Bumi Km. 34,5 Tegineneng, Lampung
- Jl. Raya Narogong Km. 26 Oileungsi, Bogor 16820
- Jl. Raya Brujul Kulon, Jatiwangi, Majalengka 45454
- Jl. Raya Boyolali - Solo Km. 4,5 Mojosoongo, Boyolali
- Jl. Raya Kejaparan No. 323 Gempol, Pasuruan 67155
- Jl. Kima Raya 11 Kav. S/4-5-6 Kawasan Industri Makassar, Makassar 90241
- Jl. Surya Madya III Kav. 134 Kawasan Industri Surya Cipta, Karawang Timur

Head Office

Office Sales Region

- Sales Region I
- Sales Region II
- Sales Region III
- Sales Region IV
- Sales Region V
- Sales Region VI

Concrete Products Factory

- North Sumatera
- Lampung
- Bogor
- Majalengka
- Boyalali
- Pasuruan
- South Sulawesi
- Karawang

c. Entitas Anak

PT. Wijaya Karya Komponen Beton (MIKA KOBE)

PT Wijaya Karya Komponen Beton merupakan Entitas Anak dari Perseroan. PT Wijaya Karya Komponen Beton didirikan sebagai bentuk kerja sama antara PT Wijaya Karya Beton dengan PT Komponindo Betonjaya, dimana Perseroan memiliki penyertaan saham sebesar 51%. PT Wijaya Karya Komponen Beton didirikan pada tanggal 10 Mei 2012 sesuai dengan Akta notaris Karin Christina Basoeki, S.H., No. 18 di Jakarta dan telah mendapat pengesahan dari Menteri Hukum dan Hak Asasi Manusia Republik Indonesia No AHU-25815.AH.01.01.Tahun 2012, tanggal 14 Mei 2012. PT Wijaya Karya Komponen Beton berdomisili di Karawang, Jawa Barat. Maksud dan tujuan Perseroan didirikan bergerak dalam bidang usaha perindustrian dan perdagangan beton pracetak.

Berdasarkan Anggaran Dasar PT Wijaya Karya Komponen Beton, Struktur permodalan dan susunan pemegang saham PT Wijaya Karya Komponen Beton

1. GENERAL (Continued)

b. Company Activities (Continued)

Business activities that are currently carried out are as follows :

1. The planning , conduct the production , the sale of concrete products , among other things :

- Piling
- Electric Pole and telephone pole
- Railroad pads
- Component of a concrete precast
- Pipe
- Other concrete products

2. Performing business consulting services, the services of the construction and installation of the implementation of :

- Concrete products as referred such as the part(a)
- Foundation
- Prestressing
- Installation of the building components of heavy lifting

3. Manufactures and sells a concrete ready mix

PT Wijaya Karya Beton is a subsidiary of PT Wijaya Karya (Persero) Tbk with ownership of 83,1%. Since 1997 company its running operations with divided into some areas of sales (WP), where each sales area supported by Concrete Products Factory (PPB), the following is the location of the head office and factory :

c. Subsidiaries Company

PT. Wijaya Karya Komponen Beton (MIKA KOBE)

PT Wijaya Karya Komponen Beton is a subsidiary of the company. PT Wijaya Karya Komponen Beton was founded as a form of cooperation between PT Wijaya Karya Beton and PT Komponindo Betonjaya, where the company hold 51% ownership share participation. PT Wijaya Karya Komponen Beton was established on Mei 10, 2012 based on Notarial Deed No.18 of Karin Christina Basoeki, S.H., in Jakarta. The Article of Association was approved by Minister of Law and Human Rights the Republic of Indonesia with No. AHU - 25815.AH.01.01.2012 dated Mei 14, 2012. Domicile PT Wijaya Karya Komponen Beton in Karawang, West Java. The goals and objectives of the established company is to be engaged in the business field and trading of concrete.

According to PT Wijaya Karya Komponen Beton article of Association, the capital structure and shareholder PT Wijaya Karya Komponen Beton is as follows :

Pemegang Saham / Shareholders	Jumlah Saham/ Total shares (lembar / Shares)	Nilai Nominal/ Par value (Rp)	Persentase Kepemilikan/ Percentage of ownership	Jumlah/ Total (Rp)
Modal Dasar / Authorized Capital	374.000	1.000	100%	374.000.000
Modal Ditempatkan dan Disetor Penuh / Paid in Capital				
- PT Wijaya Karya Beton	47.685	1.000	51%	47.685.000
- PT Komponindo Beton Jaya	45.815	1.000	49%	45.815.000
Jumlah / Total	93.500		100%	93.500.000
Saham dalam Portepel / Portfolio Stock	280.500			280.500.000

1. GAMBARAN UMUM (Lanjutan)

1. GENERAL (Continued)

c. Entitas Anak (Lanjutan)

c. Subsidiaries Company (Continued)

Ikhtisar Data Keuangan

Financial Data Summary

Uraian	31 Desember / Desember 2013	31 Desember / December 2012	Description
Jumlah Aset	107.042.759	95.066.392	Total Assets
Jumlah Liabilitas	16.034.992	652.222	Total Liabilities
Jumlah Ekuitas	91.007.767	94.414.170	Total Equity

PT. Wijaya Karya Krakatau Beton (MIKA KRATON)

PT Wijaya Karya Krakatau Beton merupakan Joint Venture antara Perseroan dengan PT Krakatau Engineering dan PT Wijaya Karya (Persero) Tbk. PT Wijaya Karya Krakatau Beton didirikan pada tanggal 16 Desember 2013 sesuai dengan Akta notaris Indrajati Tandjung, SH., No. 16 di Cilegon dan telah mendapatkan pengesahan dari Kementerian Hukum dan Hak Asasi Manusia Republik Indonesia No. AHU-02372-AH.01.01.Tahun 2014. Tanggal 17 Januari 2014. PT Wijaya Karya Krakatau Beton berdomisili di Cilegon, Banten. Maksud dan tujuan Perseroan didirikan bergerak dalam bidang usaha perindustrian dan perdagangan beton

PT. Wijaya Karya Krakatau Beton (MIKA KRATON)

PT. Wijaya Karya Krakatau Beton is a Joint Venture between the Company and PT Krakatau Engineering. PT. Wijaya Karya Krakatau Beton was established on December 16, 2013 in accordance with the deed Indrajati Tandjung, SH., No.16 in Cilegon and has been approval from the Minister of Law and Human Rights Republic of Indonesia No.AHU-02372-AH.01.01.Tahun 2014. Dated Januari 17, 2014. PT. Wijaya Karya Krakatau Beton domiciled in Cilegon, Banten. The aims and objectives established company engaged in the precast concrete industry and trade.

Berdasarkan Anggaran Dasar PT Wijaya Karya Krakatau Beton, Struktur permodalan dan susunan pemegang saham PT Wijaya Karya Krakatau Beton adalah sebagai berikut :

According to PT Wijaya Karya Krakatau Beton article of Association, the capital structure and shareholder PT Wijaya Karya Krakatau Beton is as follows :

Pemegang Saham / Shareholders	Jumlah Saham/ Total shares (lembar/ Shares)	Nilai Nominal/ Par value (Rp)	Persentase Kepemilikan/ Percentage of ownership	Jumlah/ Total (Rp)
Modal Dasar / Authorized Capital	175.000	1.000	100%	175.000.000
Modal Ditempatkan dan Disetor Penuh / Paid in Capital				
- PT Wijaya Karya Beton	30.000	1.000	60%	30.000.000
- PT Krakatau Engineering	15.000	1.000	30%	15.000.000
- PT Wijaya Karya (Persero), Tbk	5.000	1.000	10%	5.000.000
Jumlah / Total	50.000		100%	50.000.000
Saham dalam Portepel / Portfolio Stock	125.000			125.000.000

Dari modal yang ditempatkan dan modal disetor sebesar Rp 50.000.000, pemegang saham baru melakukan penyeteroran modal sebesar Rp 13.850.000 dengan rincian sebagai berikut :

From the capital was placed and paid-in capital amounting to Rp 50.000.000, shareholders do the remittance of capital amounting to Rp 13.850.000 as follows :

Pemegang Saham / Shareholders	Jumlah saham/ Total shares (lembar / shares)	Nilai Nominal / Par value (Rp)	Persentase Kepemilikan / Percentage of ownership	Jumlah / Total (Rp)
PT Wijaya Karya Beton	8.500	1.000	60%	8.500.000
PT Krakatau Engineering	4.050	1.000	30%	4.050.000
PT Wijaya Karya (Persero), Tbk	1.300	1.000	10%	1.300.000
Jumlah / Total	13.850		100%	13.850.000

Ikhtisar Data Keuangan

Financial Data Summary

Uraian	31 Desember / December 2013	31 Desember / December 2012	Description
Jumlah Aset	13.851.870	-	Total Assets
Jumlah Liabilitas	-	-	Total Liabilities
Jumlah Ekuitas	13.851.870	-	Total Equity

d. Komisaris, Direksi, Komite Audit dan Karyawan

d. Management of the Company

Dewan Komisaris

Sesuai dengan Pernyataan Keputusan Pemegang Saham Diluar Rapat PT Wijaya Karya Beton No. MJ.01.01/MB-0A.60/2013 Tanggal 13 Juni 2013 dan Akta Perseroan No. 42 tanggal 11 Juli 2013, yang dibuat dihadapan Sri Ismiyati, S.H., notaris di Jakarta dan telah mendapatkan pengesahan dari Kementerian Hukum dan Hak Asasi Manusia Republik Indonesia dengan No.AHU-AH.01.10 - 32145 tanggal 31 Juli 2013. dengan susunan Dewan Komisaris PT.Wika Beton tahun 2013 adalah sebagai berikut :

Komisaris Utama
Komisaris
Komisaris
Komisaris
Komisaris

Ir. Budi Harto, MM
Nariman Prasetyo
Dra. Tumikristianingsih
Dr. Ir. Asfiah Mahdiani, MM
Ir. Agustinus Boediono

Board of Commisioner

In accordance Declaration of the decision of Shareholders outside meeting of PT Wijaya Karya Beton No. MJ.01.01/MB-0A.60/2013 dated June 13, 2013 and Deed of company No. 42 dated July 11, 2013, which was made before the Sri Ismiyati, S.H., notary in Jakarta and The Article of Association was approved by Minister of Law and Human Rights the Republic of Indonesia with No.AHU-AH.01.10 - 32145 dated Juli 31, 2013 the composition of the Board of Commissioners of PT Wika Beton on the year 2013 are as follows :

President Commissioner
Commissioner
Commissioner
Commissioner
Commissioner

1. GAMBARAN UMUM (Lanjutan)

d. Komisaris, Direksi, Komite Audit dan Karyawan (Lanjutan)

Sesuai dengan Akta Pernyataan Keputusan Pemegang Saham Diluar Rapat PT Wijaya Karya Beton, No. 38 tanggal 26 Desember 2012, yang dibuat dihadapan Karin Christiana Basoeki, S.H., notaris di Jakarta, susunan Dewan Komisaris PT Beton tahun 2012 adalah sebagai berikut :

Komisaris Utama
Komisaris
Komisaris
Komisaris

Ir. Muryadi Yusuf, MM
Ir. Sutedjo Wrokusumo, MM
Dra. Tumikristianingsih
Dr. Ir. Asfiah Mahdiani, MM

Sesuai dengan Akta Pernyataan Keputusan Pemegang Saham Diluar Rapat PT Wijaya Karya Beton, No. 25 tanggal 8 Juni 2010, yang dibuat dihadapan Imas Fatimah, S.H., notaris di Jakarta, susunan Dewan Komisaris PT Wlka Beton tahun tahun 2011 adalah sebagai berikut :

Komisaris Utama
Komisaris
Komisaris
Komisaris

Ir. Muryadi Yusuf, MM
Ir. Sutedjo Wrokusumo, MM
Drs. Kusnandar
Dr. Ir. Asfiah Mahdiani, MM

Dewan Direksi

Sesuai Akta Pernyataan Keputusan Pemegang Saham Diluar Rapat No. 49 tanggal 19 Juni 2013, yang dibuat dihadapan Sri Ismiyati, S.H., Notaris di Jakarta, yang telah diberitahukan kepada Menteri Hukum dan Hak Asasi Manusia Republik Indonesia sebagaimana Surat Penerimaan Pemberitahuan Data Perseroan No. AHU-AH.01.10-27344 tanggal 5 Juli 2013, susunan Direksi PT Wlka Beton adalah sebagai berikut :

Direktur Utama
Direktur Pemasaran
Direktur Keuangan dan SDM
Direktur Operasi I
Direktur Operasi II

Ir. Wilfred Imanuel A. Singkali
Ir. Hadian Pramudita
Drs. Entus Asnawi Mukhsan, MM
Ir. Fery Hendriyanto
Ir. Hari Respati

Sesuai Akta Pernyataan Keputusan Pemegang Saham Diluar Rapat No. 25 tanggal 12 Juni 2012, yang dibuat dihadapan Karin Christina Basoeki, S.H., Notaris di Jakarta, yang telah diberitahukan kepada Menteri Hukum dan Hak Asasi Manusia Republik Indonesia sebagaimana Surat Penerimaan Pemberitahuan Data Perseroan No. AHU-AH.01.10-22415 tanggal 20 Juni 2012, susunan Direksi PT Wlka Beton tahun 2012 adalah sebagai berikut :

Direktur Utama
Direktur Teknik dan Produksi
Direktur Pemasaran dan SDM
Direktur Keuangan

Ir. Wilfred Imanuel A. Singkali
Ir. Fery Hendriyanto
Ir. Hadian Pramudita
Drs. Entus Asnawi Mukhsan, MM

Sesuai Akta Pernyataan Keputusan Pemegang Saham Diluar Rapat No. 34 tanggal 13 Juni 2011, yang dibuat dihadapan Sri Ismiyati, S.H., Notaris di Jakarta, yang telah diberitahukan kepada Menteri Hukum dan Hak Asasi Manusia Republik Indonesia sebagaimana Surat Penerimaan Pemberitahuan Data Perseroan No. AHU-AH.01.10-21463 tanggal 8 Juli 2011, susunan Direksi PT Wlka Beton tahun 2011 adalah sebagai berikut :

Direktur Utama
Direktur Teknik dan Produksi
Direktur Pemasaran dan SDM
Direktur Keuangan

Ir. Agustinus Boediono
Ir. Wilfred Imanuel A. Singkali
Ir. Bambang Legowo
Drs. Entus Asnawi Mukhsan, MM

Komite Audit

Berdasarkan Surat Keputusan Dewan Komisaris No.MJ.04.01/WB-0A.006/2013 Tanggal 8 Januari 2013, susunan Komite Audit tanggal 31 Desember 2013, adalah sebagai berikut :

Ketua
Anggota

Dra. Tumikristianingsih
Rosmala

Sekretaris Perseroan

Berdasarkan Surat Keputusan Dewan Direksi No SK.02.01/WB-0A.091/2012 tanggal 11 Juni 2012, Sekretaris Perseroan tanggal 31 Desember 2013 adalah Puji Haryadi, SH.

1. GENERAL (Continued)

d. Management of the Company (Continued)

In accordance with the deed of Declaration of the decision of Shareholders outside meeting of PT Wijaya Karya Beton, No. 38 dated December 26, 2012, which was made in front of Karin Christiana Basoeki, S.H., notary in Jakarta, the composition of the Board of Commissioners of PT Wlka Beton on the year 2012 are as follows :

President Commissioner
Commissioner
Commissioner
Commissioner

In accordance with the deed of Declaration Shareholders outside meeting of the PT Wijaya Karya Beton, No. 25 dated June 8, 2010, which was made in front of Imas Fatimah, S.H., notary in Jakarta, the composition of the Board of Commissioners of PT Wlka Beton on the year 2011 are as follows :

President Commissioner
Commissioner
Commissioner
Commissioner

Board of Director

According to the Act of the Declaration of the decision of shareholders outside the Meeting No. 49 dated June 19, 2013, made in front of Sri Ismiyati, S.H., Notary in Jakarta, which has been reported to the Minister of Law and Human Rights as a letter of acceptance notification of company No. AHU-AH.01.10-27344 dated July 5, 2013, the directors of PT Wlka Beton as follows :

President Director
Director of marketing
Director of Finance and Human Resources
Operational Director I
Operational Director II

According to the Act of the Declaration of the decision of shareholders outside the Meeting No. 25 dated June 12, 2012, made in front of Karin Christina Basoeki, S.H., Notary in Jakarta, which has been reported to the Minister of Law and Human Rights as a letter of acceptance notification of company No. AHU-AH.01.10-22415 dated June 20, 2012, the directors of PT Wlka Beton in 2012 as follows :

President Director
Director of Engineering and Production
Director of marketing and Human Resources
Director of Finance

According to the Act of the Declaration of the decision of shareholders outside the Meeting No. 34 dated June 13, 2011, made in front of Sri Ismiyati, S.H., Notary in Jakarta, which has been reported to the Minister of Law and Human Rights as a letter of acceptance notification of company No. AHU-AH.01.10-21463 dated July 8, 2011, the directors of PT Wlka Beton in 2011 as follows :

President Director
Director of Engineering and Production
Director of marketing and Human Resources
Director of Finance

Audit Committee

Based on the Decree of the Board of Commissioners No.MJ.04.01/WB-0A.006/2013 dated Januari 8, 2013, the composition of the Audit Committee on December 31, 2013, are as follows :

Chairman
Member

Corporate Secretary

Based on the decree of the Board of Directors of the Board of Directors No SK.02.01/WB-0A.091/2012 dated June 11, 2012, the Secretary of the Company on December 31, 2013 is Puji Haryadi, SH.

1. GAMBARAN UMUM (Lanjutan)

d. Komisaris, Direksi, Komite Audit dan Karyawan (Lanjutan)

Jumlah remunerasi Direksi dan Komisaris Perseroan untuk periode sampai dengan 31 Desember 2013, 31 Desember 2012 dan 2011 adalah sebagai berikut :

	2013	2012	2011
Komisaris			
Imbalan Jangka Pendek	1.628.971	1.521.622	1.172.615
Imbalan Asuransi Pasca Kerja	290.584	226.299	209.537
Jumlah	1.919.555	1.747.921	1.382.151
Direksi			
Imbalan Jangka Pendek	4.657.422	2.831.468	2.547.364
Imbalan Asuransi Pasca Kerja	751.628	637.479	475.635
Jumlah	5.409.050	3.468.948	3.022.999

Jumlah Pegawai Perseroan pada tanggal 31 Desember 2013 sebanyak 1.023 orang, tahun 2012 sebanyak 1.024 orang, tahun 2011 sebanyak 941 orang

1. GENERAL (Continued)

d. Management of the Company (Continued)

Commissioners and Directors Remuneration for December 31, 2013, December 31, 2012 and 2011 are as follows :

Commissioner	
Short term benefit	
Post employment insurance benefit	
Total	
Directors	
Short term benefit	
Post employment insurance benefit	
Total	

The employees of company has a total 1.023 person for the December 31, 2013, 1.024 person for the years 2012, 941 person for the years 2011

2. IKHTISAR KEBIJAKAN AKUNTANSI

Laporan keuangan konsolidasian, Perseroan dan Entitas Anak disusun oleh manajemen berdasarkan Standar Akuntansi Keuangan yang berlaku di Indonesia dan diselesaikan pada tanggal 14 Februari 2014.

a. Pernyataan Kepatuhan

Laporan keuangan konsolidasian disusun dan disajikan sesuai Standar Akuntansi Keuangan di Indonesia, yaitu Pernyataan Standar Akuntansi Keuangan (PSAK), yang mencakup Pernyataan dan Interpretasi yang dikeluarkan oleh Dewan Standar Akuntansi Keuangan ("DSAK") Ikatan Akuntan Indonesia dan Peraturan-peraturan serta Pedoman Penyajian dan Pengungkapan Laporan Keuangan yang diterbitkan oleh Regulator Pasar Modal. Seperti yang diungkapkan dalam catatan-catatan terkait di bawah ini, beberapa standar akuntansi telah direvisi dan diterbitkan, diterapkan efektif tanggal 1 Januari 2012.

Pencabutan PSAK No.51 "Akuntansi kuasi reorganisasi (PPSAK No.10) yang berlaku efektif sejak 1 Januari 2013 tidak menghasilkan perubahan kebijakan akuntansi perusahaan dan tidak berdampak material terhadap jumlah yang dilaporkan tahun berjalan atau tahun sebelumnya

Penerapan ISAK 21 "Perjanjian Konstruksi Real Estate" dan pencabutan PSAK No.44, "Akuntansi Aktivitas Pengembangan Real Estate" yang seharusnya berlaku sejak 1 Januari 2013 telah ditunda sampai pemberitahuan lebih lanjut oleh dewan Standar Akuntansi Keuangan Indonesia. Manajemen berpendapat bahwa penerapan dan pencabutan interpretasi dan standar tersebut diatas tidak memiliki dampak terhadap laporan keuangan konsolidasian perseroan

Perseroan masih menganalisa dampak penerapan interpretasi ISAK baru berikut yang berlaku sejak 1 Januari 2014 terhadap laporan keuangan konsolidasian

- ISAK No. 27, "Pergantian Aset dari Pelanggan"
- ISAK No. 28, "Pengakhiran Liabilitas keuangan dengan Instrumen Ekuitas"
- ISAK No. 29, "Biaya Pengupasan Lapisan Tanah Tahap Produksi pada Pertambangan Terbuka"

Perseroan tidak mengharapkan adanya dampak yang material terhadap hasil usaha atau aset bersih perseroan atas adanya perubahan dalam standar interpretasi ini

b. Dasar Pengukuran dan Penyusunan Laporan Keuangan Konsolidasian

Laporan keuangan konsolidasian disusun berdasarkan harga perolehan, kecuali untuk aset keuangan yang diklasifikasikan dalam kelompok tersedia untuk dijual, aset dan liabilitas keuangan yang diukur pada nilai wajar melalui laporan laba rugi, dan seluruh instrumen derivatif yang diukur berdasarkan nilai wajar. Laporan keuangan konsolidasian disusun berdasarkan akuntansi berbasis akrual, kecuali laporan arus kas konsolidasian.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Company and its Subsidiaries were prepared by the Management in accordance with Indonesian Financial Accounting Standards and completed on February 14, 2014.

a. Compliance Statements

The consolidated financial statements prepared and presented in accordance with Indonesian Financial Accounting Standards, namely Pernyataan Standar Akuntansi Keuangan (PSAK), which comprise the Statements and Interpretations issued by the Financial Accounting Standards Board ("DSAK") of the Indonesian Institute of Accountants and the Regulations and the Guidelines on Financial Statement Presentation and Disclosures issued by the Regulators Capital Market. As disclosed further in the relevant succeeding notes, several amended and published accounting standards were adopted effective January 1, 2012.

Withdrawal of PSAK No.51 "Quasi Reorganisations (PPSAK No.10)" with an effective date January 01, 2013 not result in changes to accounting policies and had no material effect on the amounts reported for current or period financial years

The implementation of ISAK 21, "Agreements for Construction for Real Estate" and withdrawal of PSAK No.44, "Accounting for Real Estate Development Activities", which would previously have been mandatorily applied and withdrawn respectively as of January 01, 2013, have been postponed until further notice by the Indonesian Financial Accounting Standards Board. Management believes that the implementation and the withdrawal of the above Interpretation and Standard will not impact Company consolidated financial statements

Company still assessing the impact of these new ISAK which are effective on January 01, 2014 to the consolidated financial statements

- ISAK No.27, "Transfer of Assets from Customers"
- ISAK No.28, "Extinguishing Financial Liabilities with Equity Instruments"
- ISAK No.29, "Stripping Costs in the Production Phase of a Surface Mine"

Company does not currently expect any of these changes in standards or interpretations to have a material impact on the results or net assets companies

b. Basis of Measurement and Preparation of Consolidated Financial Statements

The consolidated financial statements prepared on historical cost, except for financial assets classified as available for sale, assets and financial liabilities measured at fair value through profit or loss, and all derivative instruments are measured at fair value. The consolidated financial statements prepared on accrual basis of accounting, except for the consolidated cash flow statement.

2. IKHTISAR KEBIJAKAN AKUNTANSI (Lanjutan)

b. Dasar Pengukuran dan Penyusunan Laporan Keuangan Konsolidasian (Lanjutan)

Laporan arus kas konsolidasian disusun menggunakan metode langsung dan arus kas diklasifikasikan atas dasar aktivitas operasi, investasi dan pendanaan.

Mata uang yang digunakan dalam penyusunan Laporan Keuangan Konsolidasian adalah mata uang Rupiah yang merupakan mata uang fungsional Perseroan dan Entitas Anak.

c. Prinsip - prinsip Konsolidasi

Laporan Keuangan Konsolidasian meliputi Laporan Keuangan Perseroan dan Entitas Anak. Entitas anak adalah seluruh entitas dimana Perseroan dan entitas anak memiliki kekuasaan untuk mengatur kebijakan keuangan dan operasional yang biasanya melalui kepemilikan lebih dari setengah hak suara. Keberadaan dan dampak dari hak suara potensial yang saat ini dapat dilaksanakan atau dikonversi, dipertimbangkan ketika menilai apakah Perseroan dan entitas anak mengendalikan entitas lain.

Entitas anak dikonsolidasikan secara penuh sejak tanggal pengendalian dialihkan kepada Perseroan dan entitas anak. Entitas anak tidak dikonsolidasikan sejak tanggal Perseroan dan entitas anak kehilangan pengendalian.

Pengaruh dari seluruh transaksi dan saldo antara Entitas Anak di dalam Perseroan Induk telah dieliminasi dalam penyajian laporan keuangan konsolidasian.

Porsi kepemilikan pemegang saham minoritas atas aset bersih Entitas Anak disajikan sebagai "Kepentingan non pengendali" sebagai bagian dari ekuitas di laporan posisi keuangan konsolidasian.

Kepentingan nonpengendali mencerminkan bagian atas laba atau rugi dan aset neto dan Entitas Anak yang tidak dapat diatribusikan secara langsung maupun tidak langsung oleh Perseroan yang disajikan dalam laporan laba rugi komprehensif konsolidasian dan dalam ekuitas pada laporan posisi keuangan konsolidasian, terpisah dari bagian yang dapat diatribusikan kepada pemilik Entitas Induk.

Kebijakan akuntansi yang dipakai dalam penyajian laporan keuangan konsolidasian telah diterapkan secara konsisten oleh Entitas Anak, kecuali dinyatakan secara khusus.

d. Transaksi dan Saldo dalam Mata Uang Asing

Pembukuan Perseroan dilakukan dalam satuan Rupiah. Transaksi-transaksi selama tahun berjalan dalam mata uang asing dicatat dengan kurs yang berlaku pada saat terjadinya transaksi. Pada tanggal laporan keuangan, aset dan liabilitas moneter dalam mata uang asing dijabarkan dalam mata uang Rupiah dengan menggunakan kurs tengah Bank Indonesia. Keuntungan dan kerugian kurs yang timbul dibebankan dalam laporan laba rugi dalam tahun yang berjalan. Kurs tengah yang digunakan pada tanggal laporan keuangan adalah sebagai berikut :

Jenis Mata Uang	2013	2012	2011
USD	12.189	9.670	9.068
Euro	16.281	12.810	11.739
SGD	9.628	7.907	6.974

e. Pihak-pihak Berelasi

Perseroan melakukan transaksi dengan pihak-pihak berelasi. Sesuai dengan Pernyataan Standar Akuntansi Keuangan (PSAK) No.7, "Pengungkapan atas Pihak-pihak Berelasi" diartikan sebagai berikut :

- Orang atau anggota keluarga terdekat mempunyai relasi dengan entitas pelapor jika orang tersebut :
 - Memiliki pengendalian atau pengendalian bersama atas entitas pelapor
 - Memiliki pengaruh signifikan atas entitas pelapor atau
 - Personil manajemen kunci entitas pelapor atau entitas induk dari entitas pelapor.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Basis of Measurement and Preparation of Consolidated Financial Statements (Continued)

Consolidated cash flows are prepared based on direct method by classifying cash flow on from of operating, investing and financing activities.

The reporting currency used in the preparation of the consolidated financial statements is Indonesia Rupiah which is the functional currency of the company and Subsidiaries.

c. The principles of Consolidation

Consolidated financial statement include the financial statement of the Company and Subsidiaries. Subsidiaries are all entities over which the Company and its subsidiaries have the power to govern the financial and operating policies generally accompanying a shareholding of more than a half the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company and its subsidiaries control another entity.

Subsidiaries in full control consolidated of the date be transferred which control is transferred to the Company and its subsidiaries. Subsidiaries are unconsolidated since the date on which that control ceases.

The influent of all transaction and balance made among the Subsidiaries within the Parent Company have been eliminated in the presentation of consolidated financial

The proportional share of minority shareholders in the net assets of the subsidiaries is presented as "Non-controlling interests" as part of equity in the consolidated statements of financial position.

Non-controlling interest represent the portion of the profit or loss and net assets of the Subsidiaries attributable to equity interests that are not owned directly or indirectly by the Company, which are presented in the consolidated statements of comprehensive income and under the equity section of the consolidated statements of financial position, respectively, separately from the corresponding portion attributable to the owners of the Parent Entity.

The accounting policies used in preparing the consolidated financial statements have been consistently applied by the Company Subsidiaries, unless otherwise stated.

d. Transactions and Balances in Foreign Currency

Corporate bookkeeping is done in units of Rupiah. Those transactions during the current year in foreign currency are recorded with the exchange rate in effect at the time of the transaction. On the date of the financial statements, monetary assets and liabilities in foreign currencies are translated in Rupiah currency using the exchange rate of the Central Bank of Indonesia. Exchange rate gains and losses incurred charged in income statement in the year of its run. The central exchange rate used on the date of the financial statements is as follows :

Type of Currency
United States of America Dollar
Euro Europe
Singapore Dollar

e. Related Parties

The Company has engaged in transactions with related parties who have a related party relationship. The definition used of related party relationship appropriate with PSAK No. 7 "regarding Related Party Disclosures". Related parties are defined as follows:

- A person or a close member of that person's family is related to the reporting entity if that person :
 - Has control or joint control over the reporting entity
 - Has a significant influence upon the reporting entity or
 - Is a member of th key management personnel of the reporting entity or of a parent of the reporting entity.

2. IKHTISAR KEBIJAKAN AKUNTANSI (Lanjutan)

e. Pihak-pihak Berelasi (Lanjutan)

2. Suatu entitas berelasi dengan entitas pelapor jika memenuhi salah satu hal berikut
 - a. Entitas dan entitas pelapor adalah anggota dari kelompok usaha yang sama (artinya entitas induk, entitas anak, dan entitas anak berikutnya terkait dengan entitas lain).
 - b. Satu entitas adalah entitas asosiasi atau ventura bersama dari entitas lain (atau entitas asosiasi atau ventura bersama yang merupakan anggota suatu kelompok usaha, yang mana entitas lain tersebut adalah anggotanya).
 - c. Kedua entitas tersebut adalah ventura bersama dari pihak ketiga yang sama.
 - d. Satu entitas adalah ventura bersama dari entitas ketiga dan entitas yang lain adalah entitas asosiasi dari entitas ketiga.
 - e. Entitas tersebut adalah suatu program imbalan pasca kerja untuk imbalan kerja dari salah satu entitas pelapor atau entitas yang terkait dengan entitas pelapor. Jika entitas pelapor adalah entitas yang menyelenggarakan program tersebut, maka entitas sponsor juga berelasi dengan entitas pelapor.
 - f. Entitas yang dikendalikan atau dikendalikan bersama oleh orang yang diidentifikasi dalam huruf (a).
 - g. Orang yang diidentifikasi dalam huruf (a) (1) memiliki pengaruh signifikan atas entitas atau personel manajemen kunci entitas (atau entitas induk dari entitas).

Semua transaksi dengan pihak-pihak berelasi, baik yang dilakukan dengan atau tidak dengan tingkat bunga atau harga, persyaratan dan kondisi yang sama sebagaimana dilakukan dengan pihak ketiga, diungkapkan dalam laporan keuangan.

f. Kas dan Setara Kas

Kas dan setara kas mencakup kas, bank dan investasi jangka pendek yang jatuh tempo dalam waktu tiga bulan atau kurang. Kas dan setara kas yang telah ditentukan penggunaannya atau yang tidak dapat digunakan secara bebas tidak tergolong dalam kas dan setara kas.

g. Piutang Usaha

Piutang usaha merupakan tagihan Perseroan kepada pihak pelanggan dan timbul karena penjualan produk / jasa yang merupakan kegiatan utama Perseroan.

Piutang usaha disajikan dalam jumlah neto setelah dikurangi dengan impairment atas piutang yang terindikasi terjadi penundaan pencairan dari waktu yang telah ditetapkan.

Pelaksanaan perhitungan penurunan nilai wajar piutang usaha bila terjadi indikasi penurunan nilai wajar piutang usaha (*impairment*) diatur dengan ketentuan tersendiri.

h. Instrumen Keuangan

Perseroan dan Entitas Anak telah menerapkan PSAK 55 (Revisi 2011), "Instrumen Keuangan: Pengakuan dan Pengukuran", serta PSAK 50 (Revisi 2010), "Instrumen Keuangan: Penyajian", dan PSAK No. 60 "Instrumen Keuangan: Pengungkapan", yang berlaku efektif sejak tanggal 1 Januari 2012.

PSAK 50 (Revisi 2010), berisi persyaratan penyajian dari instrumen keuangan dan mengidentifikasi informasi yang harus diungkapkan. Persyaratan pengungkapan berlaku terhadap klasifikasi instrumen keuangan, dari perspektif penerbit, dalam aset, Liabilitas keuangan dan instrumen ekuitas; pengklasifikasian yang terkait dengan suku bunga, dividen, kerugian dan keuntungan; dan keadaan dimana aset dan Liabilitas keuangan akan saling hapus. PSAK ini mensyaratkan pengungkapan, antara lain, informasi mengenai faktor yang mempengaruhi jumlah, waktu dan tingkat kepastian arus kas masa datang suatu entitas yang terkait dengan instrumen keuangan dan kebijakan akuntansi yang diterapkan untuk instrumen tersebut.

PSAK 55 (Revisi 2011) mengatur prinsip-prinsip dasar pengakuan dan pengukuran aset keuangan, Liabilitas keuangan dan beberapa kontrak pembelian atau penjualan item non-keuangan. Standar Akuntansi Keuangan ini, antara lain, menyediakan definisi dan karakteristik derivatif, kategori instrumen keuangan, pengakuan dan pengukuran, akuntansi lindung nilai dan penetapan hubungan lindung nilai.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e. Related Parties (Continued)

2. An entity is related to a reporting entity if any of the following conditions applies :
 - a. The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - b. One entity is an associations or joint venture of the other entity (or an associate or int venture of a member of a group of which the other entity is a member).
 - c. Both entities are joint ventures of the same third party.
 - d. One entity is a joint venture of the third entity and other entity is an associate of the third entity.
 - e. The entity is a post-employment defined benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to
 - f. The entity is controlled or jointly controlled by a person identified in (a).
 - g. A person identified in (1)(a) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the

All transactions made by the related parties, either conducted by or not conducted under interest rate or price, similar requirements and conditions as conducted by the third party shall be disclosed in consolidated financial statements.

f. Cash and Cash Equivalent

Cash and cash equivalents include cash, short-term investments and bank are due within three months or less. Cash and cash equivalents that have determined its use or cannot be used freely are not included in cash and cash equivalents.

g. Accounts Receivable

Accounts receivable billing company business is to the customer and arising from the sale of products/services which is the main activity of the company.

Accounts receivables are presented net amount after deducting the impairment on receivables that indicated a delay disbursement of the time set.

Implementation of regulations reducing the fair values of accounts receivable in the event indication decrease in fair value of accounts receivable (*impairment*) is regulated by separate provisions.

h. Financial Instrument

The Company and its subsidiaries have adopted and PSAK 55 (Revised 2011), "Financial Instruments: Recognition and Measurement", and PSAK 50 (Revised 2010), "Financial Instruments: Presentation" and PSAK No. 60, "Financial Instruments: Disclosure", which became effective since January 1, 2012.

PSAK 50 (Revised 2010), contains requirements for the presentation of financial instruments and identifies the information that must be disclosed. Disclosure requirements applicable to the classification of financial instruments, from the perspective of the issuer, into financial assets, financial liabilities and equity instruments, the classification of related interest, dividends, losses and gains, and the circumstances in which financial assets and financial liabilities should be offset. This standard requires disclosure, among others, information about factors that affect the amount, timing and certainty of future cash flows of an entity associated with financial instruments and the accounting policies applied to those instruments.

PSAK 55 (revised 2011) set the principles for recognizing and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This Financial Accounting Standards provide definitions and characteristics of derivatives, the categories of financial instruments, recognition and measurement, hedge accounting and the determination of hedging relationships.

2. IKHTISAR KEBIJAKAN AKUNTANSI (Lanjutan)

h. Instrumen Keuangan (Lanjutan)

Pengakuan Awal

Aset keuangan dalam lingkup PSAK 55 (Revisi 2011) diklasifikasikan sebagai aset keuangan yang diukur pada nilai wajar melalui laporan laba rugi, pinjaman yang diberikan dan piutang, investasi dimiliki hingga jatuh tempo, atau aset keuangan tersedia untuk dijual, mana yang sesuai. Perseroan dan Entitas Anak menentukan klasifikasi aset keuangan tersebut pada pengakuan awal, jika diperbolehkan dan diperlukan, mengevaluasi kembali pengklasifikasian aset tersebut pada setiap akhir periode keuangan.

Aset keuangan pada awalnya diakui sebesar nilai wajarnya ditambah, dalam hal investasi yang tidak diukur pada nilai wajar melalui laporan laba rugi, biaya transaksi yang dapat diatribusikan secara langsung.

Pembelian atau penjualan aset keuangan yang memerlukan pengiriman aset dalam kurun waktu yang ditetapkan oleh peraturan atau kebiasaan yang berlaku di pasar (perdagangan yang lazim) diakui pada tanggal perdagangan, yaitu tanggal Perseroan dan Entitas Anak berkomitmen untuk membeli atau menjual aset tersebut.

Aset keuangan Perseroan dan Entitas Anak meliputi kas dan setara kas, piutang usaha dan piutang lainnya, instrumen keuangan yang memiliki dan tidak memiliki kuotasi, instrumen keuangan derivatif dan aset keuangan lancar dan tidak lancar lainnya.

Pengukuran setelah pengakuan awal

Pengukuran aset keuangan setelah pengakuan awal tergantung pada klasifikasinya sebagai berikut :

Aset keuangan yang diukur pada nilai wajar melalui laporan laba rugi

Aset keuangan yang diukur pada nilai wajar melalui laporan laba rugi termasuk aset keuangan untuk diperdagangkan dan aset keuangan yang ditetapkan pada saat pengakuan awal untuk diukur pada nilai wajar melalui laporan laba rugi.

Aset keuangan diklasifikasikan sebagai kelompok diperdagangkan jika mereka diperoleh untuk tujuan dijual atau dibeli kembali dalam waktu dekat. Aset derivatif juga diklasifikasikan sebagai kelompok diperdagangkan kecuali mereka ditetapkan sebagai instrumen lindung nilai efektif. Aset keuangan yang diukur pada nilai wajar melalui laporan laba rugi disajikan dalam laporan posisi keuangan konsolidasi pada nilai wajar dengan keuntungan atau kerugian dari perubahan nilai wajar diakui dalam laporan laba rugi konsolidasi.

Derivatif yang melekat pada kontrak utama dicatat sebagai derivatif yang terpisah apabila karakteristik dan risikonya tidak berkaitan erat dengan kontrak utama, dan kontrak utama tersebut tidak dinyatakan dengan nilai wajar. Derivatif melekat ini diukur dengan nilai wajar dengan laba atau rugi yang timbul dari perubahan nilai wajar diakui pada laporan laba rugi konsolidasi. Penilaian kembali hanya terjadi jika terdapat perubahan dalam ketentuan-ketentuan kontrak yang secara signifikan mengubah arus kas yang akan diperlukan.

Pinjaman yang Diberikan dan Piutang

Pinjaman yang diberikan dan piutang adalah aset keuangan non derivatif dengan pembayaran tetap atau telah ditentukan, yang tidak mempunyai kuotasi di pasar aktif.

Aset keuangan tersebut diukur sebesar biaya perolehan diamortisasi (*amortized cost*) dengan menggunakan metode suku bunga efektif (*effective interest rate*). Keuntungan dan kerugian diakui dalam laporan laba rugi konsolidasi pada saat pinjaman yang diberikan dan piutang dihentikan pengakuannya atau mengalami penurunan nilai.

Kas dan setara kas, piutang usaha dan piutang lainnya, piutang Berelasi, aset keuangan lancar lainnya, piutang jangka panjang dan aset keuangan tidak lancar lainnya Perseroan dan Entitas Anak termasuk dalam kategori ini.

Indikasi penurunan nilai ditetapkan pada setiap individu pemberi kerja secara selektif dengan mempertimbangkan risiko dari tidak tertagihnya aset keuangan tersebut.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Financial Instrument (Continued)

Initial Recognition

Financial assets within the scope of PSAK 55 (Revised 2011) are classified as financial assets measured at fair value through profit or loss, loans and receivables, held to maturity investments or financial assets available for sale, whichever is appropriate. The Company and its subsidiaries to determine the classification of financial assets at initial recognition, when allowed and appropriate, re-evaluate the classification of these assets at the end of each financial period.

Financial assets are initially recognized at fair value plus, in terms of investment which is not measured at fair value through profit and loss, transaction costs that are attributable directly.

The purchase or sale of financial assets that require delivery of assets within a period specified by regulation or custom prevailing in the market (a common trade) are recognized on trade date, date of the Company and its subsidiaries are committed to buy or sell the asset.

Financial assets of the Company and its Subsidiaries include cash and cash equivalents, accounts receivable and other receivables, financial instruments that have and do not have the quotation, derivative financial instruments and current financial assets and other non-current.

Measurement after initial recognition

Measurement of financial assets after initial recognition depends on the classification as follows :

Financial assets are measured at Fair Value through profit or loss

Financial assets are measured at fair value through profit or loss include financial assets for trading and financial assets are determined at the time of initial recognition to be measured at fair value through profit or loss.

Financial assets classified as trading if they are acquired for the purpose of sale or repurchase in the near future. Derivative assets are also classified as trading unless they are designated as effective hedging instruments. Financial assets are measured at fair value through profit and loss statements are presented in the consolidated balance sheet at fair value with gains or losses arising from changes in fair value recognized in the consolidated statements of income.

Derivatives embedded in main contracts are recorded as separate derivatives when the characteristics and risks are not closely related to the main contract, and the host contract is not carried at fair value. These embedded derivatives are measured at fair value with gains or losses arising from changes in fair value recognized in the consolidated statements of income. The revaluation occur only if there is a change in the applicable provisions of the contract that significantly alter the cash flow that will be required.

Loans and Receivables

Loans and receivables are non derivative financial assets with fixed or predetermined payment, which does not have a quotation in an active market.

Financial assets are measured at amortized cost by using the effective interest rate method. Gains and losses are recognized in the consolidated income statements as loans and receivables derecognized or impaired.

Cash and cash equivalents, accounts receivable and other receivables, due from related parties, other current financial assets, long-term receivables and other non-current financial assets of the Company and its Subsidiaries included in this category.

Indications of decline in the value assigned to each individual employer are selected by considering the risk of non-collection of such financial assets.

2. IKHTISAR KEBIJAKAN AKUNTANSI (Lanjutan)

h. Instrumen Keuangan (Lanjutan)

Investasi Dimiliki Hingga Jatuh Tempo

Aset keuangan non derivatif dengan pembayaran tetap atau telah ditentukan dan jatuh temponya telah ditetapkan diklasifikasikan sebagai Investasi dimiliki hingga jatuh tempo Perseroan dan Entitas Anak memiliki intensi positif dan kemampuan untuk memiliki aset keuangan tersebut hingga jatuh tempo. Setelah pengukuran awal, Investasi dimiliki hingga jatuh tempo diukur pada biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif. Metode ini menggunakan suku bunga efektif yang secara tepat mendiskontokan estimasi penerimaan kas di masa datang selama perkiraan umur dari aset keuangan ke nilai tercatat bersih (net carrying amount) dari aset keuangan. Keuntungan dan kerugian diakui dalam laporan laba rugi konsolidasi pada saat investasi tersebut dihentikan perolehannya atau mengalami penurunan nilai.

Perseroan dan Entitas Anak tidak memiliki investasi dimiliki hingga jatuh tempo.

Aset Keuangan Tersedia untuk Dijual

Aset keuangan tersedia untuk dijual adalah aset keuangan non derivatif yang ditetapkan sebagai tersedia untuk dijual atau yang tidak diklasifikasikan dalam tiga kategori sebelumnya.

Setelah pengakuan awal, aset keuangan tersedia untuk dijual. Pada saat itu, keuntungan atau kerugian kumulatif yang sebelumnya diakui dalam ekuitas akan direklas ke laporan laba rugi sebagai penyesuaian reklasifikasi.

Liabilitas Keuangan Pengakuan Awal

Liabilitas keuangan dalam lingkup PSAK 55 (Revisi 2011) dapat dikategorikan sebagai Liabilitas keuangan yang diukur pada nilai wajar melalui laporan laba rugi, pinjaman dan utang, atau derivatif yang ditetapkan sebagai instrumen lindung nilai dalam lindung nilai yang efektif, mana yang sesuai. Perseroan dan Entitas Anak menentukan klasifikasi Liabilitas keuangan mereka pada saat pengakuan awal.

Liabilitas keuangan diakui pada awalnya sebesar nilai wajar, dalam hal pinjaman dan utang, termasuk biaya transaksi yang dapat diatribusikan secara langsung.

Liabilitas keuangan Perseroan dan Entitas Anak meliputi utang usaha dan utang lainnya, biaya yang masih harus dibayar, utang jangka panjang dan utang obligasi, utang berelasi, instrumen keuangan derivatif dan liabilitas keuangan lancar dan tidak lancar lainnya.

Pengukuran Setelah Pengakuan Awal

Pengukuran Liabilitas keuangan tergantung pada klasifikasinya sebagai berikut : Liabilitas keuangan yang diukur pada nilai wajar melalui laporan laba rugi termasuk Liabilitas keuangan untuk diperdagangkan dan Liabilitas keuangan yang ditetapkan pada saat pengakuan awal untuk diukur pada nilai wajar melalui laporan laba rugi.

Liabilitas keuangan diklasifikasikan sebagai kelompok diperdagangkan jika mereka diperoleh untuk tujuan dijual atau dibeli kembali dalam waktu dekat. Liabilitas derivatif juga diklasifikasikan sebagai kelompok diperdagangkan kecuali mereka ditetapkan sebagai instrumen lindung nilai efektif.

Keuntungan atau kerugian atas Liabilitas yang dimiliki untuk diperdagangkan diakui dalam laporan laba rugi konsolidasi.

Pinjaman dan Utang

Setelah pengakuan awal, pinjaman dan utang yang dikenakan bunga selanjutnya diukur pada biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif.

Keuntungan dan kerugian diakui dalam laporan laba rugi konsolidasi pada saat Liabilitas tersebut dihentikan pengakuannya serta melalui proses amortisasi.

Saling Hapus dari Instrumen Keuangan

Aset keuangan dan Liabilitas keuangan saling hapus dan nilai bersihnya dilaporkan dalam laporan posisi keuangan konsolidasi, saat ini memiliki hak yang berkekuatan hukum untuk melakukan saling hapus atas jumlah yang telah diakui dan terdapat niat untuk menyelesaikan secara neto, atau untuk merealisasikan aset dan menyelesaikan Liabilitasnya secara simultan.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Financial Instrument (Continued)

Investments Held to Maturity.

Non-derivative financial assets with fixed or predetermined payment and maturity are classified as Investments Held to Maturity has been established when the Company and its Subsidiaries has the positive intention and ability to hold these financial assets to maturity. After initial measurement, Investments Held to Maturity, investments are measured at amortized cost using the effective interest rate method. This method uses the effective interest rates appropriately discounting the estimated future cash receipts over the expected life of the financial assets to the net carrying value (net carrying amount) of financial assets. Gains and losses are recognized in the consolidated statements of income when the investments are derecognized or impaired.

The Company and its Subsidiaries do not have any investments held to maturity.

Financial Assets Available for Sale

Available For Sale financial assets are non-derivative financial assets designated as available for sale or not classified in the three previous categories.

After initial measurement, Available For Sale financial assets are measured at fair value with gains or unrealized losses recognized in equity until the investment is derecognized. At that time, the cumulative gain or loss previously recognized in equity will be reclassified into earnings as a reclassification adjustment.

Financial Liabilities Initial Recognition

Financial liabilities within the scope of PSAK 55 (Revised 2011) could be classified as financial liabilities measured at fair value through profit or loss, loans and debt, or derivatives that are designated as hedging instruments in an effective hedge, whichever is appropriate. The Company and its subsidiaries to determine the classification of their financial obligations at the time of initial recognition.

Financial liabilities are recognized initially at fair value, in terms of loans and debt, including transaction costs that are attributable directly.

Financial obligations of the Company and its Subsidiaries include trade payables and other payables, accrued expenses, long-term debt and bonds payable, related party debt, derivative financial instruments and financial liabilities as current and other non-current.

Measurement After Initial Recognition

Measurement of financial liabilities depending on the classification as follows : Financial liabilities measured at fair value through profit or loss include financial liabilities as trading and financial liabilities are determined at the time of initial recognition to be measured at fair value through profit or loss.

Financial liabilities classified as trading if they are acquired for the purpose of sale or repurchase in the near future. Derivative liabilities are also classified as trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the consolidated statements of income.

Loans and Debts

After initial recognition, loans and interest bearing debt is subsequently measured at amortized cost using the effective interest rate method.

Gains and losses are recognized in the consolidated income statements when the liability is derecognized well as through the amortization process.

Financial Instruments off set

Financial assets and financial liabilities are offset and the net amount reported in the consolidated balance sheets if, and only if, currently owns the rights to perform legal force to offset the amount that has been recognized and there is intention to settle on a net basis, or to realize the asset and settle their obligations simultaneously.

2. IKHTISAR KEBIJAKAN AKUNTANSI (Lanjutan)

h. Instrumen Keuangan (Lanjutan)

Nilai Wajar Instrumen Keuangan

Nilai wajar instrumen keuangan yang diperdagangkan secara aktif di pasar keuangan yang terorganisasi ditentukan dengan mengacu pada kuotasi harga penawaran di pasar aktif pada penutupan bisnis pada akhir periode pelaporan. Untuk instrumen keuangan yang tidak memiliki pasar aktif, nilai wajar ditentukan dengan menggunakan teknik penilaian. Teknik penilaian mencakup penggunaan transaksi pasar terkini yang dilakukan secara wajar oleh pihak-pihak yang berkeinginan dan memahami (recent arm's length market transactions); penggunaan nilai wajar terkini instrumen lain yang secara substansial sama; analisa arus kas yang didiskonto; atau model penilaian lain, tergantung pada kelas aset yang dimiliki.

Perseroan menetapkan Nilai wajar instrumen keuangan pada kelompok aset Piutang ditentukan melalui teknik penilaian dengan arus kas yang didiskonto dan mempertimbangkan aspek materialitas transaksi serta manajemen resiko.

Penyesuaian Risiko Kredit

Perseroan menyesuaikan harga di pasar yang lebih menguntungkan untuk mencerminkan adanya perbedaan risiko kredit pihak lawan antara instrumen yang diperdagangkan di pasar tersebut dengan instrumen yang dinilai untuk posisi aset keuangan. Dalam menentukan nilai wajar posisi Liabilitas keuangan, risiko kredit Perseroan terkait dengan instrumen harus diperhitungkan.

Biaya Perolehan diamortisasi dari Instrumen Keuangan

Biaya perolehan diamortisasi dihitung dengan menggunakan metode suku bunga efektif dikurangi dengan penyisihan atas penurunan nilai dan pembayaran pokok atau nilai yang tidak dapat ditagih. Perhitungan tersebut mempertimbangkan premium atau diskonto pada saat perolehan dan termasuk biaya transaksi dan biaya yang merupakan bagian yang tak terpisahkan dari suku bunga efektif.

Penurunan Nilai dari Aset Keuangan

Pada setiap akhir periode pelaporan Perseroan dan Entitas Anak mengevaluasi apakah terdapat bukti yang obyektif bahwa aset keuangan atau kelompok aset keuangan mengalami penurunan nilai.

Aset keuangan dicatat pada biaya perolehan diamortisasi

Untuk pinjaman yang diberikan dan piutang yang dicatat pada biaya perolehan diamortisasi, Perseroan dan Entitas Anak pertama kali menentukan apakah terdapat bukti obyektif mengenai penurunan nilai secara individual atas aset keuangan yang signifikan secara individual, atau secara kolektif untuk aset keuangan yang jumlahnya tidak signifikan secara individual. Jika Perseroan dan Entitas Anak menentukan tidak terdapat bukti obyektif mengenai penurunan nilai atas aset keuangan yang dinilai secara individual, terlepas aset keuangan tersebut signifikan atau tidak, maka mereka memasukkan aset tersebut ke dalam kelompok aset keuangan yang memiliki karakteristik risiko kredit yang sejenis dan menilai penurunan nilai kelompok tersebut secara kolektif. Aset yang penurunan nilainya dinilai secara individual, dan untuk itu kerugian penurunan nilai tetap diakui, tidak termasuk dalam penilaian penurunan nilai secara kolektif.

Jika terdapat bukti obyektif bahwa kerugian penurunan nilai telah terjadi, jumlah kerugian tersebut diukur sebagai selisih antara nilai tercatat aset dengan nilai kini estimasi arus kas masa datang.

Nilai tercatat aset tersebut berkurang melalui penggunaan akun penyisihan dan jumlah kerugian diakui dalam laporan laba rugi konsolidasi. Pendapatan bunga tetap diakui berdasarkan nilai tercatat yang telah dikurangi, berdasarkan suku bunga efektif aset tersebut. Pinjaman yang diberikan dan piutang, bersama-sama dengan penyisihan terkait, akan dihapuskan pada saat tidak terdapat kemungkinan pemulihan di masa depan yang realistis dan semua jaminan telah terealisasi atau telah dialihkan kepada Perseroan dan Entitas Anak.

Jika, pada periode berikutnya, jumlah kerugian penurunan nilai bertambah atau berkurang karena suatu peristiwa yang terjadi setelah penurunan nilai tersebut diakui, maka kerugian penurunan nilai yang sebelumnya diakui ditambah atau dikurangi dengan menyesuaikan akun penyisihan. Jika penghapusan kemudian dipulihkan, maka pemulihan tersebut diakui dalam laporan laba rugi.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Financial Instrument (Continued)

Fair Value of Financial Instrument

The fair value of financial instruments which are actively traded in organized financial markets is determined by reference to quoted bid prices in active markets at the close of business at the end of the reporting period. For financial instruments that have no active market, fair value is determined using valuation techniques. Valuation techniques include the use of market transactions, the latest conducted properly by the parties that desire and understand the (recent arm's length market transactions); use the fair value of current other instruments that are substantially the same; analysis of discounted cash flow; or assessment model another, depending the class of assets owned.

The company established a fair value of financial instruments on a group of assets Receivables determined through valuation techniques with discounted cash flows and considering aspects of the materiality of transactions and risk management.

Adjusting Credit Risk

The Company adjust prices in a market that is more profitable to reflect the counterparty credit risk differences between instruments traded in those markets with instruments that assessed for the position of financial assets. In determining the fair value of financial liabilities position, Company credit risk associated with the instrument must be taken into

Cost is amortized from Financial Instruments

Cost is amortized calculated using the effective interest rate method less any allowance for decline in value and payment of principal or value that can not be billed. The calculation is considered a premium or discount on acquisition and includes transaction fees and expenses that are part and parcel of the effective interest rate.

Impairment from Financial Assets.

At the end of each reporting period the Company and its Subsidiaries evaluate whether there is objective evidence that financial asset or group of financial assets are impaired.

Financial assets are recorded at amortized cost

For loans and receivables are recorded at amortized cost, the Company and Subsidiary Company first determines whether there is objective evidence of impairment of individually significant financial assets individually, or collectively for financial assets that amount is not significant on an individual basis. If the Company and its Subsidiaries determined there is no objective evidence of impairment in value of financial assets are assessed on an individual basis, regardless of financial assets is significant or not, then they put those assets into a group of financial assets that have similar credit risk characteristics and assess the impairment of the group collectively. A decline in asset value is assessed individually, and for that impairment losses recognized or is recognized, not included in the collective assessment of impairment.

If there is objective evidence that an impairment loss has occurred, the amount of the loss is measured as the difference between the carrying value of assets with a present value of estimated future cash flows.

The carrying amount of the asset is reduced through the use of the allowance account and the amount of losses recognized in the consolidated statements of income. Interest income is recognized based on the carrying value of which has been reduced, based on the effective interest rate of the asset. Loans and receivables, together with the related allowance, will be abolished at the moment there is no possibility of recovery in the future a realistic and all collateral has been realized or have been transferred to the Company and its Subsidiaries.

If, on the next period, the amount of impairment loss increases or decreases because of an event occurring after the impairment is recognized, then the impairment loss previously recognized increased or decreased by adjusting the allowance account. If the deletion and then restored, then the recovery is recognized in the income statement.

2. IKHTISAR KEBIJAKAN AKUNTANSI (Lanjutan)

h. Instrumen Keuangan (Lanjutan)

Aset Keuangan Tersedia Untuk Dijual

Dalam hal investasi ekuitas yg diklasifikasikan sebagai aset keuangan tersedia untuk dijual, bukti obyektif akan meliputi penurunan yang signifikan atau penurunan jangka panjang pada nilai wajar dari investasi di bawah biaya perolehannya. Jika terdapat bukti bahwa kerugian penurunan nilai telah terjadi, jumlah kerugian kumulatif yg diukur sebagai selisih antara biaya perolehan dengan nilai wajar kini, dikurangi kerugian penurunan nilai pada investasi yg sebelumnya telah diakui dalam laporan laba rugi direklas dari ekuitas ke laporan laba rugi. Kerugian penurunan nilai investasi ekuitas tidak boleh dipulihkan melalui laporan laba rugi; kenaikan nilai wajar setelah penurunan nilai diakui dalam ekuitas.

Dalam hal instrumen utang diklasifikasikan sebagai aset keuangan aset keuangan tersedia untuk dijual, penurunan nilai dievaluasi berdasarkan kriteria yang sama dengan aset keuangan yang dicatat pada biaya perolehan diamortisasi. Pendapatan bunga di masa datang didasarkan pada nilai tercatat yang telah dikurangi dan diakui berdasarkan suku bunga yang digunakan untuk mendiskontokan arus kas masa datang untuk tujuan pengukuran kerugian penurunan nilai.

Akrual tersebut dicatat sebagai bagian dari akun "Pendapatan bunga" dalam laporan laba rugi konsolidasi. Jika, pada periode berikutnya, nilai wajar instrumen utang meningkat dan peningkatan tersebut secara obyektif dihubungkan dengan peristiwa yang terjadi setelah pengakuan kerugian penurunan nilai pada laporan laba rugi, maka kerugian penurunan nilai tersebut harus dipulihkan melalui laporan laba rugi.

Penghentian pengakuan aset dan Liabilitas keuangan.

Aset Keuangan

Aset keuangan (atau mana yang lebih tepat, bagian dari aset keuangan atau bagian dari kelompok aset keuangan serupa) dihentikan pengakuannya saat: (1) hak untuk menerima arus kas yang berasal dari aset tersebut telah berakhir; atau (2) Perseroan & Entitas Anak telah mentransfer hak mereka untuk menerima arus kas yang berasal dari aset atau berkewajiban membayar arus kas yg diterima secara penuh tanpa penundaan material kepada pihak ketiga dalam perjanjian *pass - through*

Perseroan dan Entitas Anak telah secara substansial mentransfer seluruh risiko dan manfaat dari aset, atau (b) Perseroan dan Entitas Anak secara substansial tidak mentransfer atau memiliki seluruh risiko dan manfaat suatu aset, namun telah mentransfer kendali atas aset tersebut.

Liabilitas Keuangan

Liabilitas keuangan dihentikan pengakuannya pada saat Liabilitas tersebut dihentikan atau dibatalkan atau kadaluarsa.

Ketika suatu Liabilitas keuangan yang ada digantikan oleh Liabilitas keuangan lain dari pemberi pinjaman yang sama dengan persyaratan yang berbeda secara substansial, atau modifikasi secara substansial persyaratan dari suatu Liabilitas yang saat ini ada, pertukaran atau modifikasi tersebut diperlakukan sebagai penghentian pengakuan Liabilitas awal dan pengakuan Liabilitas baru, dan selisih antara nilai tercatat masing-masing Liabilitas diakui dalam laporan laba rugi.

Nilai Wajar Instrumen Keuangan

Seluruh nilai tercatat instrumen keuangan mendekati nilai wajar dari instrumen keuangan tersebut. Berikut ini adalah metode dan asumsi yang digunakan dalam mengestimasi nilai wajar dari setiap golongan instrumen keuangan perseroan dan entitas anak.

1. Kas dan setara kas, kas yang dibatasi penggunaannya, piutang usaha - neto, piutang lain-lain - neto dan uang jaminan.
Seluruh aset keuangan di atas merupakan aset keuangan jangka pendek yang akan jatuh tempo dalam waktu 12 bulan sehingga nilai tercatat aset keuangan tersebut telah mencerminkan nilai wajar dari aset keuangan tersebut.
2. Investasi Jangka Pendek
Aset keuangan di atas diukur pada nilai wajar yang memiliki kuotasi di pasar aktif
3. Utang usaha, utang lain-lain dan liabilitas yang masih harus dibayar
Seluruh liabilitas keuangan di atas merupakan kewajiban jangka pendek yang akan jatuh tempo dalam waktu 12 bulan sehingga nilai tercatat aset keuangan tersebut telah mencerminkan nilai wajar dari aset keuangan tersebut

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Financial Instrument (Continued)

Finance Assets Available For Sales

In the case of equity investments classified as Finance Assets Available For Sales, objective evidence would include a significant reduction or long-term decline in the fair value of investments below its cost. If there is evidence that an impairment loss has occurred, the total cumulative loss measured as the difference between cost and current fair value, less any impairment loss on that investment previously recognized in profit or loss reclassified from equity to the income statement. The impairment loss on equity investments should not be recovered through the income statement; increase in fair value after impairment are recognized in equity.

In the case of debt instruments classified as Finance Assets Available For Sales, impairment was evaluated on the same criteria with which financial assets are recorded at amortized cost. Interest income in the future based on the carrying value of which has been reduced and is recognized based on the interest rate used for discounting the future cash flows for the purpose of measuring impairment losses.

The accrual is recorded as part of "Interest income" in the consolidated statements of income. If, in the next period, the fair value of debt instrument increases and the increase is objectively linked to events occurring after the recognition of impairment losses in earnings, then the loss decrease the amount should be recovered through the income statement.

Derecognition of financial assets and liabilities.

Finance Assets

Financial assets (or whichever is appropriate, part of the financial asset or part of a group of similar financial assets) derecognized upon: (1) the right to receive cash flows from such asset has expired, or (2) Company and Subsidiaries have transferred their rights to receive cash flows arising from assets or liable to pay the cash flows received in full without material delay to a third party in the agreement "pass - through"; and either

The Company and its Subsidiaries has transferred substantially all the risks and benefits of the asset, or (b) The Company and its Subsidiaries substantially no transfer or do not have all the risks and benefits of an asset, but has transferred control over those assets.

Financial Liabilities

Derecognized financial liabilities when the liability is terminated or canceled or expired.

When an existing financial liability is replaced by other financial obligations from the same lender with substantially different terms, or substantially modifying the terms of an obligation which currently exist, an exchange or modification is treated as a derecognition of the initial liability and the recognition of new obligations, and the difference between the carrying amount of each obligation is recognized in the income statement.

Fair Values of Financial Instruments

Carrying value of all financial instruments approximates their respective fair values. The following are the methods and assumptions to estimate the fair value of each class of the company and subsidiaries financial instrument.

1. Cash and cash equivalents, restricted cash, trade receivables - net, other receivables - net and security deposits.
All of the above financial assets are due within 12 months, thus the carrying value of the financial assets approximate the fair values of the financial assets.
2. Short-term Investment
The above financial asset is measured at fair value and quoted in active market.
3. Trade payables, other payables and accrued liabilities
All of the above financial liabilities are due within 12 months, thus the carrying value of the financial assets are approximate the fair value of the financial assets.

2. IKHTISAR KEBIJAKAN AKUNTANSI (Lanjutan)

h. Instrumen Keuangan (Lanjutan)

4. Pinjaman jangka panjang jatuh tempo dalam waktu satu tahun dan pinjaman jangka panjang setelah dikurangi bagian jatuh tempo dalam waktu satu tahun. Seluruh liabilitas keuangan di atas merupakan pinjaman yang memiliki suku bunga variabel dan tetap yang disesuaikan dengan pergerakan suku bunga pasar sehingga nilai tercatat liabilitas keuangan tersebut telah mendekati nilai wajar.
5. Utang Derivatif
Nilai wajar dari liabilitas keuangan ini diestimasi dengan menggunakan teknik penilaian yang wajar dengan nilai input pasar yang dapat di observasi.

i. Persediaan

Persediaan adalah aset dalam bentuk bahan atau perlengkapan untuk digunakan dalam proses produksi sampai menjadi produk jadi.

Persediaan bahan baku, suku cadang, BBM dan pelumas diakui berdasarkan nilai terendah antara harga perolehan (menggunakan metode rata-rata tertimbang) atau nilai realisasi bersih, sedangkan untuk persediaan barang jadi dinilai berdasarkan harga perolehan dikarenakan semua persediaan barang jadi merupakan barang pesanan (job ordered). Manajemen menetapkan untuk persediaan yang bukan merupakan kategori kelompok bahan baku dan persediaan yang telah kadaluarsa yang sebelumnya tercatat dalam persediaan bahan baku, dikoreksi dan dibebankan sebagai biaya.

j. Uang Muka Diterima

Uang muka diterima merupakan uang muka yang diterima dari pelanggan sesuai dengan kontrak yang akan dikompensasikan secara proporsional dengan tagihan.

k. Biaya Dibayar Dimuka

Biaya dibayar dimuka merupakan biaya yang telah dibayar namun pembayarannya baru akan dilakukan pada periode yang akan datang, pada saat manfaat diterima.

Biaya dibayar dimuka terdiri dari biaya usaha, biaya produksi, biaya distribusi, dan biaya sewa akan dibebankan secara proporsional dengan pendapatan yang diakui pada setiap periode, sedangkan biaya dibayar dimuka atas sewa diamortisasi selama masa manfaat masing-masing biaya dengan menggunakan metode garis lurus.

l. Properti Investasi

Properti investasi merupakan tanah atau bangunan yang dimiliki untuk sewa operasi atau kenaikan nilai, dan tidak digunakan maupun dijual dalam kegiatan operasi.

Properti investasi dinyatakan sebesar biaya perolehan termasuk biaya transaksi dikurangi akumulasi penyusutan dan penurunan nilai, kecuali tanah yang tidak disusutkan. Jumlah tercatat termasuk bagian biaya penggantian dari properti investasi yang ada pada saat terjadinya biaya, jika kriteria pengakuan terpenuhi; dan tidak termasuk biaya harian penggunaan properti investasi.

Penyusutan bangunan dan prasarana dihitung dengan menggunakan metode garis lurus selama umur manfaat aset selama 20 tahun.

Properti investasi dihentikan pengakuannya pada saat pelepasan atau ketika properti investasi tersebut tidak digunakan lagi secara permanen dan tidak memiliki manfaat ekonomis di masa depan yang dapat diharapkan pada saat pelepasannya. Laba atau rugi yang timbul dari penghentian atau pelepasan properti investasi diakui dalam laporan laba rugi pada tahun terjadinya penghentian atau pelepasan tersebut.

m. Aset Tetap

1. Kepemilikan Langsung

Efektif tanggal 1 Januari 2012, Perseroan dan Entitas Anak menerapkan PSAK 16 (Revisi 2011), "Aset Tetap", dan PSAK 47 "Akuntansi Tanah". Selain itu, Perseroan dan Entitas Anak juga menerapkan ISAK 25 "Hak Atas Tanah".

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Financial Instrument (Continued)

4. Current maturities of long-term loans and long term loans - net of current maturities.
All of the above financial liabilities are liabilities with floating and fixed interest rates which are adjusted in the movements of market interest rates, thus the carrying values of the financial liabilities approximate their fair values.
5. Derivative payable
Fair value of this financial liability is estimated using appropriate valuation techniques with market observable inputs.

i. Inventory

Inventories are assets in the form of materials or equipment to be used in the production process to a finished product.

Inventories of raw materials, spare parts, fuel and lubricants are recognized at the lower of cost (using the weighted average method) or net realizable value, while for finished goods inventory valued at cost because all the inventory of finished goods are goods orders (job ordered). Management set for the inventory that is not a category of raw materials and supplies that have expired are previously listed in the inventory of raw materials, corrected and accounted for as expenses.

j. Advances Received

Advances received an advance payment received from the customer in accordance with the contract will be compensated in proportion to the bill.

k. Prepaid Expense

Prepaid expenses are costs that have been paid but the new assignment will be done in the coming period, when the benefit is received.

Prepaid expenses consist of operating expenses, production costs, distribution costs, and rental fees will be charged in proportion to revenue recognized in each period, while the lease prepayments are amortized over the useful life of each charge with a straight-

l. Property Investment

Investment properties represents land or building held for operating lease or for capital appreciation, rather than use or sale in the ordinary course of business

Investment property is stated at cost including transaction costs less accumulated depreciation and impairment losses, except for land which is not depreciated. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met; and excludes the costs of day to day servicing of an investment property.

Depreciation of buildings and infrastructure is computed using the straight-line method based on the estimated useful lives of the assets for 20 years.

Investment property is derecognized when either it has been disposed of or when the investment property is permanently withdrawn from use and no future benefit is expected from its disposal. Gains or losses on the retirement or disposal of an investment property are recognized in the statement of income in the year of retirement or disposal.

m. Fixed Assets

1. Direct Acquisition

Effective January 01, 2012, The Company and Subsidiaries applied PSAK 16 (Revised 2011), "Fixed Assets", which superseded PSAK 16 (Revised 2007), "Fixed Assets" and PSAK 47 "Accounting for Land". In addition the Company and Subsidiaries also applied ISAK 25 "Landrights"

2. IKHTISAR KEBIJAKAN AKUNTANSI (Lanjutan)

m. Aset Tetap (Lanjutan)

Semua kelompok aset tetap, kecuali tanah, dinyatakan berdasarkan harga perolehan (Model Biaya) dikurangi akumulasi penyusutan. Tanah dinyatakan berdasarkan harga perolehan dan tidak disusutkan. Beban yang timbul sehubungan perolehan hak atas tanah untuk yang pertama kali diakui sebagai bagian dari harga perolehan tanah.

Biaya-biaya setelah pengakuan awal aset diakui sebagai bagian dari nilai tercatat aset atau sebagai aset yang terpisah, sebagaimana seharusnya, hanya apabila kemungkinan besar Perseroan akan mendapatkan manfaat ekonomis dimasa depan berkenaan dengan aset tersebut dan biaya perolehan aset dapat diukur dengan handal. Nilai yang terkait dengan penggantian komponen, biaya perbaikan dan pemeliharaan dibebankan dalam laporan laba rugi komprehensif konsolidasian pada periode biaya tersebut terjadi.

Aset dalam pembangunan dinyatakan sebesar biaya perolehan dan dipindahkan ke aset tetap pada saat selesai dan siap digunakan.

Saat ini Perseroan memilih menggunakan metode harga perolehan. Aset tetap secara keseluruhan disusutkan berdasarkan metode garis lurus (straight line method) sesuai umur ekonomis masing-masing aset.

Umur ekonomis aset tetap sesuai Surat Keputusan Direksi PT. Wika Beton No. 01.03/WB-0A.079/2005 tanggal 29 Agustus 2005 adalah sebagai berikut :

Jenis Aset Tetap	Presentase Penyusutan / Percentage of Depreciation
Bangunan dan prasarana	5% - 10%
Perlengkapan kantor	25%
Kendaraan bermotor	20%
Peralatan produksi	14,3%

Aset tetap yang masa penyusutannya telah berakhir dinilai sebesar Rp. 1.000,- (seribu rupiah). Biaya pemeliharaan dan perbaikan dibebankan pada laporan laba rugi pada saat terjadinya. Pemugaran dan peningkatan daya guna dalam jumlah besar dan menambah umur ekonomis atau kapasitas dikapitalisasi dan disusutkan sesuai dengan tarif penyusutan yang berlaku. Aset tetap yang sudah tidak digunakan lagi dikeluarkan dari kelompok aset tetap berikut akumulasi. Keuntungan atau kerugian dari penjualan aset tetap dibukukan dalam laporan laba rugi tahun yang bersangkutan.

Penghentian pengakuan terjadi apabila aset tetap dilepas, dimana nilai tercatat dan akumulasi penyusutannya dikeluarkan dari laporan posisi keuangan konsolidasian dan keuntungan atau kerugian yang dihasilkan diakui dalam laporan laba rugi komprehensif konsolidasian.

Perseroan senantiasa melakukan review atas estimasi umur ekonomis, metode penyusutan dan nilai residu pada setiap akhir periode pelaporan.

2. Sewa

Suatu sewa diklasifikasikan sebagai sewa pembiayaan jika sewa tersebut mengalihkan secara substansial seluruh risiko dan manfaat yang terkait dengan kepemilikan aset. Suatu sewa diklasifikasikan sebagai sewa operasi jika sewa tidak mengalihkan secara substansial seluruh risiko dan manfaat yang terkait dengan kepemilikan aset.

Klasifikasi sewa sebagai sewa pembiayaan atau sewa operasi didasarkan pada substansi transaksi dan bukan pada bentuk kontraknya. Contoh dari situasi yang secara individual atau gabungan dalam kondisi normal mengarah pada sewa yang diklasifikasikan sebagai sewa pembiayaan adalah :

- Sewa mengalihkan kepemilikan aset kepada lessee pada masa sewa.
- Penyewa mempunyai opsi untuk membeli aset pada harga yang cukup rendah dibandingkan nilai wajar pada tanggal opsi mulai dapat dilaksanakan, sehingga pada awal sewa dapat dipastikan bahwa opsi memang akan dilaksanakan.
- Masa sewa adalah untuk umur ekonomis aset meskipun hak milik tidak dialihkan.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m. Fixed Assets (Continued)

The whole group of fixed assets, except land, are stated at historical cost (Cost Model) less accumulated depreciation. Land is stated at historical cost and not depreciated. Costs incurred in association with obtaining land right at the first time are recognised as part of the land acquisition costs.

Subsequent cost are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliable. Amount of component replacement, repair and maintenance costs are charged to the consolidated comprehensive income statement during the period in which they are incurred.

Construction in progress stated at cost and removed into fixed asset at the time of the completion and ready to be used.

This time the company chose to use the method of acquisition cost. Fixed assets are depreciated based on the overall straight-line method (straight line method) according to the economic life of each asset.

Economic life of the fixed assets according to the Decree of the Board of Directors of PT. Wika Beton No. 01.03/WB-0A.079/2005 dated August 29, 2005 are as follows :

Masa Manfaat / Benefits Period	Types of Fixed Assets
10 - 20 Tahun / Year	Buildings and Infrastructure
4 Tahun / Year	Office Equipment
5 Tahun / Year	Vehicles
7 Tahun / Year	Production Equipment

Fixed asset depreciation period has ended is valued at Rp. 1000,- (one thousand rupiahs). The cost of maintenance and repairs are charged to income as incurred. Restoration and improvement of efficiency in large numbers and add the economic life or capacity are capitalized and depreciated in accordance with the applicable depreciation rates. Fixed assets that are no longer used are removed from the following fixed asset accumulation. Gains or losses from sale of fixed assets recorded in the income statement for the year.

Termination of recognition occurs when a fixed asset is removed, where the carrying value and accumulated depreciation are eliminated from the consolidated statement of financial position and the resulting gain or loss recognized in the consolidated comprehensive income.

The Company continually reviews the estimated useful life, depreciation method and residual value at the end of each reporting period.

2. Lease

Lease is classified as financing lease, if such lease transfers substantially all risks and benefits related to the ownership of the assets. Lease is classified as operating lease, if such lease does not transfers substantially all risks and benefits related to the ownership of the assets.

Lease classification as financing lease or operating lease shall be made under the substance of transaction and instead of the form of contract. The example of either individual or collective situation in normal condition refering to the lease which is classified as financing lease shall be as follows :

- Lease shall transfer the ownership of asset to the lessee at the termination of lease period.
- Lease shall have option to purchase the asset on sufficient low price rather than fair value as of the date of the commencement of the implementation of the option. Therefore, in the initial lease, it may ensure that the option shall be
- Lease period shall be intended to economic aging of assets, though, abandonment is not transferred.

2. IKHTISAR KEBIJAKAN AKUNTANSI (Lanjutan)

m. Aset Tetap (Lanjutan)

- d. Pada awal sewa, nilai kini dari jumlah pembayaran sewa secara substansial mendekati nilai wajar aset sewaan; dan
- e. Aset sewaan bersifat khusus dan dimana hanya lessee yang dapat menggunakannya tanpa perlu modifikasi secara material.

Indikator dari situasi yang secara individual ataupun gabungan dapat juga menunjukkan bahwa sewa diklasifikasikan sebagai sewa pembiayaan :

- a. Jika lessee dapat membatalkan sewa, maka rugi lessor yang terkait dengan pembatalan ditanggung oleh lessee.
- b. Laba atau rugi dari fluktuasi nilai wajar residu dibebankan kepada lessee sebagai contoh, dalam bentuk potongan harga rental dan setara dengan hasil penjualan residu pada akhir sewa; dan
- c. Lessee memiliki kemampuan untuk melanjutkan sewa untuk periode kedua dengan nilai rental yang secara substansial lebih rendah dengan nilai pasar rental.

Sewa Pembiayaan - Perseroan sebagai pihak yang menyewa

Perseroan menyewa aset tetap tertentu, dimana Perseroan secara substansi memiliki resiko dan manfaat kepemilikan aset, diklasifikasikan sebagai sewa pembiayaan. Sewa pembiayaan dikapitalisasi pada masa awal sewa sebesar nilai terendah antara nilai wajar aset tetap sewaan atau nilai kini pembayaran sewa minimum.

Setiap pembayaran sewa dialokasikan antara porsi pelunasan kewajiban dan beban keuangan. Jumlah liabilitas sewa setelah dikurangi beban keuangan, disajikan sebagai liabilitas jangka panjang, kecuali untuk bagian yang jatuh tempo dalam waktu 12 bulan atau kurang yang disajikan sebagai liabilitas jangka pendek. Unsur bunga dalam beban keuangan dibebankan ke laporan laba rugi komprehensif konsolidasian selama masa sewa yang menghasilkan tingkat suku bunga konstan atas saldo liabilitas. Aset tetap yang diperoleh melalui sewa pembiayaan disusutkan selama jangka waktu yang lebih pendek antara umur manfaat aset dan masa sewa.

Sewa Pembiayaan - Perseroan sebagai pihak yang menyewakan

Piutang sewa pembiayaan pada awalnya diakui sebesar nilai wajar ditambah dengan biaya transaksi dan selanjutnya diukur pada biaya perolehan diamortisasi dengan menggunakan metode suku bunga efektif, setelah dikurangi dengan provisi penurunan nilai piutang

Sewa Operasi - Perseroan sebagai pihak yang menyewa

Sewa dimana bagian signifikan dari risiko dan manfaat kepemilikan aset berada pada lessor diklasifikasikan sebagai sewa operasi. Pembayaran yang dilakukan untuk sewa operasi dibebankan pada laporan laba rugi komprehensif konsolidasian dengan dasar garis lurus selama masa sewa.

Sewa Operasi - Perseroan sebagai pihak yang menyewakan

Pendapatan sewa diakui dengan dasar garis lurus selama masa sewa.

n. Aset Tetap Dalam Pembangunan

Aset tetap yang belum dapat digunakan dalam kegiatan usaha karena sedang dalam proses penyelesaian, dinyatakan sebesar harga perolehan dan tidak disusutkan, disajikan dalam kelompok aset tetap.

o. Imbalan Kerja

Imbalan Kerja Jangka Pendek

Imbalan kerja jangka pendek diakui pada saat terutang kepada karyawan.

Imbalan Pensiun

Perseroan menyelenggarakan program pensiun manfaat pasti dan tunjangan hari tua untuk semua pegawai tetap yang dikelola oleh Dana Pensiun Wijaya Karya. Biaya jasa kini diakui sebagai beban periode berjalan.

Pembebanan kepada pegawai ditetapkan sebesar 5% dari pendapatan tetap, sedangkan beban Perseroan sebesar 10% dari pendapatan tetap pegawai.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m. Fixed Assets (Continued)

- d. At the initial lease period, present value of total of minimum lease payment in substantial manner shall approach fair value of lease asset, and
- e. Lease asset shall have special characteristic and in which only lessee who may use it without requiring modification materially.

Indicators of situations which individually or in combination can also indicate that the lease is classified as finance leases :

- a. If the lessee cancel to lease, then the loss suffered by lessor related to such cancellation shall be duty borne by lessee.
- b. Profit or loss of scrap fair value fluctuation shall be allocate to the lessee, for an example, in form of lease discount and equal to scrap selling proceeds at the termination of lease period; and
- c. Lessee shall be capable to continue the lease to the second period with lease value in substantial manner that is more than lease market value.

Finance Leases - the Company is the lessee

The Company leases certain fixed assets, which the Company has substantially the risks and rewards of assets ownership, are classified as finance leases. Finance leases are capitalized at the commencement of the lease at the lower of the fair value of the fixed assets or the present value of minimum lease payments.

Each lease payment is allocated between liability portion and a finance charge. The corresponding lease obligations net of finance charges, presented as a long-term liabilities, except for maturities within 12 months or less presented as a short-term liabilities. The interest element of the finance cost is charged to the consolidated comprehensive income statement over the lease period so as to produce constant periodic rate of interest on the remaining balance of the liability. Fixed assets acquired under finance leases are depreciated over the shorter of the useful life of the assets and the lease term.

Finance Leases - the Company is the lessor

Financing lease receivables are recognized initially at fair value plus transaction costs and subsequently measured at amortized cost using the effective interest method, net of provision for impairment

Operating Leases - the Company is the lessee

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the consolidated comprehensive income statement on a straight-line basis over the period of the

Operating Leases - the Company is the lessor

Rental income is recognized straight-line basis over the lease term

n. Construction in Progress

Fixed assets that can not be used in operations due to being in the settlement process, are carried at cost and not depreciated, are presented in groups of fixed assets.

o. Employee Benefits

Short - term employee benefits

Short-term employee benefits are recognised when they accrue to the employees.

Pension benefits

The Company held a defined benefit pension plan and retirement benefits for all permanent employees who are managed by the Pension Fund Wijaya Karya. Current service cost is recognized as an expense for the period.

Loading to employees is set at 5% of fixed income, while the company's expenses by 10% of fixed-income employees.

2. IKHTISAR KEBIJAKAN AKUNTANSI (Lanjutan)

o. Imbalan Kerja (Lanjutan)

Perseroan diharuskan menyediakan imbalan pensiun minimum yang diatur dalam UU No. 13/2003, yang merupakan liabilitas imbalan kerja.

Imbalan kerja jangka panjang lainnya

Perseroan memberikan imbalan paska - kerja lainnya, seperti uang pesangon, uang penghargaan masa kerja, uang kompensasi penggantian hak.

Hak atas imbalan ini pada umumnya diberikan apabila karyawan bekerja hingga mencapai usia pensiun dan memenuhi masa kerja tertentu. Estimasi biaya imbalan ini dicadangkan sepanjang masa kerja karyawan, dengan menggunakan metode akuntansi yang sama dengan metode yang digunakan dalam perhitungan program pensiun imbalan pasti, namun disederhanakan.

p. Pengakuan Pendapatan dan Beban

Pendapatan diakui berdasarkan metode tahapan penyerahan barang kepada pembeli yang dilengkapi dengan Berita Acara Serah Terima (BAST) yang sudah ditanda tangani oleh kedua belah pihak.

Beban diakui sesuai dengan manfaatnya pada tahun yang bersangkutan (*accrual method*).

q. Biaya Pinjaman

Biaya bunga atas pinjaman yang digunakan untuk membangun/membuat aset tetap sampai konstruksi, dibebankan sebagai unsur harga perolehan. Biaya bunga untuk pembiayaan bidang usaha industri dan perdagangan dibebankan sebagai beban lain-lain.

r. Pajak Penghasilan

Beban pajak penghasilan terdiri dari pajak penghasilan kini dan pajak penghasilan tangguhan. Pajak tersebut diakui dalam laporan laba rugi komprehensif konsolidasian, kecuali apabila pajak tersebut terkait dengan transaksi atau kejadian yang langsung diakui dalam ekuitas.

Pajak penghasilan kini dihitung dengan menggunakan tarif pajak yang berlaku pada tanggal posisi keuangan.

Pajak penghasilan tangguhan diakui dengan menggunakan balance sheet liability method, untuk semua perbedaan temporer antara dasar pengenaan pajak atas aset dan liabilitas dengan nilai tercatatnya untuk masing-masing entitas.

Sehubungan dengan ditetapkannya Peraturan Pemerintah RI No.40 Tahun 2009 yang diundangkan pada tanggal 4 Juni 2009 yang merupakan Perubahan (revisi) atas Peraturan Pemerintah RI No.51 Tahun 2008 yang telah diundangkan tanggal 23 Juli 2008 tentang Pajak atas Penghasilan Dari Usaha Jasa Konstruksi sebagai pengganti Peraturan Pemerintah RI No.140 Tahun 2000, Perseroan sebagai pelaksana konstruksi sesuai pasal 10B Peraturan Pemerintah No.40 tahun 2009 dikenakan tarif 3% final untuk kontrak yang diperoleh mulai 1 Agustus 2008.

s. Laba Per Saham

Jumlah saham biasa atau instrumen berpotensi saham biasa yang beredar meningkat sebagai akibat dari kapitalisasi, penerbitan saham bonus atau pemecahan saham, atau menurun sebagai akibat dari penggabungan saham, maka penghitungan laba per saham dasar dan dilusian untuk seluruh periode yang disajikan disesuaikan secara restropektif.

t. Informasi segmen

Informasi pelaporan segmen operasi disajikan untuk menunjukkan hasil usaha Perseroan yang berasal dari tiap segmen berdasarkan bidang usaha.

Informasi segmen geografis disusun untuk menunjukkan aset dan hasil usaha setiap grup wilayah geografis.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

o. Employee Benefits (Continued)

The Company required to provide a minimum pension benefit as stipulated in the Law No. 13/2003, which represents an underlying defined benefit obligation.

Other long - term employee benefits

The Company provide other post - employment benefits, such as severance pay, gratuity, money compensation for entitlements.

The entitlement to these benefits is usually based on the employee remaining in service up to retirement age and the completion of a qualifying service period. The expected costs of these benefits are accrued over the period of employment, using an accounting methodology similar to that used for the defined benefit pension plan, but in a simplified form.

p. Revenue and Expense Recognition

Revenue is recognized on stage method of delivery to the buyer that comes with the Official Handover which has been signed by both parties.

Expenses are recognized corresponding on benefit during the relevant year (*accrual method*).

q. Interest Expenses

The cost of interest on loans used to build / make up the construction of fixed assets, are expensed as a cost element. Interest costs for financing the field of industrial and commercial businesses are charged as other expenses.

r. Income Tax

Income tax expense comprises current income tax and deferred income tax. Tax is recognized in the consolidated statement of comprehensive income, except to the extent that it relates to item recognized directly to equity.

The current income tax is calculated using tax rates in effect at the date of the financial position.

Deferred income tax is recognized using the balance sheet liability method, for all temporary differences arising between the tax bases of assets and liabilities with carrying values for each entity.

Related to the enactment of Government Regulation Republic of Indonesia No.40 Year 2009, which was enacted on June 4, 2009 which is the change (revision) of Government Regulation No.51 Tahun 2008, which was passed July 23, 2008 on Tax on Income From Construction Services as a substitute Government Regulation No.140 Tahun 2000, the Company as the contractor in accordance with Article 10B of Government Regulation No.40 of 2009 be charged at 3% final for the contract obtained from August 1, 2008.

s. Earnings Per Share

The amount of common shares or instrument potentially common shares outstanding capitalization, increased as a result of the issue of shares a bonus shares, or breakdown or decreasing share, as a result of the merger then an enumeration of profit per share basic and diluted for the whole period presented adjusted in restropektif.

t. Segment Information

Information on operating segments is presented to show the results of operations of the company originating from each segment based business field.

Geographical Segment information is prepared based to show the assets and results of operations of each geographical group.

2. IKHTISAR KEBIJAKAN AKUNTANSI (Lanjutan)

u. Saham Diperoleh Kembali

Ketika Perseroan membeli kembali sahamnya, jumlah yang dibayarkan, termasuk tambahan biaya yang terkait secara langsung (bersih dari pajak penghasilan), dikurangi dari ekuitas pemegang saham Perseroan sampai saham tersebut dibatalkan, diterbitkan kembali atau dijual. Pada saat saham tersebut dijual atau diterbitkan kembali, pembayaran yang diterima, bersih setelah dikurangi tambahan biaya dan pajak penghasilan yang terkait langsung, diperhitungkan sebagai penambah atau pengurang akun tambahan modal disetor

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

u. Treasury Stock

Where the company buys back its share capital, the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity holders attributable to the Company equity holders until the shares are cancelled, reissued or disposed. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is accounted for as an addition to or deduction from additional paid-in capital

3. KAS DAN SETARA KAS

Akun ini terdiri dari :

	2013	2012	2011
Kas	239.617	107.484	73.173
Bank	66.287.204	227.211.878	42.546.814
Deposito	346.500.000	113.000.000	183.100.000
Jumlah	<u>413.026.822</u>	<u>340.319.362</u>	<u>225.719.987</u>

This account consists of :

Rincian saldo bank dan deposito kepada pihak berelasi dan pihak ketiga adalah sebagai berikut :

Bank			
Pihak Berelasi			
Rupiah			
PT Bank Mandiri (Persero) Tbk	15.728.682	204.243.522	12.960.429
PT Bank BRI (Persero) Tbk	27.886.676	7.732.652	7.427.472
PT Bank BTN (Persero) Tbk	-	-	5.000.000
PT Bank BNI (Persero) Tbk	6.762.831	5.687.563	3.464.829
PT Bank Syaria'h Mandiri	691.564	687.314	420.993
PT Bank BPD Sumsel	20.668	19.859	13.161
PT Bank BPD Jabar	6.272	6.332	6.388
PT Bank BPD Jatim	1.605	1.605	1.605
PT Bank BNI Syaria'h	1.454	1.377	-
US Dollar			
PT Bank Mandiri (Persero) Tbk	12.883.228	5.833.819	10.231.256
Subjumlah	<u>63.982.981</u>	<u>224.214.042</u>	<u>39.526.133</u>
Pihak Ketiga			
Rupiah			
PT Bank Mega Tbk	1.669.909	366.780	1.107.165
PT Bank CIMB Niaga Tbk	98.879	93.633	46.276
PT Bank DBS Indonesia	464.731	2.481.264	-
US Dollar			
Citibank	70.704	56.160	1.867.240
Subjumlah	<u>2.304.224</u>	<u>2.997.836</u>	<u>3.020.681</u>
Jumlah	<u>66.287.204</u>	<u>227.211.878</u>	<u>42.546.814</u>
Deposito			
Pihak Berelasi			
PT Bank Mandiri (Persero) Tbk	346.500.000	52.000.000	151.400.000
PT Bank BRI (Persero) Tbk	-	-	8.000.000
PT Bank BNI (Persero) Tbk	-	-	2.700.000
PT Bank Syaria'h Mandiri	-	-	2.500.000
PT Bank BTN (Persero) Tbk	-	35.000.000	-
Subjumlah	<u>346.500.000</u>	<u>87.000.000</u>	<u>164.600.000</u>
Pihak Ketiga			
PT Bank CIMB Niaga Tbk	-	-	10.000.000
PT Bank Mega Tbk	-	26.000.000	8.500.000
PT Bank Mutiara	-	-	-
Subjumlah	<u>-</u>	<u>26.000.000</u>	<u>18.500.000</u>
Jumlah	<u>346.500.000</u>	<u>113.000.000</u>	<u>183.100.000</u>

Penempatan deposito berupa Deposito On Call (DOC) dan Deposito berjangka kurang dari 3 bulan, dengan tingkat bunga masing - masing 31 Desember 2013 sebesar 4% - 8,5%, 31 Desember 2012 sebesar 3,5% - 7,5% dan 31 Desember 2011 sebesar 4% - 6,75%

Tidak ada kas dan setara kas yang dijadikan jaminan.

Details of bank balances and deposits related to the parties and third parties is as follows :

Bank	
Related Parties	
Rupiah	
PT Bank Mandiri (Persero) Tbk	
PT Bank BRI (Persero) Tbk	
PT Bank BTN (Persero) Tbk	
PT Bank BNI (Persero) Tbk	
PT Bank Syaria'h Mandiri	
PT Bank BPD Sumsel	
PT Bank BPD Jabar	
PT Bank BPD Jatim	
PT Bank BNI Syaria'h	
US Dollar	
PT Bank Mandiri (Persero) Tbk	
Subtotal	
Third Parties	
Rupiah	
PT Bank Mega Tbk	
PT Bank CIMB Niaga Tbk	
PT Bank DBS Indonesia	
US Dollar	
Citibank	
Subtotal	
Total	
Time Deposits	
Related Parties	
PT Bank Mandiri (Persero) Tbk	
PT Bank BRI (Persero) Tbk	
PT Bank BNI (Persero) Tbk	
PT Bank Syaria'h Mandiri	
PT Bank BTN (Persero) Tbk	
Subtotal	
Third Parties	
PT Bank CIMB Niaga Tbk	
PT Bank Mega Tbk	
PT Bank Mutiara	
Subtotal	
Total	

Placement of deposits in the form of Deposit On Call (DOC) and deposits up to 3 months, with interest rates December 31, 2013 amounting 4% - 8,5%, December 31, 2012 amounting 3,5% - 7,5% and December 31, 2011 amounting 4% - 6,75%

There are no cash and cash equivalents in subsidiaries as collateral

4. PIUTANG USAHA

Rincian Piutang Usaha adalah sebagai berikut :

	2013	2012	2011
Piutang Usaha	457.239.330	344.749.305	347.359.372
Cadangan Kerugian Penurunan Nilai	(35.332.841)	(35.330.676)	(40.404.086)
Jumlah	421.906.489	309.418.630	306.955.286

Rincian piutang usaha kepada pihak berelasi dan pihak ketiga adalah sebagai berikut :

	2013	2012	2011
Pihak ketiga	214.542.064	136.465.028	169.305.438
Pihak berelasi	242.697.265	208.284.278	178.053.934
Jumlah	457.239.330	344.749.305	347.359.372
Cadangan Kerugian Penurunan Nilai	(35.332.841)	(35.330.676)	(40.404.086)
Jumlah	421.906.489	309.418.630	306.955.286

Rincian piutang usaha berdasarkan mata uang asing :

	2013	2012	2011
Pihak ketiga			
Rupiah	205.696.976	136.465.028	159.926.989
Dollar Amerika Serikat	8.845.088	-	9.378.450
Jumlah	214.542.064	136.465.028	169.305.438
Pihak berelasi			
Rupiah	228.862.821	208.284.278	178.053.934
Dollar Amerika Serikat	13.834.445	-	-
Jumlah	242.697.265	208.284.278	178.053.934

Rincian analisis umur piutang usaha dihitung sejak tanggal faktur adalah sebagai berikut

	2013	2012	2011
Belum Jatuh Tempo	186.292.751	132.127.867	169.372.849
Lewat Jatuh Tempo :			
> 1 - 60 hari	150.407.203	118.062.922	79.884.102
> 61 - 150 hari	67.899.001	41.794.390	35.246.992
> 151 - 330 hari	10.313.152	12.374.074	20.533.469
> Lebih dari 330 hari	42.327.223	40.390.053	42.321.960
Jumlah	457.239.330	344.749.306	347.359.372
Akumulasi Penurunan Nilai	(35.332.841)	(35.330.676)	(40.404.086)
Jumlah	421.906.489	309.418.630	306.955.286

Rincian piutang usaha kepada pihak ketiga dan pihak berelasi dan adalah sebagai berikut :

	2013	2012	2011
Pihak Ketiga			
PT Kawah Ape Jaya Indonesia	23.243.014	-	-
PT Tripatra Engineering	17.989.226	-	-
PT Sinar Balikpapan	12.724.399	-	-
PT Rekayasa Industri	9.672.361	-	3.283.323
PT JGC Indonesia	8.845.088	-	-
PT D&C Engineering	8.272.460	-	-
PT Modern Surya jaya	6.801.950	-	-
PT Trillion Glory	6.614.673	6.614.673	6.614.673
PT Astra Honda Motor	5.907.746	-	-
PT Ghaitsa Zahira Shofa	5.384.950	-	-
PT Paton Buana Semesta	4.469.381	-	-
PT Mulia Abadi	3.511.638	-	-
PT Nusa Raya Cipta	3.523.234	2.866.278	-
PT Semeru Raya	3.479.850	-	-
Duta Mas I - Fanidita S, KSO	3.379.200	-	-
PT Fajar Parahyangan	3.318.670	1.111.816	255.150
PT Passokorang	3.061.400	-	-
PT Tiara Multi	2.986.365	-	-
PT Duta Mas indah	2.955.731	2.822.771	159.920
PT Bangun Makmur Utama	2.834.016	-	211.680
PT Wahana Adidaya Pertiwi	2.843.553	-	-
PT Indomuda Satria Internusa	2.785.217	-	-
PT VICO	2.598.420	-	20.775.000
PT Jaya Beton Indonesia	2.235.121	-	-
PT Mare Raya Multiprama	2.177.430	-	-
PT Semen Tonasa	2.158.321	-	-
PT Aura Sinar	2.013.660	-	-
CSSES - CSCEC - HK JO	1.873.913	-	-
PT Sari Dumai Sejati	1.743.683	-	-
PT Tiara Metropolitan Indah	1.634.192	-	-
PT Asahi Indofood	1.545.776	-	-
PT Fatimah Indah Utama	1.418.040	-	-
Saldo dipindahkan	164.002.680	13.415.538	31.299.745

4. ACCOUNT RECEIVABLES

Accounts Receivable details are as follows :

	2013	2012	2011
Account Receivables	457.239.330	344.749.305	347.359.372
Allowance for Impairment Losses	(35.332.841)	(35.330.676)	(40.404.086)
Total	421.906.489	309.418.630	306.955.286

Details of trade receivables related parties and third parties is as follows :

	2013	2012	2011
Third Parties	214.542.064	136.465.028	169.305.438
Related Parties	242.697.265	208.284.278	178.053.934
Total	457.239.330	344.749.305	347.359.372
Allowance for Impairment Losses	(35.332.841)	(35.330.676)	(40.404.086)
Total	421.906.489	309.418.630	306.955.286

Details of account receivables based on foreign currency :

	2013	2012	2011
Third Parties			
Rupiah	205.696.976	136.465.028	159.926.989
American Dollar	8.845.088	-	9.378.450
Total	214.542.064	136.465.028	169.305.438
Related Parties			
Rupiah	228.862.821	208.284.278	178.053.934
American Dollar	13.834.445	-	-
Total	242.697.265	208.284.278	178.053.934

Analysis aging accounts receivable shall be calculated from the date the invoice is as follows

	2013	2012	2011
Current Due	186.292.751	132.127.867	169.372.849
Overdue :			
> 1 - 60 days	150.407.203	118.062.922	79.884.102
> 61 - 150 days	67.899.001	41.794.390	35.246.992
> 151 - 330 days	10.313.152	12.374.074	20.533.469
> Over 330 days	42.327.223	40.390.053	42.321.960
Total	457.239.330	344.749.306	347.359.372
Provision for impairment losses	(35.332.841)	(35.330.676)	(40.404.086)
Total Trade Receivables - Net	421.906.489	309.418.630	306.955.286

Details of trade receivables third parties and related parties is as follows :

	2013	2012	2011
Third Related			
PT Kawah Ape Jaya Indonesia	23.243.014	-	-
PT Tripatra Engineering	17.989.226	-	-
PT Sinar Balikpapan	12.724.399	-	-
PT Rekayasa Industri	9.672.361	-	3.283.323
PT JGC Indonesia	8.845.088	-	-
PT D&C Engineering	8.272.460	-	-
PT Modern Surya jaya	6.801.950	-	-
PT Trillion Glory	6.614.673	6.614.673	6.614.673
PT Astra Honda Motor	5.907.746	-	-
PT Ghaitsa Zahira Shofa	5.384.950	-	-
PT Paton Buana Semesta	4.469.381	-	-
PT Mulia Abadi	3.511.638	-	-
PT Nusa Raya Cipta	3.523.234	2.866.278	-
PT Semeru Raya	3.479.850	-	-
Duta Mas I - Fanidita S, KSO	3.379.200	-	-
PT Fajar Parahyangan	3.318.670	1.111.816	255.150
PT Passokorang	3.061.400	-	-
PT Tiara Multi	2.986.365	-	-
PT Duta Mas indah	2.955.731	2.822.771	159.920
PT Bangun Makmur Utama	2.834.016	-	211.680
PT Wahana Adidaya Pertiwi	2.843.553	-	-
PT Indomuda Satria Internusa	2.785.217	-	-
PT VICO	2.598.420	-	20.775.000
PT Jaya Beton Indonesia	2.235.121	-	-
PT Mare Raya Multiprama	2.177.430	-	-
PT Semen Tonasa	2.158.321	-	-
PT Aura Sinar	2.013.660	-	-
CSSES - CSCEC - HK JO	1.873.913	-	-
PT Sari Dumai Sejati	1.743.683	-	-
PT Tiara Metropolitan Indah	1.634.192	-	-
PT Asahi Indofood	1.545.776	-	-
PT Fatimah Indah Utama	1.418.040	-	-
Carried forward	164.002.680	13.415.538	31.299.745

4. PIUTANG USAHA (Lanjutan)

4. ACCOUNT RECEIVABLES (Continued)

	2013	2012	2011
Saldo pindahan	164.002.680	13.415.538	31.299.745
PT Bina Karya Prima	1.368.707	-	-
PT Bangun Citra Primamandiri	1.351.437	-	-
Lampiri - Trilogi JO	1.365.500	1.192.461	-
PT Wiratama Karya Nugraha	1.345.518	-	-
PT Indrabas Purnama Makmur	1.328.455	-	-
PT Daya Guna Mandiri	1.286.357	1.286.357	1.286.357
PT Tekniko Indonesia	1.288.425	-	-
PT Karya Teknik Utama	1.154.222	-	-
PT Assa Land	1.141.098	-	-
PT Indo Panshi Bumi	1.102.989	3.448.312	3.812.716
Shanghai Cons. - WKA - Waskita JO	1.083.352	-	-
PT Bangun Mitra Abadi	1.074.342	-	-
HK - Adyatunggal JO	1.023.300	-	-
PT Catur Beton Sentosa	588.174	1.371.406	-
CV Agung Namaskara	480.005	1.034.472	90.909
PT Sigma Mutiara	68.890	12.008.141	-
PT Multi Artha Pratama	-	5.942.605	-
PT Rekadaya ElektriKa	-	1.702.565	-
PT Krakatau Engineering	-	27.936.077	30.088.099
Lain - lain Dibawah 1 miliar	33.488.615	67.127.093	102.727.612
Subjumlah	214.542.064	136.465.028	169.305.438
Akumulasi Penurunan Nilai	(14.924.496)	(13.234.988)	(15.322.953)
Jumlah	199.617.568	123.230.040	153.982.485

Pihak Berelasi

PT Wijaya Karya (Persero), Tbk	100.375.372	29.439.322	64.425.363
PT Pemb. Perumahan (Persero)	31.753.548	19.037.724	9.813.455
PT Adhi Karya (Persero), Tbk	20.920.591	31.887.825	27.645.428
PT Istaka Karya (Persero)	19.891.415	19.891.415	19.891.415
PT Hutama Karya (Persero)	15.713.502	6.817.502	10.934.068
PT Waskita Karya (Persero), Tbk	14.249.102	26.575.246	21.056.104
PT Perusahaan Listrik Negara (Persero)	9.808.107	5.733.655	6.427.437
WKA - RAKA - TANJUNG JO	6.167.611	-	-
PT Pindad (Persero)	6.083.320	-	-
WKA - PP JO	4.541.376	-	-
PT Nindya Karya (Persero)	2.948.881	6.969.576	3.082.596
Bumi Rejo - Brantas Abipraya JO	2.177.843	2.077.043	2.099.596
Adhi Karya - PP JO	1.492.693	1.923.427	-
PT Amarta Karya	1.301.301	-	-
PT Kereta Api Indonesia (Persero)	1.110.592	29.646.680	-
WKA - BAP JO	1.098.180	-	-
PP - GNG - BLJ KSO	1.052.422	-	-
Wka - Adhi - Hutama JO	838.257	17.898.614	-
Istaka - Sumbersari JO	-	2.817.941	2.117.938
Hutama Karya - Brantas Abipraya JO	-	3.309.624	-
Wka - Indo Niaga Jaya JO	-	1.531.186	-
PP - NK KSO	-	371.322	3.901.133
Lain-lain dibawah Rp 1. Miliar	1.173.154	2.356.176	6.659.400
Subjumlah	242.697.265	208.284.278	178.053.934
Akumulasi Penurunan Nilai	(20.408.345)	(22.095.688)	(25.081.133)
Jumlah	222.288.921	186.188.590	152.972.801

Mutasi penurunan nilai piutang adalah sebagai berikut :

Saldo awal	35.330.676	40.404.086	37.655.544
Penambahan penyisihan	1.118.390	1.168.662	18.225.378
Pengurangan penyisihan	(1.116.225)	(6.242.072)	(15.476.836)
Saldo akhir periode	35.332.841	35.330.676	40.404.086

The movement in allowance for impairment of receivables is as follows :

Beginning balance	37.655.544
Addition Allowance	18.225.378
Deduction Allowance	(15.476.836)
Balance at end of period	40.404.086

Berdasarkan penelaahan terhadap status piutang usaha masing - masing pelanggan pada akhir tahun, manajemen berkeyakinan bahwa nilai penyisihan penurunan nilai telah memadai untuk menutup kemungkinan kerugian atas tidak tertagihnya piutang usaha.

Based on the review of the status of their accounts receivable - customers at the end of each year, management believes that the allowance is adequate to cover possible losses on uncollectible accounts.

Penurunan nilai piutang dilakukan berdasarkan asesment individual atas saldo piutang usaha yang berumur lebih dari 330 hari. Jumlah piutang yang dilakukan impair dengan metode suku bunga efektif masing - masing sebesar Rp 42.327.223, Rp 40.390.053 dan Rp 42.321.960 pada 31 Desember 2013, 2012 dan 2011.

Impairment of receivables is based on individual asesment on accounts receivable older than 330 days. Total receivables are carried impair the effective interest rate method of Rp 42.327.223, Rp 40.390.053 and Rp 42.321.960 on December 31, 2013, December 31, 2012 and December 31, 2011.

4. PIUTANG USAHA (Lanjutan)

Apabila ada pembayaran atas piutang yang telah dilakukan impairment, dilakukan pemulihan dan dicatat sebagai pendapatan lain-lain.

Piutang digunakan sebagai agunan utama atas fasilitas kredit modal kerja revolving dan fasilitas Non Cash Loan pada PT Bank Mandiri (Persero), Tbk, PT Bank Rakyat Indonesia (Persero), Tbk dan PT Bank CIMB Niaga, Tbk, PT Bank DBS Indonesia, Lihat

Piutang usaha kepada PT Istaka Karya (Persero) atas proyek Gedung di Nanggroe Aceh Darussalam (NAD), Jalan Tol Sedyatmo dan Jembatan Cut Meutia Bekasi sebesar Rp 19.891.415 dan telah dilakukan impair 100%. Kreditor sudah melakukan upaya perdamaian sehingga disepakati pola pembayaran secara tunai sebesar 3% atau Rp 550.000 dan sisanya penyertaan dalam bentuk saham (tanpa hak suara) yang akan di buy back bertahap setelah PT Istaka Karya (Persero) memperoleh laba.

Piutang usaha kepada PT Trillion Glory atas proyek Turap Bulungan Tanjung Selor sebesar Rp 6.614.672 dan telah dilakukan impair 100% atas proyek Turap Tunjungan Tanjung Selor. Sampai saat ini proses pidana (Penggelapan dan Pencucian Uang) tetap dilanjutkan dan sudah dilakukan BAP oleh Polda Metro Jaya. Perseroan, untuk saat ini memonitoring proses di Polda dengan lebih intensif.

Piutang usaha kepada PT Daya Guna Mandiri atas proyek dermaga di Belawan sebesar Rp 1.286.357 dan telah dilakukan impair 100%. Sampai saat ini proses pidana (Penggelapan) tetap dilanjutkan dan sudah dilaporkan kepada Polda Jawa Timur. Untuk saat ini upaya hukum mencairkan tagihan masih terus berlanjut namun belum berhasil dan PT Daya Guna Mandiri saat ini sudah tidak melakukan aktivitas operasional lagi

4. ACCOUNT RECEIVABLES (Continued)

If there is a payment for receivables impairment has done, done restoration and recorded as other income.

Receivables used as the primary collateral for working capital revolving credit facility and Non Cash Loan facilities at PT Bank Mandiri (Persero), Tbk and PT Bank CIMB Niaga, Tbk, PT Bank DBS Indonesia, See notes 12

Trade receivables to PT Istaka Karya (Persero) project in Nanggroe Aceh Darussalam (NAD), Toll Road Sedyatmo and Cut Meutia Bridge amounting Rp 19,891.415 and has impaired 100%. Creditors have agreed to make efforts in peace so that result an agreement cash payment pattern of 3% or Rp 550.000 and the remaining investment in shares (without voting rights) that will buy back gradually after PT Istaka Karya (Persero).

Trade receivables to PT Trillion Glory for project Turap Bulungan Tanjung Selor amounting Rp 6,614.672 and has impaired 100% of receivables from Turap Bulungan Tanjung Selor Project. Until now the criminal process (Embezzlement and Money Laundering) and continued to BAP was done by Polda Metro Jaya. The Company, for the current monitoring process with more intensive by the police.

Trade receivables from PT Daya Guna Mandiri upper dock project in Belawan amounted Rp 1,286.357 and has done impairment 100%. Until now the criminal process (Embezzlement) still continued and has been reported to the East Java Police Department. For now, efforts to dilute the bill law continues but has not been successful and PT Daya Guna Mandiri is now no longer operational activities

5. PENDAPATAN AKAN DITERIMA

Merupakan pendapatan yang sudah diakui atas penyerahan barang ke pelanggan namun belum diterbitkan tagihannya.

Rincian pendapatan akan diterima per wilayah penjualan adalah sebagai berikut :

	2013	2012	2011
Wilayah penjualan I Sumatera Utara	-	-	5.002.311
Wilayah penjualan II Sumatera Selatan	5.245.316	-	324.002
Wilayah penjualan III DKI Jakarta	10.457.344	19.567.182	-
Wilayah penjualan IV Jawa Tengah	126.000	3.262.120	-
Wilayah penjualan V Jawa Timur	10.596.104	22.160.483	-
Wilayah penjualan VI Sulawesi Selatan	1.091.937	3.867.688	25.578
Jumlah	27.516.701	48.857.472	5.351.891

Rincian pendapatan akan diterima per pelanggan adalah sebagai berikut :

	2013	2012	2011
Pihak Ketiga			
PT Karya Teknik Utama	3.847.406	-	-
Lain-lain Dibawah 1 miliar	765.900	25.261.012	2.075.436
Sub Jumlah	4.613.306	25.261.012	2.075.436

	2013	2012	2011
Pihak Berelasi			
Satker Perkeretaapian	6.861.850	-	-
PT Istaka Karya	6.609.938	-	-
PT Wijaya Karya (Persero) Tbk	3.802.755	-	-
PT Kereta Api Indonesia (Persero)	3.001.616	-	-
PT Hutama Karya	2.243.700	-	-
PT Pemb. Perumahan (Persero) Tbk	-	2.804.987	-
PT Adhi Karya (Persero) Tbk	-	4.978.836	-
Lain-lain Dibawah 1 miliar	383.537	15.812.638	3.276.455
Sub Jumlah	22.903.396	23.596.461	3.276.455
Jumlah	27.516.701	48.857.472	5.351.891

Details of revenue to be received by the sale are as follows :

Sales Region I North Sumatra
Sales Region II South Sumatra
Sales Region III Jakarta
Sales Region IV Central Java
Sales Region V East Java
Sales Region VI South Sulawesi
Total

Details of revenue to be received per customers :

Third Parties
PT Karya Teknik Utama
Other below Rp 1 Billion
Sub Total

Related Parties
Satker Perkeretaapian
PT Istaka Karya
PT Wijaya Karya (Persero) Tbk
PT Kereta Api Indonesia (Persero)
PT Hutama Karya
PT Pemb. Perumahan (Persero) Tbk
PT Adhi Karya (Persero) Tbk
Other below Rp 1 Billion
Sub Total
Total

6. PIUTANG LAIN-LAIN

Rincian piutang lain-lain adalah sebagai berikut :

	2013	2012	2011
Piutang Asuransi	1.222.106	261.455	161.762
Piutang lain-lain			
Piutang Akta Balik Nama	-	224.000	224.000
Piutang Bunga Deposito	154.490	65.562	115.845
Piutang IPK	312.857	-	-
Piutang Lain - lain	165.245	-	-
Jumlah	1.854.697	551.017	501.608

Piutang asuransi merupakan piutang Perseroan kepada pihak ketiga terkait pembayaran pesangon pegawai pensiun.

Details of other receivables is as follows :

Receivables Insurance
Other Receivable
Title Transfer Tax Receivable
Deposit interest Receivable
Post-Employment Benefit Receivables
Other Receivable
Total

Accounts receivable is a receivable insurance company to a third party employee severance payments related to pensions.

7. PERSEDIAAN

Akun ini dapat dirinci sebagai berikut :

	2013	2012	2011
Persediaan barang jadi di lapangan	538.228.239	616.595.604	443.879.400
Persediaan barang jadi di gudang	209.403.226	161.293.095	169.859.896
Persediaan bahan baku dan penolong	87.153.020	94.038.604	82.802.650
Persediaan suku cadang	9.940.085	8.176.177	6.139.358
Persediaan bahan bakar dan pelumas	1.302.018	1.113.090	1.388.868
Jumlah	846.026.589	881.216.572	704.070.171

Persediaan barang jadi di lapangan merupakan persediaan barang jadi yang sudah terkirim ke pelanggan atau sudah di lokasi proyek dan dalam proses Berita Acara Serah Terima, dengan rincian sebagai berikut :

Tiang Beton	11.986.819	13.018.539	19.343.125
Tiang Pancang	342.824.735	323.833.759	264.960.995
Bantalan Jalan Rel	8.357.607	72.167.993	13.582.947
Beton Jembatan	63.815.152	103.513.983	55.633.027
Beton Dinding Penahan Tanah	64.096.722	49.961.135	64.280.616
Beton Bangunan Maritim	4.580.780	-	3.271.769
Beton Bangunan Lain-lain	42.566.425	54.100.196	22.806.921
Jumlah	538.228.239	616.595.604	443.879.400

Persediaan barang jadi di gudang merupakan persediaan barang jadi yang belum terkirim ke pelanggan, masih tersimpan di pabrik, dengan rincian sebagai berikut :

Tiang Beton	12.941.769	8.816.389	5.706.098
Tiang Pancang	138.683.453	77.833.834	67.489.092
Bantalan Jalan Rel	3.881.444	6.158.951	4.562.305
Beton Jembatan	36.063.240	43.289.133	64.319.902
Beton Dinding Penahan Tanah	16.568.583	22.118.530	19.746.034
Beton Bangunan Lain-lain	1.264.737	3.076.258	8.036.464
Jumlah	209.403.226	161.293.095	169.859.896

Persediaan bahan baku dan penolong merupakan persediaan yang akan digunakan dalam proses produksi, seperti semen, pasir, besi, kawat, pc wire, plat sambung dll.

perseroan tidak mengasuransikan dan tidak melakukan penyisihan atau penghapusan atas persediaan karena berdasarkan sifat produk yang tidak mudah rusak dan tidak mudah hilang sehingga Perseroan tidak akan menanggung biaya atas kerusakan, kehilangan dan penurunan nilai

Persediaan produk jadi digunakan sebagai agunan utama atas fasilitas kredit modal kerja revolving dan fasilitas Non Cash Loan pada PT Bank Mandiri (Persero), Tbk dengan Perpanjangan Perjanjian No. CBG.CB1/SPPK.026/2013 tanggal 6 Mei 2013 dan pada PT Bank CIMB Niaga, Tbk, PT Bank Rakyat Indonesia (Persero), Tbk, PT Bank DBS Indonesia dan Medium Term Notes I. Lihat catatan 12 dan 21.

8. UANG MUKA

Rincian uang muka dibayarkan adalah sebagai berikut :

	2013	2012	2011
Persekot pekerjaan	1.845.975	2.495.962	2.556.599
Subkontraktor	333.669	4.705.378	1.446.318
Pemasok	3.273.027	2.431.048	8.678.781
Jumlah	5.452.672	9.632.389	12.681.698

Uang muka persekot pekerjaan merupakan uang muka yang diberikan kepada pegawai untuk operasional pekerjaan atau proyek yang dilaksanakan oleh Perseroan. Persekot tersebut harus dipertanggungjawabkan sebagaimana diatur dalam Kebijakan Operasi Perseroan.

Uang muka subkontraktor merupakan uang muka yang dibayarkan kepada subkontraktor atas pekerjaan distribusi dan pemasangan produk dan akan diperhitungkan setiap progres pembayaran prestasi.

Uang muka pemasok merupakan uang muka yang dibayarkan kepada pemasok atas pesanan / pembelian bahan baku yang akan diperhitungkan pada saat pengakuan utang.

7. INVENTORIES

This account can be specified as follows :

	2013	2012	2011
Finished goods in the field	538.228.239	616.595.604	443.879.400
Finished goods in warehouse	209.403.226	161.293.095	169.859.896
Raw and auxiliary materials	87.153.020	94.038.604	82.802.650
Spare parts inventory	9.940.085	8.176.177	6.139.358
Supplies of fuel oil and lubricant	1.302.018	1.113.090	1.388.868
Total	846.026.589	881.216.572	704.070.171

Finished goods inventory in the field is the inventory of finished goods that have been sent to the customer or already at the project site and in progress Berita Acara Serah Terima, with the following details :

Concrete Pole	11.986.819	13.018.539	19.343.125
Piling	342.824.735	323.833.759	264.960.995
Railroad Pads	8.357.607	72.167.993	13.582.947
Concrete Bridge	63.815.152	103.513.983	55.633.027
Concrete Retaining Wall Soil	64.096.722	49.961.135	64.280.616
Concrete Water Constructions	4.580.780	-	3.271.769
Concrete Other Buildings	42.566.425	54.100.196	22.806.921
Total	538.228.239	616.595.604	443.879.400

Finished goods inventory in a warehouse of finished goods inventory that has not been sent to the customer, is stored in the factory, with the following details :

Concrete Pole	12.941.769	8.816.389	5.706.098
Piling	138.683.453	77.833.834	67.489.092
Railroad Pads	3.881.444	6.158.951	4.562.305
Concrete Bridge	36.063.240	43.289.133	64.319.902
Concrete Retaining Wall Soil	16.568.583	22.118.530	19.746.034
Concrete Other Buildings	1.264.737	3.076.258	8.036.464
Total	209.403.226	161.293.095	169.859.896

Supplies of raw materials and auxiliary supplies employed in the production process, such as cement, sand, iron, wire, pc wire, connect plate etc.

Companies do not insure and no allowance or losses on inventories because by the nature of the product that is not easily damaged and not easily lost so that the Company will not bear the cost of any damage, loss and impairment

The inventory of finished products are used as the main building on the working capital revolving credit facility and Non Cash Loan facilities at PT Bank Mandiri (Persero), Tbk with Extension Agreement No. CBG.CB1/SPPK.026/2013 dated May 6, 2013 and PT Bank CIMB Niaga, Tbk, PT Bank Rakyat Indonesia (Persero), Tbk, PT Bank DBS Indonesia and Medium Term Notes I. See notes 12 and 21.

8. ADVANCES PAID

Details of advances paid are as follows :

	2013	2012	2011
Advance the work	1.845.975	2.495.962	2.556.599
Subcontractors	333.669	4.705.378	1.446.318
Suppliers	3.273.027	2.431.048	8.678.781
Total	5.452.672	9.632.389	12.681.698

Advances the work advances represent advances given to employees for work operations or projects implemented by the company. Advances must be accounted for as set forth in the Company's Operating Policies.

Subcontractors Advances represents advances paid to subcontractors for work distribution and installation of the product and will be taken into account every progress payment performance.

Supplier Advances represents advances paid to suppliers for the order / purchase of raw materials to be taken into account at the time of acknowledgment of debt.

9. BIAYA DIBAYAR DIMUKA

Biaya dibayar dimuka merupakan biaya yang telah dikeluarkan namun masih ditangguhkan dan akan diakui sebagai harga pokok pada saat pengakuan pendapatan atau Berita Acara Serah Terima (BAST) telah ditandatangani.

Rincian biaya dibayar dimuka adalah sebagai berikut :

	2013	2012	2011
Biaya Pelaksanaan Proyek	119.028.155	177.573.601	97.649.151
Biaya Usaha	141.774	879.012	1.400
Sewa Dibayar Dimuka	9.846.265	454.577	469.897
Biaya Produksi	14.407.119	523.806	9.803.641
Jumlah	143.423.312	179.430.997	107.924.088

Biaya pelaksanaan proyek dibayar di muka merupakan biaya atas distribusi, perawatan dan pemasangan produk yang ditangguhkan sehubungan dengan perbedaan waktu antara pengakuan penjualan dan saat terjadinya pengiriman produk. Dapat dirinci sebagai berikut :

	2013	2012	2011
Subkontraktor	95.571.497	111.826.931	81.052.239
Upah Tenaga Kerja	1.959.504	3.860.040	1.819.907
Distribusi	8.505.733	5.605.695	3.873.446
Material	12.991.421	56.280.936	10.903.559
Jumlah	119.028.155	177.573.601	97.649.151

Biaya usaha dibayar di muka merupakan biaya-biaya yang dikeluarkan sehubungan dengan kegiatan usaha Perseroan seperti biaya pengusahaan proyek, tender dan biaya usaha lainnya.

Biaya sewa dibayar di muka merupakan biaya-biaya sewa yang sebenarnya belum menjadi liabilitas yang harus dibayarkan dalam periode yang bersangkutan, tetapi telah dibayarkan terlebih dahulu.

Biaya produksi dibayar di muka merupakan biaya-biaya yang dikeluarkan untuk keperluan produksi dan belum dapat diperhitungkan dengan penjualan karena pada tanggal pelaporan berita acara kemajuan fisik belum dapat ditandatangani pengawas lapangan dan atau berita acara penyerahan barang belum ditandatangani.

9. PREPAID EXPENSES

Prepaid expenses are costs that have been issued but is still pending and will be recognized as cost of goods at the time of revenue recognition or the Official Handover (BAST) has been signed.

Details of prepaid expenses is as follows :

	2013	2012	2011
Project Implementation Cost	119.028.155	177.573.601	97.649.151
Operating Cost	141.774	879.012	1.400
Prepaid Rent	9.846.265	454.577	469.897
Production Cost	14.407.119	523.806	9.803.641
Total	143.423.312	179.430.997	107.924.088

Prepaid project implementation costs for the products distribution which were deferred due to time difference between the sales recognition and the time of delivery of the product. Detailed as follows :

	2013	2012	2011
Subcontractors	95.571.497	111.826.931	81.052.239
Labour	1.959.504	3.860.040	1.819.907
Distribution	8.505.733	5.605.695	3.873.446
Materials	12.991.421	56.280.936	10.903.559
Total	119.028.155	177.573.601	97.649.151

Prepaid operating costs represents costs incurred in connection to business activities such as cost of project concession, bid and other business expenses.

Prepaid leased costs represents costs that actually not yet to paid in the periode but it had paid early.

Prepaid production expense represents costs expended to fulfill production need and could not be matched to the sales, because on the reporting date, the minutes of physical progress recognition could not be signed by the field supervisor and or minutes of goods delivery has not been signed.

10. PROPERTI INVESTASI

Properti investasi merupakan investasi perseroan yang berupa bangunan yang ditujukan untuk memperoleh keuntungan dari kenaikan harga jual dan hasil sewa. Metode pengukuran setelah pengakuan awal menggunakan model biaya.

	2013	2012	2011
Tanah	1.571.233	1.571.233	1.571.233
Bangunan	2.128.767	2.128.767	2.128.767
Akumulasi Penyusutan	(212.877)	-	-
Jumlah	3.487.123	3.700.000	3.700.000

Properti investasi merupakan bangunan ruko yang terletak di Jl. Jendral Sudirman, Komplek Balikpapan Superblock Blok A No. 01 Balikpapan Selatan, Kalimantan Timur.

Nilai wajar dari properti investasi pada tanggal 31 Desember 2013 adalah sebesar Rp 4.307.000 berdasarkan penilaian dari KJPP Toha Okky Heru dan Rekan dengan No.153/LP/KJPP - TOH/ XXIV.

Pembelian akumulasi penyusutan properti investasi untuk tahun yang berakhir pada 31 Desember 2013 sebesar Rp 212.877 dialokasikan ke beban usaha.

Penghasilan sewa dari Properti Investasi yang dicatat ke Pendapatan lain-lain sebesar Rp 255.000 pada tahun 2012, karena bukan merupakan penerimaan dari bisnis utama (core business) Perseroan. Tidak ada beban operasi langsung maupun tidak langsung terhadap penerimaan dari properti investasi karena beban tersebut menjadi beban penyewa.

10. PROPERTY INVESTMENT

Investment property is an investment company which is in the form of buildings are intended to benefit from rising prices rental yields. Methods of measurement after initial recognition using the cost model.

	2013	2012	2011
Land	1.571.233	1.571.233	1.571.233
Building	2.128.767	2.128.767	2.128.767
Accumulated Depreciation	(212.877)	-	-
Total	3.487.123	3.700.000	3.700.000

Property investment is shop building is located on Jl. General Sudirman, Komplek Balikpapan Superblock Block A No. 01 South Balikpapan, East Kalimantan.

The fair value of the investment property as of December 31, 2013 amounted to Rp 4.307.000, has been determined based on KJPP Toha Okky Heru and Rekan price opinion. With number 153 / LP / KJPP - TOH / XXIV.

Amortization of investment properties for the years ended December 31, 2013 amounted to Rp 212.877, which are allocation to operating expenses

Income from investment property are recorded to other income amounted Rp 255.000 in 2012, because it is not an acceptance of the main business (core business) of the Company. There is no operating expenses directly or indirectly to the receipt of property investment because the expenses of by tenant.

11. ASET TETAP

11. FIXED ASSET

Rincian aset tetap adalah sebagai berikut :

Details of fixed assets is as follows :

31 Desember 2013 / December 2013

Keterangan	Saldo Awal 31 Desember 2012 / Beginning Balance December 31, 2012	Penambahan / Additions	Pengurangan / Deductions	Reklasifikasi Eliminasi / Reclassification Elimination	Saldo Akhir 31 Desember 2013 / Ending Balance December 31, 2013	Description
Harga Perolehan						Acquisition Cost
Kepemilikan langsung						Self Ownership
Tanah	151.281.279	126.144.297	-	44.273.554	321.699.130	Land
Tambang	-	17.761.194	-	50.459.055	68.220.249	Mining
Prasarana	78.930.049	26.535.866	-	7.580.946	113.046.861	Infrastructures
Bangunan	68.709.071	42.630.305	-	(4.631.550)	106.707.826	Buildings
Perlengkapan	2.487.414	726.200	-	-	3.213.614	Office equipment
Peralatan	294.251.761	82.609.918	-	-	376.861.679	Plant equipment
Cetakan	101.655.331	52.348.451	-	3.075.000	157.078.782	Mold
Jumlah	697.314.905	348.756.232	-	100.757.005	1.146.828.141	Total
Aset Sewa Pembiayaan						Assets Under Finance Lease
Peralatan	-	3.996.765	-	-	3.996.765	Plant equipment
Aset Tetap Dalam Pembangunan						Construction in Progress
Tanah	78.148.454	45.520.844	-	(44.273.554)	79.395.744	Land
Tambang	-	50.459.055	-	(50.459.055)	-	Mining
Prasarana	2.993.124	-	-	(2.949.396)	43.728	Infrastructures
Bangunan	1.850.610	1.577.811	-	-	3.428.421	Buildings
Peralatan	1.114.161	38.032.064	-	-	39.146.225	Plant equipment
Cetakan	3.075.000	-	-	(3.075.000)	-	Mold
Jumlah	87.181.351	135.589.773	-	(100.757.005)	122.014.118	Total
Akumulasi penyusutan						Accumulated Depreciation
Prasarana	20.943.555	8.517.734	-	2.862.008	32.323.297	Infrastructures
Bangunan	23.838.660	2.303.449	-	(2.862.008)	23.280.101	Buildings
Perlengkapan	2.487.076	-	-	98.840	2.585.916	Office equipment
Peralatan	102.102.013	37.918.789	-	(98.840)	139.921.962	Plant equipment
Cetakan	50.519.710	11.978.749	-	-	62.498.459	Mold
Aset Leasing	-	122.352	-	-	122.352	Leasing Assets
Jumlah	199.891.015	60.841.073	-	-	260.732.087	Total
Nilai Buku	584.605.241				1.012.106.939	Book Value

31 Desember / December 2012

Keterangan	Saldo Awal 31 Desember 2011 / Beginning Balance December 31, 2011	Penambahan / Additions	Pengurangan / Deductions	Reklasifikasi Eliminasi / Reclassification Elimination	Saldo Akhir 31 Desember 2012 / Beginning Balance December 31, 2012	Description
Harga Perolehan						Acquisition Cost
Kepemilikan langsung						Self Ownership
Tanah	149.740.195	1.541.084	-	-	151.281.279	Land
Prasarana	57.833.925	21.096.124	-	-	78.930.049	Infrastructures
Bangunan	63.046.648	5.662.423	-	-	68.709.071	Buildings
Perlengkapan	2.487.414	-	-	-	2.487.414	Office equipment
Peralatan	194.970.843	45.461.950	-	53.818.968	294.251.761	Plant equipment
Cetakan	70.888.861	23.936.491	-	6.829.980	101.655.331	Mold
Jumlah	538.967.886	158.347.019	-	60.648.948	697.314.905	Total
Aset Tetap Dalam Pembangunan						Construction in Progress
Tanah	28.424.264	49.724.191	-	-	78.148.454	Land
Prasarana	2.843.798	149.327	-	-	2.993.124	Infrastructures
Bangunan	-	1.850.610	-	-	1.850.610	Buildings
Peralatan	8.014.935	46.918.196	-	(53.818.968)	1.114.163	Plant equipment
Cetakan	6.829.980	3.075.000	-	(6.829.980)	3.075.000	Mold
Jumlah	46.112.977	101.717.323	-	(60.648.948)	87.181.351	Total
Akumulasi penyusutan						Accumulated Depreciation
Prasarana	14.489.846	6.453.710	-	-	20.943.555	Infrastructures
Bangunan	20.739.889	3.098.771	-	-	23.838.660	Buildings
Perlengkapan	2.477.524	9.552	-	-	2.487.076	Office equipment
Peralatan	75.854.006	26.248.006	-	-	102.102.013	Plant equipment
Cetakan	41.875.756	8.643.954	-	-	50.519.710	Mold
Jumlah	155.437.021	44.453.993	-	-	199.891.015	Total
Nilai Buku	429.643.841				584.605.241	Book Value

11. ASET TETAP (Lanjutan)

11. FIXED ASSET (Continued)

31 Desember / December 2011						
Keterangan	Saldo Awal 31 Desember 2010 / Beginning Balance December 31, 2010	Penambahan / Additions	Pengurangan / Deductions	Reklasifikasi Eliminasi / Reclassification Elimination	Saldo Akhir 31 Desember 2011 / Beginning Balance December 31, 2011	Description
Harga Perolehan						Acquisition Cost
Kepemilikan langsung						Self Ownership
Tanah	136.809.748	12.930.447	-	-	149.740.195	Land
Prasarana	28.467.613	27.228.500	-	2.137.811	57.833.925	Infrastructures
Bangunan	37.293.667	6.781.745	-	18.971.236	63.046.648	Buildings
Perlengkapan	2.487.414	-	-	-	2.487.414	Office equipment
Peralatan	128.866.211	65.865.053	-	239.579	194.970.843	Plant equipment
Cetakan	61.188.981	9.699.880	-	-	70.888.861	Mold
Jumlah	395.113.635	143.854.251	-	21.348.626	538.967.886	Total
Aset Tetap Dalam Pembangunan						Construction in Progress
Tanah	-	28.424.264	-	-	28.424.264	Land
Prasarana	3.747	2.840.051	-	-	2.843.798	Infrastructures
Bangunan	3.525	21.004.901	-	(21.008.426)	-	Buildings
Peralatan	828.421	7.526.714	-	(340.200)	8.014.935	Plant equipment
Cetakan	-	6.829.980	-	-	6.829.980	Mold
Jumlah	835.692	66.625.910	-	(21.348.626)	46.112.977	Total
Akumulasi penyusutan						Accumulated Depreciation
Prasarana	9.927.462	3.694.727	-	-	14.489.846	Infrastructures
Bangunan	18.693.094	2.914.452	-	-	20.739.889	Buildings
Perlengkapan	2.445.403	32.121	-	-	2.477.524	Office equipment
Peralatan	58.478.540	17.375.466	-	-	75.854.006	Plant equipment
Cetakan	35.310.287	6.565.469	-	-	41.875.756	Mold
Jumlah	124.854.787	30.582.235	-	-	155.437.021	Total
Nilai Buku	271.094.539				429.643.841	Book Value

Beban penyusutan sampai dengan tanggal 31 Desember 2013, 2012 dan 2011 masing-masing sebesar Rp 60.841.073, Rp 44.453.993 dan Rp 30.582.235 yang dialokasikan ke beban pokok penjualan

Depreciation expenses December 31, 2013, 2012 and 2011 respectively amounted Rp 60.841.073, Rp 44.453.993 and Rp 30.582.235, which are allocated to cost of good sold

Pada tanggal 31 Desember 2013, 2012 dan 2011, Perseroan memiliki aset tetap yang telah disusutkan penuh dan masih digunakan masing-masing sebesar Rp 83.725.965, Rp 77.391.172 dan Rp 66.368.582

As of December 31, 2013, 2012 and 2011, the Company has property, plant and equipment that have been fully depreciated and still in use totaling Rp 83.725.965, Rp 77.391.172 and Rp 66.368.582

Manajemen berpendapat bahwa tidak terdapat penurunan atas nilai tercatat aset tetap tersebut.

Management is of the view that there has been no impairment in the carrying amount of fixed assets

Berdasarkan penilaian terakhir yang dilakukan oleh Penilai Independen, pada tanggal 31 Desember 2013, oleh KJPP Toha Okky Heru dan Rekan No.153/LP/KJPP-TOH/XXIV, perseroan mengestimasi bahwa nilai aset tetap lebih tinggi nilainya sebesar Rp 440.065.061 dibandingkan dengan nilai buku Perseroan pada tanggal tersebut.

Based on the recent appraisal performed by an independent valuer at December 31, 2013, by KJPP Toha Okky Heru and Rekan No.153/LP/KJPP-TOH/XXIV, the Company estimated its fixed asset value are higher amounted Rp 440.065.061 in value compared to their book value at such date.

Perseroan memiliki aset tambang galian C seluas 537.671 m² untuk batu split yang berlokasi di Kabupaten Bogor, Kabupaten Donggala dan Kabupaten Lampung Selatan. Pemenuhan perijinan untuk masing-masing aset tambang antara lain :

Company have a mining asset types Pit C with area 537.671 m² to split stone are located in Kabupaten Bogor, Kabupaten Donggala and Kabupaten South Lampung. Fulfillment licensing for each of these assets include :

- Surat Keputusan Bupati Donggala tanggal 18 Oktober 2013 Nomor: 188.45/0568/DESDM Tentang Persetujuan Ijin Usaha Pertambangan (IUP), tanggal 24 September 2013 Nomor: 188.45/0507/BLHD Tentang Ijin Lingkungan Kegiatan Pertambangan, serta Surat Rekomendasi Kepala Dinas PU tanggal 22 Agustus 2013 Nomor: 660.663/DPU KAB-DGL/MII/727/2013 Tentang Rekomendasi Tata Ruang
- Surat Keputusan Kepala Dinas ESDM Kabupaten Bogor tanggal 27 Nopember 2013 Nomor : 541.3/1657-PU/ESDM Tentang Pemberian Wilayah Ijin Usaha Pertambangan. Surat Keputusan Bupati Bogor Nomor: 541.3/016/Kpts/ESDM/2013 Tentang Pemberian Ijin Usaha Pertambangan (IUP) Eksplorasi kepada PT. Wijaya Karya Beton
- Keputusan Bupati Lampung Selatan Nomor : B/607/I.01/HK/2013 Tentang Pemberian Izin Lokasi Lahan Seluas ± 900.000 M² untuk Pembangunan Industri Beton dan Penambangan Kelas C di desa Sumur Kecamatan Ketapang Kabupaten Lampung Selatan. Serta Keputusan Bupati Lampung Selatan tanggal 17 Juli 2013 Nomor B/530/IV: HK/2013 Tentang Persetujuan Prinsip Pemanfaatan Ruang

- Bupati of Donggala Decree dated October 18, 2013 Number 188.45/0568/DESDM On Approval of Mining Permit (IUP), dated 24 September 2013 Number 188.45/0507/BLHD About Environmental Permit Mining Activities, and Head of Department of Public Works Recommendation Letter dated August 22 2013 Numbers 660.663/DPU KAB-DGL/MII/727/2013 About Recommendations Spatial
- Energy and Mineral Resources Decree of the Head of Kabupaten Bogor dated November 27, 2013 Number 541.3/1657-PU/ESDM About Giving Territory Mining Permit. Bogor Regency Decree Number 541.3/016/Kpts/ESDM/2013 About Giving Mining Permit (IUP) to exploration for PT Wijaya Karya Beton.
- Head of Kabupaten South Lampung Decree No.B/607/I.01/HK/2013 On Location Permit Land Covering an area of 900,000 M² ± for Concrete and Mining Industries Development Class C Desa Ketapang Kabupaten South Lampung. As well as Head of Kabupaten South Lampung Decree dated July 17, 2013 No.B/530/IV: HK/2013 about approval principle in land used

11. ASET TETAP (Lanjutan)

Aset dalam pembangunan hak atas tanah, bangunan, prasarana, dan peralatan merupakan aset atas pembangunan pabrik baru, penambangan batu, perluasan pabrik existing, maupun penambahan prasarana dan peralatan antara lain di pabrik Lampung Selatan, Makassar, Sumut, Rumpin, Balikpapan, Lampung, Bogor, Sulsel, dan Karawang. Berikut persentase aset dalam pembangunan dengan progres sebesar, antara lain tanah 57%, prasarana 85%, bangunan 54%, peralatan pabrik 77%, cetakan 42% yang diestimasi akan selesai pada 12(dua belas) bulan. Tidak terdapat hambatan dalam penyelesaian pembangunan aset tetap tersebut.

Aset tanah dengan sertifikat HGB No.101, 160 dan 99 seluas 41.744 m² yang terletak di Mojosoong, Boyolali dijadikan jaminan kepada PT. Bank CIMB Niaga sesuai perjanjian perpanjangan kredit No.337/AMD/CB/JKT/2013 tanggal 30 September 2013 berupa fasilitas Pinjaman Tetap senilai Rp 12.000.000,- dan fasilitas Pinjaman Rekening Koran senilai Rp 3.000.000,- keduanya berlaku untuk jangka waktu 1 (satu) tahun mulai tanggal 11 September 2013 sampai tanggal 14 Juli 2014. Lihat catatan 12

Aset tanah dengan sertifikat HGB No. 118, 130, dan 120 seluas 50.186 m² yang terletak di Sei Semayang, Sunggal Kabupaten Deli Serdang dan SHGB No. 8, 30 seluas 45.685 m² yang terletak di Desa Bumi Agung, Natar Kabupaten Pesawaran, Lampung dijadikan jaminan kepada PT. Bank Rakyat Indonesia (Persero) Tbk., sesuai akta perjanjian kredit nomor 12, berupa fasilitas Pinjaman KMK Revolving senilai Rp 125.000.000,- dan Kredit NCL senilai Rp 78.000.000, keduanya berlaku untuk jangka waktu kurang dari 1 (satu) tahun mulai tanggal 13 September 2013 sampai tanggal 13 September 2014. Lihat catatan 12

Aset tanah dengan sertifikat HGB No.408,14, dan 25 seluas 65.103 m² yang terletak di Kejapuran Kabupaten Pasuruan dan SHGB No. 3 seluas 36.845 m² yang terletak di Kembang Kuning, Cileungsi Kabupaten Bogor dijadikan jaminan kepada PT.Bank Mandiri (Persero) Tbk, sesuai perjanjian kredit No.CBG.CB1/SPPK.026/2013, berupa fasilitas Pinjaman KMK Revolving senilai Rp 15.000.000, perjanjian Fixed Loan senilai Rp 115.000.000, serta Kredit NCL senilai Rp 185.000.000, ketiganya berlaku untuk jangka waktu kurang dari 1 (satu) tahun mulai tanggal 11 Mei 2013 sampai tanggal 10 Mei 2014. Lihat catatan 12

Aset peralatan mesin di pabrik PPB Pasuruan serta PPB Bogor dijadikan jaminan atas pinjaman Perseroan kepada PT. Bank Mandiri (Persero),Tbk dan Bank PT Bank CIMB Niaga,Tbk. Lihat catatan 12

Aset tetap perseroan kecuali tanah telah diasuransikan dengan polis standar kebakaran Indonesia dengan nilai pertanggungan sebesar Rp 162.927.545 pada 31 Desember 2013, dengan rincian sebagai berikut :

Penanggung / Insurance Company	Jenis Aset / Type of Assets	Nomor Polis / Policy Number	Jangka Waktu / Period	Nilai / Insurance
PT. Jasa Indonesia	Bangunan dan Mesin Pabrik Boyolali	202.201.200.13.00031	10/10/13 s.d 10/10/14	14.030.360
PT. Jasa Indonesia	Bangunan dan Mesin Pabrik Sumut	202.201.200.13.00035	15/12/13 s.d 15/12/14	21.759.669
PT. Jasa Indonesia	Bangunan dan Mesin Pabrik Pasuruan	202.201.200.13.00005	25/04/13 s.d 25/04/14	18.794.800
PT. Jasa Indonesia	Bangunan dan Mesin Pabrik Sulsel	202.201.200.13.00030	20/10/13 s.d 20/10/14	10.267.300
PT. Jasa Indonesia	Bangunan dan Mesin Pabrik Bogor	202.201.200.13.00010	07/05/13 s.d 07/05/14	20.676.600
PT. Jasa Indonesia	Bangunan dan Mesin Pabrik Majalengka	202.201.200.13.00023	01/08/13 s.d 01/08/14	10.068.886
PT. Asuransi BSAM	Bangunan dan Mesin Pabrik Lampung	1106010314000038	15/12/13 s.d 15/12/14	21.603.500
Asuransi Himalaya	Bangunan dan Mesin Pabrik Bogor	PST.0101/2013-00284	20/05/13 s.d 20/05/14	45.726.430
Jumlah				162.927.545

Seluruh aset tetap Perseroan dimiliki oleh Perseroan. Manajemen berpendapat bahwa nilai pertanggungan asuransi tersebut memadai untuk menutup kemungkinan kerugian atas aset yang dipertanggungkan.

12. PINJAMAN JANGKA PENDEK

Rincian fasilitas kredit adalah sebagai berikut :

	2013	2012	2011
Pihak Berelasi			
Rupiah	0		
PT Bank Mandiri (Persero), Tbk			
Pinjaman Rekening Koran	2.885.747	12.465.818	10.144.073
Mandiri Fixed Loan	80.000.000	-	-
Non Cash Loan	64.425.740	-	-
Subjumlah	147.311.487	12.465.818	10.144.073

11. FIXED ASSET (Continued)

Construction in progress of land, buildings, infrastructure, and equipment are assets for the construction of new factories, stone mining, expansion of existing factories, or increase infrastructure and plant equipment in Lampung Selatan, Makassar, Sumut, Rumpin, Balikpapan, Lampung, Bogor, Sulsel, and Karawang. Percentage of assets in progress as land 57%, infrastructure 85%, building 54%, plant equipment 77%, molding 42% were estimated to be completed by 12(twelve) month. There are no obstacles in the completion of the construction in progress.

Land assets with Building Ownership Rights Certificate No.101, 160 and 99 of area 41.744 m² located in Mojosoong, Boyolali as collateral to the PT.Bank CIMB Niaga,Tbk extension of credit under the agreement No.337/AMD/CB/JKT/2013 dated September 30, 2013 in the form of Fixed loan facility worth Rp 12.000.000,- Loan Account and facilities valued at Rp 3.000.000,- both are valid for a period of one (1) year beginning on September 11,2013 untill July 14,2014. See notes 12

Land assets with HGB Certificate No. 118, 130 and 120 of area 50.186 m² located in Sei Semayang, Sunggal Kabupaten Deli Serdang and HGB Certificate No. 8 and 30 of area 45.685 m² located in Desa Bumi Agung, Natar Kabupaten Pesawaran, Lampung as collateral to the PT.Bank Rakyat Indonesia (Persero),Tbk extension of credit under the agreement No. 12 in the form of KMK Revolving Loan facilities worth Rp 125.000.000, - and Non Cash Loan facilities valued at Rp 78.000.000, - both are valid for a period of one (1) year beginning on September 13, 2013 untill September 13, 2014. See notes 12

Land assets with Building Ownership Rights Certificate No.408,14 and 25 of area 65.103 m² located in Pasuruan Kejapuran and SHGB No. 3 36.845 m² area located in Kembang Kuning, Cileungsi, Kabupaten Bogor as collateral to PT.Bank Mandiri (Persero),Tbk according to the credit agreement No.CBG.CB1/SPPK.026/2013, a KMK Revolving loan facility worth Rp 15.000.000, Fixed loan agreement worth Rp 115.000.000, as well as credits worth Rp 185.000.000 NCL, three valid for a period of less than 1 (one) year from dated May 11, 2013 untill May 10, 2014. See notes 12

Asset equipment factory machinery in Pasuruan PPB and Bogor PPB as collateral for the loan to the company of PT Bank Mandiri(Persero),Tbk and PT Bank CIMB Niaga,Tbk. See notes 12

The fixed asset of the company, excepts landrights, are covered by Indonesian Fire Standard Policy amounting Rp 162.927.545 on December 31, 2013 under the following insurance coverage :

Entire fixed assets of enterprises owned by the company. Management believes that insurance coverage is adequate to cover possible losses on the assets insured.

12. SHORT TERM LOAN

Details of the credit facility are as follows :

Related Parties
Rupiah
PT Bank Mandiri (Persero), Tbk
Loan Account
Mandiri Fixed Loan
Non Cash Loan
Subtotal

12. PINJAMAN JANGKA PENDEK (Lanjutan)

12. SHORT TERM LOAN (Continued)

	2013	2012	2011
PT Bank BRI (Persero), Tbk			
Pinjaman Rekening Koran	25.142.117	5.022.608	5.000.000
Non Cash Loan	-	-	3.014
Subjumlah	25.142.117	5.022.608	5.003.014
Pihak Ketiga			
Rupiah			
PT Bank CIMB Niaga, Tbk			
Pinjaman Rekening Koran	65.751	2.003.258	709.416
Subjumlah	65.751	2.003.258	709.416
Kredit Mitra Usaha			
PT Bank Mandiri (Persero), Tbk	-	-	-
Subjumlah	-	-	-
Jumlah	172.519.354	19.491.685	15.856.502

PT Bank BRI (Persero), Tbk	
Loan Account	
Non Cash Loan	
Subtotal	
Third Parties	
Rupiah	
PT Bank CIMB Niaga, Tbk	
Loan Account	
Subtotal	
Credit Business Partner	
PT Bank Mandiri	
Subtotal	
Total	

PT Bank Mandiri (Persero), Tbk

Pada tanggal 6 Mei 2013 Perseroan telah melakukan persetujuan perpanjangan fasilitas kredit kepada PT. Bank Mandiri (Persero) Tbk dengan nomor perjanjian No.CBG.CB1/SPPK.026/2013.

Fasilitas yang diberikan berupa Cash Loan dengan total senilai Rp 130 Miliar serta fasilitas Non Cash Loan dengan limit Rp 185 Miliar.
Tingkat bunga berkisar antara 10% sampai dengan 10.5% per tahun
Masa berlaku perjanjian sesuai perpanjangan fasilitas adalah 11 Mei 2013 sampai dengan 10 Mei 2014.
Agunan atas perjanjian tersebut berupa Non Fixed Assets (Piutang & Persediaan) dan Fixed Assets (Tanah & Bangunan)

Hal-hal yang tidak boleh dilakukan (Negative Covenants) terkait perjanjian diantaranya adalah :

- Memindah tangankan barang jaminan.
- Memperoleh fasilitas kredit baru atau pinjaman lain dari lembaga keuangan lain.
- Mengikat diri sebagai penjamin utang atau menjaminkan harta kekayaan Perseroan yang telah dijaminkan kepada PT. Bank Mandiri (Persero) Tbk kepada pihak lain.

Rasio keuangan yang harus diperhatikan :

- Current Ratio minimal sebesar 100% dan Leverage Ratio maksimal 400%, sedangkan Current Ratio Perseroan lebih baik dari rasio yang dipersyaratkan yaitu sebesar 106% dan Leverage Ratio Perseroan lebih baik dari rasio yang dipersyaratkan yaitu sebesar 300%

Fasilitas cash loan Perseroan baru digunakan sebesar Rp 82.885.747, dan fasilitas non cash loan Perseroan baru digunakan sebesar Rp 64.425.740

PT Bank Rakyat Indonesia (Persero), Tbk

Pada tanggal 11 Oktober 2013 PT. Bank Rakyat Indonesia (Persero) Tbk. telah menyetujui perpanjangan kredit yang diajukan oleh Perseroan yang tertuang dalam surat dengan nomor R.II.059-ADK/DKR-2/10/2013.

Fasilitas yang diberikan berupa Kredit Modal Kerja dengan total senilai Rp 125 Miliar serta fasilitas Non Cash Loan dengan limit Rp 58 Miliar.

Agunan atas perjanjian tersebut berupa Non Fixed Assets (Piutang & Persediaan) dan Fixed Assets (Tanah & Bangunan)

Tingkat bunga 10% per tahun

Masa berlaku perjanjian sesuai perpanjangan fasilitas adalah 13 September 2013 sampai dengan 13 September 2014.

Hal-hal yang tidak boleh dilakukan (Negative Covenants) terkait perjanjian diantaranya adalah :

- Mengikatkan diri sebagai penjamin terhadap pihak lain dan atau menjaminkan kekayaan Perseroan kepada pihak lain, kecuali yang sudah ada saat ini.
- Mengajukan permohonan pernyataan pailit kepada Pengadilan Niaga untuk menyatakan pailit nasabah sendiri.
- Menerima pinjaman/pembiayaan baru dari bank atau lembaga keuangan lainnya, kecuali yang sudah ada saat ini.
- Menyewakan asset yang dijaminkan di PT Bank Rakyat Indonesia(Persero),Tbk kepada pihak lain.

Hal-hal yang tidak boleh dilakukan (Affirmative Covenants) terkait perjanjian diantaranya adalah :

- Melakukan penyertaan saham baik kepada grup sendiri maupun Perseroan lainnya di atas Rp 10 milyar.
- Melakukan Perubahan susunan pengurus Debitur.
- Melakukan perubahan anggaran dasar, perubahan modal saham, melunasi/membayar utang kepada penegang saham/utang persero sebelum seluruh utang dan/atau kewajiban-kewajiban pembayaran Debitur kepada BRI dilunasi

PT Bank Mandiri (Persero), Tbk

On May 6, 2013 the company has conducted the approval extension of credit facilities to PT. Bank Mandiri (Persero) Tbk with agreement No.CBG.CB1/SPPK.026/2013.

Facilities provided in the form of Cash Loan with a total value of Rp 130 billion and Non-Cash Loan facility with a limit of Rp 185 billion.

The interest rate ranged between 10% to 10.5% per year.

The validity period of the agreement according to the extension of facilities is May 11, 2013 until May 10, 2014.

Collateral for the agreement in the form of Non Fixed Assets (Receivables & Inventory) and Fixed Assets (Land & Buildings).

Things that should not be done (Negative Covenants) related agreements are :

- Transfer the collateral.
- Getting a new credit facility or other loans from other financial institutions.
- Bind itself as guarantor of the debt or pledge assets of the company that has been pledged to PT Bank Mandiri(Persero), Tbk to other parties.

Financial ratios that must be considered :

- Current Ratio of at least 100% and Leverage Ratio maximum of 400%, which Current Ratio Company its better than from ratio requirement amounted 106% and Leverage Ratio Company its better than from ratio requirement amounted 300%

Cash loan facilities to be use company is amounted Rp 82.885.747 and non cash loan facilities to be use company is amounted Rp 64.425.740

PT Bank Rakyat Indonesia (Persero), Tbk

On 11 Oktober 2013 PT. Bank Rakyat Indonesia (Persero), Tbk. has approval the extension of credit facilities agreement with the numbers R.II.059-ADK/DKR-2/10/2013.

Facilities provided in the form of working capital credit with a total value of Rp 125 billion and Non-Cash Loan facility with a limit of Rp 58 billion.

Collateral for the agreement in the form of Non Fixed Assets (Receivables & Inventory) and Fixed Assets (Land & Buildings).

The interest rate 10% per year.

The validity period of the agreement according to the extension of facilities is September 13, 2013 until September 13, 2014.

Things that should not be done (Negative Covenants) related agreements are :

- Bind itself as guarantor for other parties and or pledge of company to another party, except that already exist today.
- Apply for a declaration of bankruptcy to the Commercial Court to declare bankruptcy customers themselves.
- Receive a loan / financing of the new bank or other financial institution, except that already exist today.
- Lease assets as collateral in the PT Bank Rakyat Indonesia(Persero),Tbk to other parties.

Things that should not be done (Affirmative Covenants) related agreements are :

- Such investments do well to own group and other companies over Rp 10 billion.
- Action changing board of management borrowers.
- Action changing of charter, changing of share capital, pay off debt to shareholder/company debt before all debt of borrowers to BRI paid off.

12. PINJAMAN JANGKA PENDEK (Lanjutan)

Rasio keuangan yang harus diperhatikan :

- Debt Equity Ratio maksimal 400%, sedangkan Debt Equity Ratio Perseroan lebih baik dari ratio yang dipersyaratkan yaitu sebesar 300%

Fasilitas kredit cash loan baru digunakan Perseroan sebesar Rp 25.142.116, sedangkan fasilitas non cash loan belum digunakan Perseroan

PT Bank CIMB Niaga,Tbk

Pada tanggal 30 September 2013 Perseroan telah melakukan persetujuan perpanjangan fasilitas kredit kepada Bank CIMB Niaga dengan nomor perjanjian No.337/AMD/CB/JKT/2013.

Fasilitas cash loan yang diberikan berupa Kredit Modal Kerja sebesar Rp 12.000.000 dan Pinjaman Rekening Koran sebesar Rp 3.000.000
Tingkat bunga 11,50% dan 11,75% per tahun
Masa berlaku perjanjian sesuai perpanjangan fasilitas adalah 11 September 2013 sampai dengan 14 Juli 2014.
Agunan atas perjanjian tersebut berupa Non Fixed Assets (Piutang & Persediaan) dan Fixed Assets (Tanah & Bangunan)

Hal-hal yang tidak boleh dilakukan (Negative Covenants) terkait perjanjian diantaranya adalah :

- Menjual atau dengan cara lain mengalihkan hak atau menyewakan/menyeraikan pemakaian seluruh atau sebagian besar kekayaan/asset PEMINJAM, kecuali dalam rangka menjalankan usaha PEMINJAM sehari-hari.
- Menjamin langsung maupun tidak langsung pihak ketiga lainnya, kecuali melakukan endorsement atas surat-surat yang dapat diperdagangkan untuk keperluan pembayaran atau penagihan transaksi-transaksi lain yang lazim dilakukan dalam menjalankan usahanya.
- Mengadakan Perubahan dari sifat dan kegiatan usaha PEMINJAM seperti yang sedang dijalankan dewasa ini.
- Mengadakan merger, konsolidasi akuisisi dan reorganisasi, persetujuan mana akan diberikan kecuali menurut pertimbangan BANK terdapat alasan yang wajar untuk

Fasilitas kredit cash loan baru digunakan Perseroan sebesar Rp 65.751.

PT Bank DBS

Pada tanggal 11 Juni 2013 Perseroan telah melakukan penandatanganan perjanjian kredit dengan PT Bank DBS dengan nomor perjanjian kredit No.354/PFPA-

Fasilitas yang diberikan berupa Kredit Modal Kerja dengan total senilai Rp 25 Milyar serta fasilitas Non Cash Loan dengan limit Rp 50 Milyar.
Tingkat bunga yang digunakan adalah SIBOR + 2%
Masa berlaku perjanjian sesuai perpanjangan fasilitas adalah 25 April 2013 sampai dengan 25 April 2014.
Agunan atas perjanjian tersebut berupa Non Fixed Assets (Piutang & Persediaan) dan Fixed Assets (Tanah & Bangunan)

Fasilitas kredit cash loan dan non cash loan belum digunakan oleh Perseroan

13. UTANG USAHA

Utang pemasok merupakan utang atas pembelian bahan baku untuk pelaksanaan pekerjaan/proyek, seperti pembelian semen, pasir, besi, plat sambung dan lain-lain. Utang subkontraktor merupakan utang kepada pihak ketiga atas pekerjaan yang di subkontraktorkan, seperti pekerjaan stressing, pemasangan, biaya angkut, penurunan beam, biaya pematokan dan lain-lain. Utang kepada mandor merupakan utang atas upah pekerja yang melaksanakan pekerjaan/proyek. Utang usaha dalam proses merupakan utang atas pesanan barang yang sudah diterima oleh Perseroan berupa berita acara penerimaan barang, namun tagihannya belum diterima.

Rincian utang usaha adalah sebagai berikut :

	2013	2012	2011
Utang pemasok	153.108.116	140.009.986	97.504.409
Utang subkontraktor	87.772.741	96.836.167	59.895.218
Utang kepada mandor	5.689.216	2.357.949	3.434.601
Utang usaha dalam proses	78.529.832	181.795.955	172.397.014
Jumlah	325.099.905	421.000.057	333.231.242

12. SHORT TERM LOAN (Continued)

Financial ratios that must be considered :

- Debt Equity Ratio maximum of 400%, which Debt Equity Ratio Company its better than from ratio requirement amounted 300%

Cash loan facilities to be use company is amounted Rp 25.142.116, non cash loan facilities its no to using company

PT Bank CIMB Niaga,Tbk

On 30 September 2013 the company has made approval of the extension of credit facilities to Bank CIMB Niaga No.337/AMD/CB/JKT/2013. agreement with the numbers.

Cash loan facilities provided in the form of working capital credit amounted Rp 12.000.000 and overdraft credit amounted Rp 3.000.000
The interest rate 11,50% and 11,75% per year.
The validity period of the agreement according to the extension of facilities is September 11, 2013 until July 14, 2014.
Collateral for the agreement in the form of Non Fixed Assets (Receivables & Inventory) and Fixed Assets (Land & Buildings).

Things that should not be done (Negative Covenants) related agreements are :

- Sell or otherwise transfer the rights or rent / surrender all or most of the wealth / assets of the borrower, unless the borrower in order to run the business day-to-day
- Directly or indirectly guaranteeing any third party, except in the above endorsement letters that can be traded for purposes of payment or other billing transactions are commonly done in the operations
- Entered a change of the nature and course of business that is being run BORROWER like
- Entered into a mergers, acquisition consolidations, and reorganized, which agreement given except accordings to Bank consideration has fair reason for the rejection.

Cash loan facilities to be use company is amounted Rp 65.751.

PT Bank DBS

On June 11, 2013 the company has made approval of the extension of credit facilities to Bank DBS No.354/PFPA-DBS/VI/2013 agreement with the numbers.

Facilities provided in the form of working capital credit with a total value of Rp 25 billion and Non-Cash Loan facility with a limit of Rp 50 billion.
The interest SIBOR + 2%
The validity period of the agreement according to the extension of facilities is April 25, 2013 until April 25, 2014.
Collateral for the agreement in the form of Non Fixed Assets (Receivables & Inventory) and Fixed Assets (Land & Buildings).

Cash loan and non cash loan facilities by company its no to using

13. TRADE PAYABLES

Supplier debt is payable on the purchase of raw materials for the execution of the work / project, such as the purchase of cement, sand, iron, plate and other connection. Debt owed to the subcontractor is a third party for work at subkontraktorkan, such as stressing the work, installation, freight costs, reduction in beam, and peg the cost of others. Foreman is a debt owed to the wages of workers who carry out the work / project. Payables in the process of debt-to-order goods that have been accepted by the company in the form of the minutes of receipt of goods, but the bill has not been received.

Details of account payables is as follows :

Supplier payables
Subcontractors payables
Payable to foreman
Payables in process
Total

13. UTANG USAHA (Lanjutan)

13. TRADE PAYABLES (Continued)

Rincian utang usaha berdasarkan mata uang asing :

Details of account payables based on foreign currency :

	2013	2012	2011	
Pihak ketiga				Third Parties
Rupiah	276.035.064	305.931.015	247.098.945	Rupiah
US Dollar	29.240.586	74.535.078	72.124.181	US Dollar
Euro	3.006.125	6.552.386	5.375.708	Euro
SGD	213.180	861.748	1.455.027	SGD
Subjumlah	308.494.956	387.880.227	326.053.861	Subtotal
Pihak berelasi				Related Parties
Rupiah	16.604.949	33.119.830	7.177.381	Rupiah
Jumlah	325.099.905	421.000.057	333.231.242	Total

Rincian umur utang usaha dihitung sejak tanggal faktur diterima Perseroan adalah sebagai berikut :

The aging accounts payable is calculated from the invoice have been Company date are as follows :

Belum Jatuh Tempo	223.556.429	288.336.334	293.005.220	Current Due
Lewat Jatuh Tempo :				Overdue :
> 1 - 60 hari	88.146.255	118.834.292	31.372.308	> 1 - 60 days
> 61 - 150 hari	11.941.554	1.407.797	3.077.819	> 61 - 150 days
> 151 - 330 hari	661.087	12.419.334	5.775.895	> 151 - 330 days
> Lebih dari 330 hari	794.580	2.300	-	> Over 330 days
Jumlah	325.099.905	421.000.057	333.231.242	Total

Rincian utang usaha kepada pihak berelasi dan pihak ketiga adalah sebagai berikut :

Details of account payables to related parties and third parties are as follows :

Pihak Ketiga	308.494.956	387.880.227	326.053.861	Third Parties
Pihak Berelasi	16.604.949	33.119.830	7.177.381	Related Parties
Jumlah	325.099.905	421.000.057	333.231.242	Total

Rincian utang usaha berdasarkan pelanggan adalah sebagai berikut :

Details of accounts payable based on customers are as follows :

Pihak Ketiga				Third Parties
Utang Pemasok				Supplier Payables
CV Delta Mas	28.222.227	13.169.410	5.770.948	CV Delta Mas
PT Sumiden Serasi	14.442.399	15.620.745	4.337.767	PT Sumiden Serasi
PT Kingdom Indah	13.647.483	23.443.761	9.397.899	PT Kingdom Indah
PT Sinar Indah Perkasa	11.728.403	27.582.495	13.209.137	PT Sinar Indah Perkasa
PT Inti Sumber Bajasakti	9.349.846	7.442.507	8.909.534	PT Inti Sumber Bajasakti
PT Inti Roda Makmur	4.424.058	-	-	PT Inti Roda Makmur
PT Focon Indo Beton	4.254.692	-	-	PT Focon Indo Beton
PT Mills & Mines Int	3.980.238	-	-	PT Mills & Mines Int
PT Prima Cipta Megah	3.321.320	-	-	PT Prima Cipta Megah
PT Tatchi Engineering	3.209.800	-	-	PT Tatchi Engineering
PT Walsin Lippo Industries	-	3.891.445	1.754.567	PT Walsin Lippo Industries
Lain-lain Dibawah 3 miliar	55.028.898	46.979.327	52.342.062	Other Below 3 billion
Subjumlah	151.609.363	138.129.690	95.721.914	Subtotal
Utang Sub Kontraktor				Subcontractors Payables
PT Beton Megah Perkasa Satria	6.272.600	-	-	PT Beton Megah Perkasa Satria
CV Wira Wiri Perkasa	4.893.740	3.006.945	1.003.543	CV Wira Wiri Perkasa
CV Wira Karya Baru	4.442.854	-	-	CV Wira Karya Baru
CV Mulia Abadi	3.597.743	-	-	CV Mulia Abadi
PT Summa Logistics	3.550.001	-	-	PT Summa Logistics
CV Kennedy Motor	2.602.848	5.298.518	3.779.723	CV Kennedy Motor
PT Dayatara Mitra Sena	2.468.891	4.909.689	1.177.200	PT Dayatara Mitra Sena
CV Atlantico	1.852.815	3.119.545	76.168	CV Atlantico
PT Tandala	1.821.075	7.181.534	11.181.081	PT Tandala
CV Belawan Indah	1.539.209	2.680.002	4.223.645	CV Belawan Indah
CV Catur Tunggal	-	4.334.716	733.294	CV Catur Tunggal
Lain-lain Dibawah 3 miliar	41.851.009	37.128.303	33.255.407	Other Below 3 billion
Subjumlah	74.892.785	67.659.252	55.430.061	Subtotal
Utang Mandor				Payable to Foreman
Krishnan	221.540	536.220	81.803	Krishnan
Kasmuri	523.762	16.906	-	Kasmuri
Kamarudin	528.520	206.940	316.424	Kamarudin
Paiman	188.431	-	-	Paiman
Subagiono	173.943	-	-	Subagiono
Saldo dipindahkan	1.636.196	760.066	398.226	Carried forward

13. UTANG USAHA (Lanjutan)

13. TRADE PAYABLES (Continued)

	2013	2012	2011	
Saldo pindahan	1.636.196	760.066	398.226	Brought forward
Fendy Hidayat	475.500	-	-	Fendy Hidayat
Fairu Zabadi	112.030	-	-	Fairu Zabadi
Basuki Nugroho	198.510	-	155.098	Basuki Nugroho
Ibrahim	96.731	-	-	Ibrahim
Gunawan Tjokro	-	57.200	-	Gunawan Tjokro
Eko Budi	398.812	57.200	210.500	Eko Budi
Nugroho N	97.947	118.000	-	Nugroho N
Netty Saleh	155.000	-	-	Netty Saleh
Junaeni	132.692	-	-	Junaeni
Nurcholis	388.851	330.704	448.523	Nurcholis
Sabdo Edi	614.531	117.500	-	Sabdo Edi
Kasan Makruf	265.913	171.387	83.472	Kasan Makruf
Abie Pailing	117.500	-	-	Abie Pailing
Acwan Buchory	-	219.600	-	Acwan Buchory
Ismanto	170.531	24.458	117.505	Ismanto
Mahmudi	-	206.000	305.265	Mahmudi
Rondang	270.844	-	-	Rondang
Lain-lain Dibawah 100 juta	557.628	295.833	1.716.012	Other Below 100 million
Subjumlah	5.689.216	2.357.948	3.434.601	Subtotal
Utang Usaha Dalam Proses				Payables in The Process
PT Sinar Indah Perkasa	19.245.168	14.096.778	17.596.485	PT Sinar Indah Perkasa
PT Sumiden Serasi Wire Product	7.293.725	15.407.943	12.158.247	PT Sumiden Serasi Wire Product
PT Inti Sumber Baja Sakti	5.920.195	24.338.393	21.340.217	PT Inti Sumber Baja Sakti
CV Delta Mas	3.614.611	10.435.449	21.418.435	CV Delta Mas
PT Kingdom Indah	2.762.896	8.213.735	12.007.259	PT Kingdom Indah
PT Mills & Mines International	2.127.940	3.829.004	-	PT Mills & Mines International
PT Walsin Lippo Industries	1.023.418	3.854.607	3.276.965	PT Walsin Lippo Industries
PT Prima Cipta Megah Jaya	48.093	5.834.341	5.170.850	PT Prima Cipta Megah Jaya
PT EXXA	-	21.620.000	-	PT EXXA
CV Global Jaya	-	5.279.272	1.741.758	CV Global Jaya
PT Kima	-	24.956.912	-	PT Kima
PT Loka Ganda Artha	-	894.930	6.573.550	PT Loka Ganda Artha
PT Artha Raksa	-	105.450	3.991.357	PT Artha Raksa
Lain-lain Dibawah 3 miliar	34.267.545	40.866.522	66.192.161	Other Below 3 billion
Subjumlah	76.303.592	179.733.337	171.467.285	Subtotal
Jumlah	308.494.956	387.880.227	326.053.861	Total
Pihak Berelasi				Related Parties
Utang Pemasok				Supplier Payables
Kopkar Beton Makmur Wijaya	572.199	81.473	128.478	Kopkar Beton Makmur Wijaya
Kopkar PPB Sumut	212.480	240.654	-	Kopkar PPB Sumut
Kopkar Wilka	241.591	593.983	126.375	Kopkar Wilka
PT Wijaya Karya Realty	173.168	-	-	PT Wijaya Karya Realty
Kopkar Gema Wilka	91.996	233.546	371.071	Kopkar Gema Wilka
Kopkar PPWB Suisel	1.448	3.784	-	Kopkar PPWB Suisel
PT Wijaya Karya Industri dan Konstruksi	18.716	685.245	1.156.571	PT Wijaya Karya Industri dan Konstruksi
Kopkar Sejahtera	-	41.611	-	Kopkar Sejahtera
Subjumlah	1.311.597	1.880.296	1.782.495	Subtotal
Utang Sub Kontraktor				Subcontractors Payables
PT Pindad (Persero)	12.879.956	29.176.915	4.465.157	PT Pindad (Persero)
Subjumlah	12.879.956	29.176.915	4.465.157	Subtotal
Utang Usaha Dalam Proses				Payables in The Process
Kopkar Beton Makmur Wijaya	2.215.504	1.366.960	-	Kopkar Beton Makmur Wijaya
Kopkar PPB Sumut	193.040	-	244.163	Kopkar PPB Sumut
Kopkar PPWB Unit Suisel	4.852	52.519	-	Kopkar PPWB Unit Suisel
PT Wijaya Karya Industri dan Konstruksi	-	637.200	563.680	PT Wijaya Karya Industri dan Konstruksi
Lain-lain Dibawah 50 juta	-	5.940	121.886	Other below Rp 50 Milion
Subjumlah	2.413.396	2.062.619	929.729	Subtotal
Jumlah	16.604.949	33.119.830	7.177.381	Total

14. PERPAJAKAN

14. TAXES

Rincian perpajakan sebagai berikut :

Details of taxes as follows :

	2013	2012	2011
Pajak Dibayar Dimuka			
Pajak Pertambahan Nilai			
PT Wijaya Karya Beton - Induk	24.293.027	20.440.383	28.736.105
PT Wika Kobe - Entitas Anak	8.317.630	4.112.744	-
PT Wika Kraton - Entitas Anak	4.200.000	-	-
Jumlah	36.810.657	24.553.127	28.736.105
Utang Pajak - Entitas Induk			
PPh pasal 21	466.768	295.411	337.617
PPh pasal 23	437.405	511.094	776.096
PPh pasal 29	23.200.795	42.457.089	37.245.521
PPh Final Jasa Konstruksi	198.708	112.211	223.655
Subjumlah	24.303.676	43.375.805	38.582.889
Utang Pajak - Entitas Anak			
PPh pasal 23			
PT Wika Kobe - Entitas Anak	29.619	1.031	-
PPh Final Jasa Konstruksi			
PT Wika Kobe - Entitas Anak	-	20.888	-
Subjumlah	29.619	21.919	-
Jumlah utang pajak konsolidasian	24.333.295	43.397.724	38.582.889
Perhitungan pajak kini adalah sebagai berikut :			
Laba konsolidasian sebelum			
Pajak penghasilan	328.521.640	233.681.065	-
Laba sebelum pajak penghasilan			
Entitas anak	4.360.601	(913.884)	-
Pembalikan atas jumlah eliminasi antar			
Perseroan pada saat konsolidasi	-	5.938.147	-
Laba sebelum pajak penghasilan			
Perseroan	332.882.240	238.705.327	189.765.371
Ditambah :			
Penyusutan - akuntansi	60.622.931	44.468.163	31.215.608
Penyisihan (pemulihan) pencadangan piutang	1.118.390	1.168.662	18.225.378
Pembentukan imbalan paska kerja	5.728.224	12.510.379	3.892.228
Biaya representasi dan sumbangan	2.744.208	1.166.721	740.660
Denda pajak	156.970	1.980.754	1.339.743
Jumlah	70.370.723	61.294.680	55.413.617
Dikurangi :			
Penyusutan - fiskal	73.352.109	37.120.738	33.614.950
Realisasi imbalan paska kerja	2.827.046	-	938.730
Penghasilan yang kena final	42.984.870	34.300.676	21.401.460
Jumlah	119.164.025	71.421.414	55.955.140
Laba kena pajak	284.088.938	228.578.593	189.223.848
Beban pajak kini	71.022.235	57.144.648	47.305.962
Pembayaran Pajak Dimuka :			
Pajak kini	71.022.235	57.144.648	47.305.962
Dikurangi :			
PPh pasal 22	(6.913.311)	(3.432.854)	(1.977.716)
PPh pasal 23	(538.100)	(2.201.174)	(1.491.882)
PPh pasal 25	(40.370.028)	(9.053.532)	(6.590.842)
Utang PPh Pasal 29	23.200.795	42.457.089	37.245.521
Beban Pajak Penghasilan			
Pajak Kini			
Pajak Final	(3.266.973)	(2.425.209)	(2.731.386)
Pajak Tidak Final	(71.022.235)	(57.144.648)	(47.305.962)
Pajak Tangguhan	(13.026.189)	5.256.903	4.694.884
Jumlah beban (penghasilan) pajak	(87.315.397)	(54.312.954)	(45.342.464)

Perhitungan laba kena pajak hasil rekonsiliasi menjadi dasar pengisian Surat Pemberitahuan Tahunan(SPT) Pajak yang disampaikan ke Kantor Pelayanan Pajak

Taxable income has been reported to Surat Pemberitahuan Tahunan(SPT) tax as that delivered to tax office

Prepaid Tax
Value Added Tax
PT Wijaya Karya Beton - Holding
PT Wika Kobe - Subsidiaries
PT Wika Kraton - Subsidiaries
Total
Tax Payables - Parents Entity
Tax Article 21
Tax Article 23
Tax Article 29
Final for Construction Services Tax
Subtotal
Tax Payables - Subsidiaries
Tax Article 23
PT Wika Kobe - Subsidiaries
Final for Construction Services Tax
PT Wika Kobe - Subsidiaries
Subtotal
Total tax payables consolidated
Current tax calculation is as follows :
Consolidated income before
Income tax
Income before income tax
Subsidiaries
Reversal of inter-company eliminating
entries during consolidated
Income before income tax
Company
Added :
Depreciation - accounting
Allowance (recovery) for receivables
Expenses for employee benefits
Expenses of representation
Others
Total
Reduced :
Depreciation - fiscal
Contribution for employee benefits
Final taxable income
Total
Taxable income
Current tax expense
Prepaid Income Tax :
Current Tax
Reduced :
Tax Article 22
Tax Article 23
Tax Article 25
Tax Article 29 Payables
Income Tax Expense
Current Tax
Final Tax
Non - Final Tax
Deferred Tax
Total expenses (income) tax

14. PERPAJAKAN (Lanjutan)

14. TAXES (Continued)

Aset (Liabilitas) Pajak Tangguhan

Rincian aset (liabilitas) pajak tangguhan adalah sebagai berikut :

Deferred Tax (Liabilities) Asset
Details of deferred tax (liabilities) asset are as follows :

	2013	Dibebankan ke laba rugi / Credited to statement of comprehensive income	2012	
Aset (Liabilitas) Pajak Tangguhan entitas induk :				Deferred tax (liabilities) asset parents entity
Penyisihan (Pemulihan) cadangan piutang	8.833.210	(3.271.768)	12.104.978	Allowance for receivables
Pembentukan cadangan manfaat pegawai	6.120.677	1.359.841	4.760.836	The formation of employee benefit reserves
Perbedaan nilai buku aset tetap komersial dengan fiskal	(10.121.492)	(12.070.330)	1.948.838	Depreciation differences commercial with fiscal
Aset (Liabilitas) Pajak Tangguhan akhir tahun - Entitas Induk	4.832.396	(13.982.256)	18.814.652	Deferred tax (liabilities) asset end of the year - Entity Parents
Aset (Liabilitas) Pajak Tangguhan entitas anak :				Deferred tax (liabilities) asset subsidiaries
Perbedaan nilai buku aset tetap komersial dengan fiskal	9.266	8.980	286	Depreciation differences commercial with fiscal
Utang sewa pembiayaan	947.087	947.087	-	Lease payables
Aset (Liabilitas) Pajak Tangguhan akhir tahun - Entitas Anak	956.353	956.067	286	Deferred tax (liabilities) asset end of the year - Subsidiaries
Jumlah Pajak Tangguhan Konsolidasian	5.788.750	(13.026.189)	18.814.939	Total Deferred Tax Consolidated
	2012	Dibebankan ke laba rugi / Credited to statement of comprehensive income	2011	
Aset (Liabilitas) Pajak Tangguhan entitas induk :				Deferred tax (liabilities) asset parents entity
Penyisihan (Pemulihan) cadangan piutang	12.104.978	292.165	11.812.813	Allowance for receivables
Pembentukan cadangan manfaat pegawai	4.760.836	3.127.595	1.633.241	The formation of employee benefit reserves
Perbedaan nilai buku aset tetap komersial dengan fiskal	1.948.838	1.836.856	111.982	Depreciation differences commercial with fiscal
Aset (Liabilitas) Pajak Tangguhan akhir tahun - Entitas Induk	18.814.652	5.256.616	13.558.036	Deferred tax (liabilities) asset end of the year - Entity Parents
Aset (Liabilitas) Pajak Tangguhan entitas anak :				Deferred tax (liabilities) asset subsidiaries
Perbedaan nilai buku aset tetap komersial dengan fiskal	286	286	-	Depreciation differences commercial with fiscal
Aset (Liabilitas) Pajak Tangguhan akhir tahun - Entitas Anak	286	286	-	Deferred tax (liabilities) asset end of the year - Subsidiaries
Jumlah Pajak Tangguhan Konsolidasian	18.814.939	5.256.903	13.558.036	Total Deferred Tax Consolidated
	2011	Dibebankan ke laba rugi / Credited to statement of comprehensive income	2010	
Aset (Liabilitas) Pajak Tangguhan entitas induk :				Deferred tax (liabilities) asset parents entity
Penyisihan (Pemulihan) cadangan piutang	11.812.813	4.556.345	7.256.468	Allowance for receivables
Pembentukan cadangan manfaat pegawai	1.633.241	738.374	894.867	The formation of employee benefit reserves
Perbedaan nilai buku aset tetap komersial dengan fiskal	111.982	(599.835)	711.817	Depreciation differences commercial with fiscal
Aset (Liabilitas) Pajak Tangguhan akhir tahun - Entitas Induk	13.558.036	4.694.884	8.863.152	Deferred tax (liabilities) asset end of the year - Entity Parents

Manajemen berkeyakinan bahwa aset pajak tangguhan yang timbul dari perbedaan waktu dapat direalisasikan pada tahun-tahun mendatang.

The management believes that the deferred tax assets that resulted from the temporary differences are realizable in future years

Kantor Pelayanan Pajak (KPP) Wajib Pajak Besar Empat melakukan pemeriksaan atas Pajak Pertambahan Nilai Barang dan Jasa Masa Pajak bulan April sampai dengan Oktober tahun 2007 sebagai hasil akhir pemeriksaan pada tanggal 26 Juni 2013, Kantor Pelayanan Pajak (KPP) mengeluarkan sebanyak 6 (enam) Surat Ketetapan Pajak (SKP) total nilai sebesar Rp.140.735 dan telah dilakukan pembayaran pada tanggal 10 Juli 2013, dan KPP Pratama Cileungsi pada bulan Februari sampai dengan bulan Maret, melakukan pemeriksaan atas Pajak Penghasilan pada Pabrik Produk Beton Bogor dengan mengeluarkan SKP senilai Rp 16.234 di bulan Agustus 2013.

Kantor Pelayanan Pajak (KPP) Taxpayer Big Four audit the Value Added Tax on Goods and Services Tax Period 2007 As a result of the final examination on June 26, 2013, as many as 6 (Six) LTO issued a tax assessment letter ("SKP") the total value of Rp.140.735 and payment has been made on the date of July 10, 2013, and KPP Pratama Cileungsi at February until March to examine income tax on Pabrik Produk Beton Bogor by issuing SKP worth Rp 16 234 in August 2013.

15. UANG MUKA DITERIMA

Rincian uang muka diterima dimuka per wilayah penjualan adalah sebagai berikut:

	2013	2012	2011
Wilayah penjualan I Sumatera Utara	2.308.879	488.000	6.820
Wilayah penjualan II Sumatera Selatan	411.966	1.997.046	2.595.709
Wilayah penjualan III DKI Jakarta	37.115.632	30.370.957	34.313.127
Wilayah penjualan IV Jawa Tengah	15.832.092	1.663.570	1.205.588
Wilayah penjualan V Jawa Timur	20.363.462	887.531	2.763.256
Wilayah penjualan VI Sulawesi Selatan	2.424.411	-	9.430.833
Jumlah	78.456.443	35.407.103	50.315.332

Rincian uang muka pelanggan adalah sebagai berikut:

Pihak Ketiga			
PT D & C Engineering Company	4.650.954	-	-
PT Rayon Utama Makmur	2.924.076	-	-
PT Pakuwon Jati	2.420.708	-	-
Shanghai Const - WKA - WASKITA JO	2.204.321	-	-
PT Semeru Surya	2.030.400	-	-
PT Tiara Metropolitan	1.548.533	-	-
PT Jaya Obayashi	1.324.517	-	-
PT Inti Bendungan Rejeki	1.323.610	-	-
PT Bumi Rama Nusantara	1.205.640	-	-
PT Trilogi Surya Wasesa	1.173.000	-	-
PT Kalimantan Agro	1.162.080	-	-
PT Karya Teknik Utama	1.154.222	3.597.126	-
PT Basuki Rahmanta	1.107.200	-	-
PT Sinar Balikpapan	1.100.793	-	-
PT Maju Mapan Makmur	1.000.000	-	-
PT Sigma Mutiara	197.889	2.786.172	-
PT Saipem Indonesia	-	2.843.300	3.740.797
PT Karunia Overseas	-	2.563.080	-
PT Multi Artha Pratama	-	1.570.066	-
PT Krakatau Engineering	-	1.530.080	3.502.549
PT Kajima	-	77.445	1.027.217
Lain - lain Dibawah 1 Miliar	22.835.197	8.217.566	16.891.927
Subjumlah	49.363.141	23.184.835	25.162.490

Pihak Berelasi			
PT Wijaya Karya (Persero) Tbk	10.768.489	5.221.071	4.233.225
PT Waskita Karya (Persero) Tbk	4.516.265	4.562.184	8.473.219
PT Pemb. Perumahan (Persero) Tbk	4.625.864	480.000	-
PT Hutama Karya (Persero)	4.556.137	1.009.505	-
PP - WKA KSO	2.237.532	-	-
PT Adhi Karya (Persero) Tbk	-	781	3.708.368
PT Nindya Karya (Persero)	-	490.575	-
Lain-lain Dibawah 1 miliar	2.389.015	458.153	8.738.030
Subjumlah	29.093.302	12.222.269	25.152.842
Jumlah	78.456.443	35.407.103	50.315.332

Jumlah tersebut merupakan uang muka yang diterima dari pembeli berdasarkan kontrak dan akan diperhitungkan secara periodik (proporsional) dengan tagihan terminnya.

15. ADVANCES RECEIVED

Details of advances received from sales per region is as follows:

Sales Region I North Sumatra
Sales Region II South Sumatra
Sales Region III Jakarta
Sales Region IV Central Java
Sales Region V East Java
Sales Region VI South Sulawesi
Total

Details of advances received customers:

Third Parties	
PT D & C Engineering Company	
PT Rayon Utama Makmur	
PT Pakuwon Jati	
Shanghai Const - WKA - WASKITA JO	
PT Semeru Surya	
PT Tiara Metropolitan	
PT Jaya Obayashi	
PT Inti Bendungan Rejeki	
PT Bumi Rama Nusantara	
PT Trilogi Surya Wasesa	
PT Kalimantan Agro	
PT Karya Teknik Utama	
PT Basuki Rahmanta	
PT Sinar Balikpapan	
PT Maju Mapan Makmur	
PT Sigma Mutiara	
PT Saipem Indonesia	
PT Karunia Overseas	
PT Multi Artha Pratama	
PT Krakatau Engineering	
PT Kajima	
Other Below 1 Billion	
Subjumlah	

Related Parties	
PT Wijaya Karya (Persero) Tbk	
PT Waskita Karya (Persero) Tbk	
PT Pemb. Perumahan (Persero) Tbk	
PT Hutama Karya (Persero)	
PP - WKA KSO	
PT Adhi Karya (Persero) Tbk	
PT Nindya Karya (Persero)	
Other below 1 billion	
Subtotal	
Total	

The amount represents advances received from the purchaser under the contract and will be calculated on a periodic basis (proportionally) to the terms of his bill.

16. PENDAPATAN DITERIMA DIMUKA

Rincian pendapatan diterima dimuka per wilayah penjualan adalah sebagai berikut:

	2013	2012	2011
Kantor Pusat	-	1.020.681	2.041.362
Wilayah penjualan I Sumatera Utara	70.845.228	142.147.681	103.366.521
Wilayah penjualan II Sumatera Selatan	96.864.110	104.141.346	74.090.625
Wilayah penjualan III DKI Jakarta	217.610.264	276.851.320	213.536.641
Wilayah penjualan IV Jawa Tengah	217.290.779	148.773.976	73.445.671
Wilayah penjualan V Jawa Timur	182.178.441	208.670.340	101.438.871
Wilayah penjualan VI Sulawesi Selatan	127.014.072	81.054.202	64.034.681
Jumlah	911.802.894	962.659.545	631.954.372

Head Office
Sales Region I North Sumatra
Sales Region II South Sumatra
Sales Region III Jakarta
Sales Region IV Central Java
Sales Region V East Java
Sales Region VI South Sulawesi
Total

16. PENDAPATAN DITERIMA DIMUKA (Lanjutan)

Rincian pendapatan diterima dimuka per pelanggan adalah sebagai berikut :

	2013	2012	2011
Pihak Ketiga			
PT D & C Engineering Company	53.524.877	-	-
PT Kawahape Jaya Indonesia	23.243.014	-	-
PT Tripatra Engineer & Constructor	22.714.647	-	-
PT Paton Buana Semesta	17.397.557	-	-
PT Bangun Makmur Utama	16.685.340	-	-
PT Sinar Balikpapan	15.860.915	-	-
PT Jaya Obayashi	15.752.533	-	-
PT Semeru Surya Semen	15.257.400	-	-
China Harbour Ind	10.736.321	-	-
PT Rekayasa Industri	8.637.758	3.657.861	22.879.656
PT VICO Indonesia	7.950.000	15.430.635	4.752.000
PT Modern Surya Jaya	7.789.023	-	-
PT Wiratama Karya Nugraha	7.785.892	-	-
PT Ghaitsa Zahira Shofa	7.074.045	-	-
Yayasan Budha Tzuchi	7.047.228	-	-
Istaka Karya - Sumber Sari JO	6.996.218	-	-
PT Bina Karya Prima	6.733.531	-	-
PT Tiara Metropolitan Indah	6.411.390	-	-
PT Tiara Multi Teknik	5.847.183	-	-
PT CB. Polaindo	5.811.150	7.722.000	-
CHEC - CSCEC - HK JO	5.804.575	-	-
PT Astra Honda Motor	5.753.708	-	-
PT Mitra Pondasi Tama	5.596.637	-	-
PT Dua Samudera Perkasa	5.521.715	-	-
PT Melati Tunggal Intiraya	5.282.233	-	-
PT Hindoli	5.251.989	-	-
Wijaya Karya - Usaha Multi Guna KSO	5.174.400	-	-
PT Dian Berda	5.132.087	-	-
PT Elang Perkasa Indosakti	5.044.252	-	-
PT Cemerlang SK	-	1.390.938	-
PT Modern Surya Jaya	-	4.555.440	-
PT Sigma Mutiara	-	38.130.836	7.431.755
PT Karya Teknik Utama	-	14.430.360	1.438.824
GPEC - Bagus Karya JO	-	16.249.094	18.461.049
PT Krakatau Engineering	-	35.670.368	14.637.509
Lain - lain Dibawah 5 miliar	371.078.392	418.113.585	228.558.597
Subjumlah	688.896.008	555.351.118	298.159.389
Pihak Berelasi			
PT Waskita Karya (Persero) Tbk	40.468.514	50.247.898	63.518.670
PT Hutama Karya (Persero)	38.917.638	18.234.094	13.538.834
PT Adhi Karya (Persero) Tbk	30.752.824	66.905.381	58.374.982
PT Wijaya Karya (Persero) Tbk	27.338.654	26.761.840	73.737.897
PT Pemb. Perumahan (Persero) Tbk	26.175.460	14.698.712	5.626.285
PT Kereta Api Indonesia (Persero)	20.435.541	138.302.384	22.707.164
PT Perusahaan Listrik Negara (Persero)	16.477.929	35.537.588	45.009.257
WIKA - PP JO	8.905.982	-	-
PT PINDAD (Persero)	6.302.220	-	-
Istaka - Sumber Sari JO	-	20.652.894	18.778.497
Lain - lain Dibawah 5 miliar	7.132.123	35.967.635	32.503.397
Subjumlah	222.906.886	407.308.427	333.794.983
Jumlah	911.802.894	962.659.545	631.954.372

Jumlah tersebut merupakan kewajiban prestasi pengiriman order yang harus dipenuhi sehubungan dengan tagihan kepada pelanggan telah dilaksanakan dan belum memenuhi kriteria pengakuan penjualan.

16. UNEARNED REVENUE (Continued)

Details of unearned revenue per customers :

Third Parties
PT D & C Engineering Company
PT Kawahape Jaya Indonesia
PT Tripatra Engineer & Constructor
PT Paton Buana Semesta
PT Bangun Makmur Utama
PT Sinar Balikpapan
PT Jaya Obayashi
PT Semeru Surya Semen
China Harbour Ind
PT Rekayasa Industri
PT VICO Indonesia
PT Modern Surya Jaya
PT Wiratama Karya Nugraha
PT Ghaitsa Zahira Shofa
Yayasan Budha Tzuchi
Istaka Karya - Sumber Sari JO
PT Bina Karya Prima
PT Tiara Metropolitan Indah
PT Tiara Multi Teknik
PT CB. Polaindo
CHEC - CSCEC - HK JO
PT Astra Honda Motor
PT Mitra Pondasi Tama
PT Dua Samudera Perkasa
PT Melati Tunggal Intiraya
PT Hindoli
Wijaya Karya - Usaha Multi Guna KSO
PT Dian Berda
PT Elang Perkasa Indosakti
PT Cemerlang SK
PT Modern Surya Jaya
PT Sigma Mutiara
PT Karya Teknik Utama
GPEC - Bagus Karya JO
PT Krakatau Engineering
Other below 5 billion
Subtotal
Related Parties
PT Waskita Karya (Persero) Tbk
PT Hutama Karya (Persero)
PT Adhi Karya (Persero) Tbk
PT Wijaya Karya (Persero) Tbk
PT Pemb. Perumahan (Persero) Tbk
PT Kereta Api Indonesia (Persero)
PT Perusahaan Listrik Negara (Persero)
WIKA - PP JO
PT PINDAD (Persero)
Istaka - Sumber Sari JO
Lain - lain Dibawah 5 miliar
Subtotal
Total

The amount represent the delivery order performance obligations in connection with bills to customers has been implemented and do not meet the criteria for recognition of sales

17. BEBAN MASIH HARUS DIBAYAR

Rincian beban masih harus dibayar adalah sebagai berikut :

	2013	2012	2011
Beban Pelaksanaan Proyek	184.873.568	189.114.251	229.767.218
Beban Usaha	58.069.507	56.249.780	76.291.402
Beban Produksi	7.144.482	29.774.936	4.278.322
Beban Lain-lain	4.346.250	2.937.227	1.554.849
Jumlah	254.433.807	278.076.194	311.891.791

Details of accrued expenses is as follows :

Project Management Expenses
Operating Expenses
Production Expenses
Other Expenses
Total

17. BEBAN MASIH HARUS DIBAYAR (Lanjutan)

Beban pelaksanaan proyek akan dibayar merupakan biaya atas distribusi, perawatan dan pemasangan produk di lapangan atau proyek yang di tangguhkan sehubungan dengan perbedaan waktu antara pengakuan penjualan dan saat terjadinya pengiriman produk. Dengan rincian sebagai berikut :

Subkontraktor	169.105.696	170.950.362	194.097.740
Upah Tenaga Kerja	6.104.903	6.514.216	26.933.599
Distribusi	5.661.889	9.446.867	4.595.836
Material	4.001.081	2.202.806	4.140.044
Jumlah	184.873.568	189.114.251	229.767.218

Beban usaha yang masih harus dibayar merupakan biaya yang belum ditagihkan oleh pihak ketiga sehubungan dengan aktivitas umum dan administrasi perseroan.

Beban produksi yang masih harus dibayar merupakan biaya yang belum ditagihkan oleh pihak ketiga maupun tenaga kerja sehubungan dengan pelaksanaan pekerjaan di lapangan.

17. ACCRUED EXPENSES (Continued)

Project implementation expenses will be paid is a maintenance cost and installation of the products in field or which were deferred project in relation to the time difference between the sales recognition and the time of delivery of the product.

Subcontractors	
Labour	
Distribution	
Materials	
Total	

Accrued expenses of operating which still have to paid represents obligation which not yet been billed from third parties referring to company public activity and administration

Accrued expenses of production is represents outstanding from expenditures that should be paid to third parties or project temporary workers

18. UTANG LAIN-LAIN

Rincian utang lain-lain adalah sebagai berikut :

	2013	2012	2011
Utang pihak ketiga			
Utang Pensiun Hari Tua	27.819	17.154	17.255
Utang Astek dan Askes	25.638	8.362	11.099
Lain-lain	1.121.804	-	-
Utang pihak berelasi			
Utang atas Kopkar Mitra Satya	-	393.455	161.951
PT Wijaya Karya(Persero) Tbk			
Pembebanan biaya	19.117.026	11.390.265	8.753.283
Pengalihan tanah KIW	6.173.933	6.173.933	12.128.197
Jumlah	26.466.220	17.983.169	21.071.786

Utang pensiun hari tua merupakan utang kepada Dana Pensiun Wijaya Karya, sesuai dengan SK No.01.01/DIR.0053/98 tanggal 10 Juni 1998, iuran tersebut dibebankan sebesar 5 % dari gaji pokok dan tunjangan tetap, sedangkan sebesar 10 % dari gaji pokok dan tunjangan tetap ditanggung oleh Perseroan.

Utang astek merupakan utang kepada PT Jamsostek untuk jaminan kecelakaan kerja, iuran tersebut dibebankan kepada pegawai sebesar 2% dari gaji, sedangkan 2,4% ditanggung oleh Perseroan.

Utang askes merupakan utang kepada PT BNI Life Insurance sesuai dengan polis No. 0258/PK-KES/0702, dengan periode sejak 1 Januari 2013 - 31 Desember 2013, iuran tersebut dibebankan semuanya kepada Perseroan. Utang askes kepada PT BNI Life Insurance diperuntukan pegawai organik (popno), sedangkan untuk pegawai terampil (petra) diasuransikan kepada PT Asuransi Jiwa Inhealth Indonesia, dengan perjanjian No. 0113M20131033381 tanggal 1 Januari 2013 untuk periode sampai dengan 31 Desember 2013. Fasilitas yang diberikan dalam asuransi antara lain : rawat inap, rawat jalan, cici dan lain-lain.

Utang pengalihan tanah KIW merupakan utang PT Wijaya Karya Beton kepada PT Wijaya Karya(Persero),Tbk atas pengalihan tanah Kawasan Industri WKA (KIW) dengan nilai sebesar Rp 33.079.245.000 sesuai dengan surat permohonan No.SE.01.01/MB-0A.522/2007 tanggal 27 Desember 2007 oleh PT Wijaya Karya Beton tentang pengalihan tanah Kawasan Industri Wka (KIW) telah disetujui dan ditandatangani oleh kedua belah pihak. Akan dilakukan pembayaran dengan tidak menyebutkan jangka waktu pembayarannya dan tidak dikenakan bunga.

19. IMBALAN PASKA KERJA

Perseroan setiap tahun mencadangkan donasi kepada peserta/pegawai yang akan pensiun guna memberikan kompensasi atas hak ganti rugi, pesangon dan penghargaan masa kerja sesuai UU No. 13 tahun 2003.

18. OTHER PAYABLES

Details of other payables is as follows:

Third parties payable	
Retirement payable	
Astek and Askes payable	
Others	
Related parties payable	
Payable on Kopkar Mitra Satya	
PT Wijaya Karya(Persero) Tbk	
Expenses cost	
Land acquisition in KIW	
Total	

Retirement payable is payable to the Pension Fund Wijaya Karya, in accordance with Decree No. SK.01.01/DIR.0053/98 dated June 10, 1998, the contribution will be charged at 5% of basic salary and fixed allowances, while 10% of basic salary and fixed allowances paid by the company.

Astek payable is a payable to PT Jamsostek for work accident insurance, fees are charged to the employees of 2% of salary, while 2,4% is paid by the company.

Askes payable is payable to PT BNI Life Insurance in accordance with policy No. 0258/PK-KES/0702, with period from January 1, 2013 untill December 31, 2013, all fees are charged to the company. Askes payable to PT BNI Life Insurance employee designated organic (popno), while for skilled employees (petra) insured with PT Asuransi Jiwa Inhealth Indonesia, with agreement No. 0113M20131033381 date of January 1, 2013 untill December 31, 2013. Facilities provided by the insurance include : inpatient, outpatient, dental and others.

Land acquisition in WKA Industrial Estate (KIW) is a payable of PT Wijaya Karya Beton to a PT Wijaya Karya (Persero), Tbk over land transfer WKA Industrial Estate (KIW) with a value of Rp 33.079.245.000 in accordance with the letter of request No.SE.01.01/MB-0A.522 / 2007 dated December 27, 2007 by PT Wijaya Karya Beton on land transfers Wka Industrial Estate (Kiw) has been approved and signed by both parties. Payment will be made no mention of the payment period and no interest bearing.

19. POST EMPLOYEE BENEFITS

The Company reserves the donation each year to participants / employees who will retire in order to provide compensation for the right to compensation, severance and gratuity according to Law no. 13 of 2003

19. IMBALAN PASKA KERJA (Lanjutan)

19. POST EMPLOYEE BENEFITS (Continued)

Perhitungan atas imbalan paska kerja tanggal 31 Desember 2013, 2012 dan 2011 dilakukan oleh Perseroan konsultan aktuarial PT Dian Artha Tama No. 122/PSAK/DAT/II/2014 tanggal 8 Januari 2014, No.645/PSAK/DAT/II/2013 tanggal 21 Februari 2013, No.084/PSAK/DAT/II/2012 tanggal 31 Januari 2012, dengan menggunakan metode Projected Unit Credit.

Calculation of pension post employment benefits on December 31, 2013, 2012 and 2011 performed by an actuarial consulting firm PT Dian Artha Tama No.122/PSAK/DAT/II/2014 dated January 8, 2014, No.645/PSAK/DAT/II/2013 dated February 21, 2013, No.084/PSAK/DAT/II/2012 dated January 31, 2012, using the Projected Unit Credit.

Asumsi aktuarial pokok yang digunakan adalah sebagai berikut :

The principal actuarial assumption used are as follows :

Mortalita	CSO - 1980	Mortality
Tingkat Cacat	0,01 % pertahun / per year	Disability rate
Tingkat Pensiun Dipercepat	0,05 % pertahun / per year	Accelerated Retirement rate
Tingkat Pengunduran Diri	1 % pertahun / per year	Resignation rate
Kenaikan Gaji Yang Diharapkan	10 % pertahun / per year	Future Salary Increase
Bunga Teknis	7 % pertahun / per year (2011), 6 % Pertahun / per year (2012) dan (and) 8,5% pertahun / per year (2013)	Technical interest
Metode	Projected Unit Credit	Method

Liabilitas imbalan kerja yang diakui di laporan posisi keuangan konsolidasian adalah sebagai berikut :

The employee benefits obligation recognised in the consolidated statements of financial position is determined as follows :

	2013	2012	2011	
Imbalan kerja jangka panjang	24.482.713	18.754.490	6.244.112	long-term employee
Jumlah	24.482.713	18.754.490	6.244.112	Total

Biaya bersih yang diakui di laporan laba rugi komprehensif konsolidasian adalah sebagai berikut :

Net expenses recognised in the consolidated statement of comprehensive income is as follows :

Beban imbalan kerja jangka panjang	5.728.222	6.266.268	2.069.771	Long - term employee
Jumlah	5.728.222	6.266.268	2.069.771	Total

Liabilitas imbalan kerja yang diakui di laporan keuangan konsolidasian adalah sebagai berikut :

The employee benefits obligation recognised in the consolidated statements of financial position is determined as follows :

Nilai kini dari kewajiban	66.264.927	67.065.189	45.591.516	Present value of obligations
Nilai wajar dari aset program	(22.856.131)	(20.216.182)	(19.175.226)	Fair value of plan assets
Biaya jasa lalu yang belum diakui	(1.853.060)	(31.058.158)	(17.613.351)	Unrecognised past service cost
Keuntungan aktuarial yang belum diakui	(17.073.023)	2.963.640	(2.558.827)	Unrecognised actuarial gains
Jumlah	24.482.713	18.754.490	6.244.112	Total

Mutasi liabilitas imbalan kerja yang diakui di laporan posisi keuangan konsolidasian adalah sebagai berikut :

The movement of employee benefits obligation recognised in the consolidated statements of financial position are as follows :

Pada awal tahun	18.754.490	6.244.112	-	At the beginning of the year
Beban tahun berjalan	5.728.222	12.510.378	6.244.112	Expense for the year
Jumlah	24.482.713	18.754.490	6.244.112	Total

Biaya bersih yang diakui dalam laba rugi konsolidasian adalah sebagai berikut :

Net expenses recognised in the consolidated profit or loss is as follows :

Biaya jasa kini	5.239.622	3.035.552	497.988	Present value of obligations
Biaya bunga	4.252.377	(51.829)	423.469	Fair value of plan assets
Hasil aset program yang diharapkan	(1.718.375)	(151.060)	247.758	Unrecognised past service cost
Keuntungan aktuarial bersih yang diakui selama tahun berjalan	428.760	3.433.604	900.556	Unrecognised actuarial gains
Biaya jasa lalu	352.884	-	-	Past service cost
Imbalan yang dibayarkan	(2.827.046)	-	-	Benefits payment
Jumlah	5.728.222	6.266.268	2.069.771	Total

Beban imbalan kerja pada tahun yang berakhir pada tanggal 31 Desember 2013, 31 Desember 2012 dan 2011 sebesar Rp 5.728.224, Rp.6.266.268 dan Rp 2.069.771 dialokasikan ke biaya karyawan di beban umum dan administrasi.

The employee benefits expenses for the year ended December 31, 2013, December 31, 2012 and 2011 amounting to Rp 5.728.224, Rp 6.266.268 and Rp 2.069.771 were allocated to employee cost in general and administrative expenses.

Mutasi nilai kini liabilitas adalah sebagai berikut :

The movement in the present value of obligations are as follows :

Pada awal tahun	67.065.189	45.591.516	39.818.851	At beginning of the year
Biaya jasa kini	5.239.622	4.347.445	2.912.581	Current service cost
Biaya bunga	4.252.377	2.735.491	2.787.320	Interest cost
Imbalan yang dibayarkan	(1.361.824)	(842.282)	(1.049.900)	Benefits paid
Kerugian aktuarial bersih yang diakui selama tahun berjalan	(8.930.437)	15.233.018	1.122.665	Net actuarial losses recognised during the year
Jumlah	66.264.927	67.065.189	45.591.516	Total

19. IMBALAN PASKA KERJA (Lanjutan)

Mutasi nilai wajar aset program adalah sebagai berikut :

	2013	2012	2011
Pada awal tahun	20.216.182	19.175.226	14.277.909
Hasil aset program yang diharapkan	1.718.375	1.150.514	999.454
Iuran pemberi kerja	2.827.046	(842.282)	(1.049.900)
Kerugian aktuarial bersih yang diakui selama tahun berjalan	(543.647)	732.724	773.424
Imbalan yang dibayarkan	(1.361.824)	-	4.174.341
Jumlah	22.856.131	20.216.182	19.175.226

Aset program terdiri dari :

Instrumen Pasar uang	100%	100%	100%

Hasil yang diharapkan dari aset program ditentukan atas dasar pengembalian yang diharapkan tersedia oleh aset yang berasal dari kebijakan investasi masa kini. Tingkat pengembalian yang diharapkan dari investasi atas bunga tetap didasarkan oleh pengembalian kotor di akhir periode pelaporan

19. POST EMPLOYEE BENEFITS (Continued)

The movement in the fair value of plan assets are as follows :

	2013	2012	2011
At beginning of the year	20.216.182	19.175.226	14.277.909
Expected return on plan assets	1.718.375	1.150.514	999.454
Employer's contributions	2.827.046	(842.282)	(1.049.900)
Net actuarial losses	(543.647)	732.724	773.424
Benefits paid	(1.361.824)	-	4.174.341
Total	22.856.131	20.216.182	19.175.226

Plan assets comprises the following :
Money market instrument

The expected return on plan assets is determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields as at the end of the reporting period

20. UTANG SEWA PEMBIAYAAN

Jadwal pembayaran sewa minimum berdasarkan perjanjian sewa guna usaha Perseroan pada tanggal 31 Desember 2013 adalah sebagai berikut :

	2013	2012	2011
Kurang dari 1 tahun	1.587.876	-	-
Antara 1 - 3 tahun	2.819.660	-	-
Jumlah	4.407.536	-	-
Dikurangi bagian bunga	619.187	-	-
Nilai kini pembayaran sewa minimum	3.788.349	-	-
Dikurangi bagian jatuh tempo 1 tahun	1.236.158	-	-
Bagian Jangka Panjang	2.552.191	-	-

Nilai kini utang sewa pembiayaan adalah sebagai berikut :

	2013	2012	2011
Kurang dari 1 tahun			
PT Orix Indonesia Finance	263.572	-	-
PT IBJ Verena Finance	972.586	-	-
Antara 1 - 3 tahun			
PT Orix Indonesia Finance	496.110	-	-
PT IBJ Verena Finance	2.056.082	-	-
Jumlah	3.788.349	-	-

Perseroan mengadakan perjanjian pembiayaan dengan PT. Orix Indonesia Finance, untuk pengadaan kendaraan head trailer sesuai dengan perjanjian Sewa Pembiayaan Nomor L13J01879A tanggal 26 Juli 2013, Jangka waktu 36 Bulan, suku bunga 5,79% (flat) p.a.

Nilai aset sewa pembiayaan Head Trailer sebesar Rp 620.740. Pembayaran sewa dimasa yang akan datang berdasarkan perjanjian sewa guna usaha ini adalah sebesar Rp 518.471 untuk pokok pembiayaan dan Rp 77.441 untuk beban bunga pembiayaan. Untuk periode 2013, beban bunga pembiayaan sebesar Rp 25.086.

Perseroan mengadakan perjanjian pembiayaan dengan PT.IBJ Verena Finance, untuk pengadaan crawler crane sesuai dengan perjanjian Sewa Pembiayaan Nomor 00203-001 tanggal 21 Agustus 2013, Jangka waktu 36 Bulan, suku bunga 10,84% (flat) p.a.

Nilai aset sewa pembiayaan Crawler Crane sebesar Rp 2.308.376 Pembayaran sewa dimasa yang akan datang berdasarkan perjanjian sewa guna usaha ini adalah sebesar Rp 2.222.202 untuk pokok pembiayaan dan sebesar Rp 357.935 untuk beban bunga pembiayaan. Untuk periode 2013, beban bunga pembiayaan sebesar Rp 63.380

Perseroan mengadakan perjanjian pembiayaan dengan PT. Orix Indonesia Finance, untuk pengadaan kendaraan dump truk sesuai dengan perjanjian Sewa Pembiayaan Nomor L13J02142A tanggal 23 September 2013, Jangka waktu 36 Bulan, suku bunga 5,8% (flat) p.a.

Nilai aset sewa pembiayaan Dump Truck sebesar Rp 289.825 Pembayaran sewa dimasa yang akan datang berdasarkan perjanjian sewa guna usaha ini adalah sebesar Rp 241.209 untuk pokok pembiayaan dan sebesar Rp 38.399 untuk beban bunga pembiayaan. Untuk periode 2013, beban bunga pembiayaan sebesar Rp 6.803

20. LEASE PAYABLES

The future minimum lease payments required under the company's outstanding lease agreement as of December 31, 2013

	2013	2012	2011
Below 1 year	1.587.876	-	-
Between 1 - 3 year	2.819.660	-	-
Total	4.407.536	-	-
Less amounts applicable to interest	619.187	-	-
Present value of minimum lease payments	3.788.349	-	-
Less current maturities	1.236.158	-	-
Long - term maturities	2.552.191	-	-

The present value of the obligation under finance lease is as follows :

	2013	2012	2011
Below 1 year			
PT Orix Indonesia Finance	263.572	-	-
PT IBJ Verena Finance	972.586	-	-
Between 1 - 3 year			
PT Orix Indonesia Finance	496.110	-	-
PT IBJ Verena Finance	2.056.082	-	-
Total	3.788.349	-	-

The Company held an agreement financing with PT. Orix Indonesia Finance, for the procurement of head trailer vehicles in accordance to Lease Agreement No. L13J01879A dated July 26, 2013, Duration 36 Months, 5,79% interest rate (flat) pa.

Leased Asset of Head Trailer amounted Rp 620.740 The Future Lease Payment required under this agreement amounted Rp 518.471 for financing principal and amounted Rp 77.441 for financing interest expense. At 2013, the financing interest expense amounted Rp 25.086.

The Company held an agreement financing from PT.IBJ Verena Finance, for the procurement of crawler cranes in accordance with the Lease Agreement No. 00203-001 dated August 21, 2013, 36 month term, interest rate 10,84% (flat) pa.

Leased Asset of Crawler Crane amounted Rp 2.308.376 The Future Lease Payment required under this agreement amounted Rp 2.222.202 for financing principal and amounted Rp 357.935 for financing interest expense. At 2013, the financing interest expense amounted Rp 63.380

The Company held an agreement financing with PT. Orix Indonesia Finance, for the procurement of vehicles dump trucks in accordance with the Lease Agreement No. L13J02142A dated September 23, 2013, 36 month term, interest rate 5,8% (flat) pa.

Leased Asset of Dump Truck amounted Rp 289.825 The Future Lease Payment required under this agreement amounted Rp 241.209 for financing principal and amounted Rp 38.399 for financing interest expense. At 2013, the financing interest expense amounted Rp 6.803

20. UTANG SEWA PEMBIAYAAN (Lanjutan)

Perseroan mendapat pembiayaan dari PT.IBJ Verena Finance, untuk pengadaan Wheel Loader sesuai dengan perjanjian Sewa Pembiayaan Nomor 00203-002 tanggal 6 November 2013, Jangka waktu 36 Bulan, suku bunga 11,10% (flat) p.a.

Nilai aset sewa pembiayaan Wheel Loader sebesar Rp 777.822. Pembayaran sewa kontinjen dimasa yang akan datang berdasarkan perjanjian sewa guna usaha ini adalah sebesar Rp 766.465 untuk pokok pembiayaan dan sebesar Rp. 145.411 untuk beban bunga pembiayaan.

Utang sewa pembiayaan tersebut didasarkan atas nilai kontrak pembelian Barang Modal kepada Lessor dikurangi pembayaran simpanan jaminan sebagai tanggungan atas ketaatan dan kesanggupan Lessee untuk melaksanakan semua ketetapan, syarat dan ketentuan Perjanjian Sewa Guna Usaha.

Pada saat perjanjian sewa guna usaha telah berakhir maka Lessee mempunyai hak opsi untuk membeli Barang Modal atau dapat memperpanjang Masa Sewa Guna Usaha atau Hak Kepemilikan atas Barang Modal akan dialihkan dari Lessor kepada Lessee. Hak Kepemilikan atas Barang Modal tetap berada pada Lessor selama masa sewa guna usaha, Lessee tidak diperkenankan memindahkan, menjual, menjaminkan, menyewakan atau dengan cara apapun melepaskan atau menyerahkan Barang Modal dalam kekuasaan Pihak Ketiga.

20. LEASE PAYABLES (Continued)

The Company got financing from PT.IBJ Verena Finance, for the procurement of Wheel Loader in accordance with the Lease Agreement No. 00203-002 dated November 6, 2013, 36 month term, interest rate 11.10% (flat) pa.

Leased Asset of Wheel Loader amounted Rp 777.822. The Future Lease Payment required under this agreement amounted Rp. 766.465 for financing principal and amounted Rp. 145.411 for financing interest expense.

Lease Liabilities are based on purchase agreement with Lessor deducted with Security Deposit Payment as dependent upon obedience and the Lessee's ability to carry out all the provisions, terms, and conditions of Lease Agreement.

At the time the Lease Agreement has ended then Lessee has the option to purchase the Leased Property or to extend the lease period or the Title of the Leased Property will be transferred from the Lessor to the Lessee. Property rights on the Leased Property remains with the Lessor during the lease period, the Lessee therefore not allowed to move, sell, pledge, lease or in any way release or surrender of the Leased Property in the mastery of a third party.

21. UTANG MEDIUM TERM NOTES

Akun surat berharga yang diterbitkan adalah sebagai berikut :

	2013	2012	2011
Medium Term Notes Tahap 1	366.000.000	-	-
Biaya Emisi Medium Term Notes	(823.500)	-	-
Jumlah	365.176.500	-	-

Pada tanggal 15 November 2013, Perseroan Menerbitkan Medium Term Notes I tahun 2013 dengan jumlah nominal secara keseluruhan adalah Rp. 366.000.000, dengan tingkat bunga tetap sebesar 9,5% per tahun dan jatuh tempo pada tanggal 15 November 2015. Perseroan telah mendapatkan rating *Single A Plus* yang diperoleh dari PT Pemeringkat Efek Indonesia No.1291/PEF-Dir/VII/2013 tanggal 16 Juli 2013, adapun rincian perhitungan sebagai berikut :

Seri / Series	Tingkat Bunga / Coupon Rate	Jangka Waktu / Maturities	Utang Pokok / Principal
A	9,50%	2 tahun / years	366.000.000

Syarat - Syarat Medium Term Notes (MTN) :

- MTN diterbitkan dengan nama "Medium Term Notes I PT Wijaya Karya Beton Tahun 2013 yang berjumlah pokok sebesar Rp. 366.000.000.000 (Rupiah penuh)
- MTN diterbitkan dengan jangka waktu 24 bulan terhitung sejak tanggal Penerbitan yaitu tanggal 15 November 2013 sampai dengan jatuh tempo pada tanggal 15 November 2015, yang merupakan tanggal pembayaran pokok MTN
- Tingkat bunga MTN adalah 9,5% per tahun yang akan dibayarkan setiap 3 (tiga) bulan
- Jaminan sebesar 100% dari nilai pokok MTN dalam bentuk persediaan barang jadi
- Perseroan wajib menyampaikan laporan realisasi penggunaan dana hasil penerbitan MTN setiap 3 (tiga) bulan kepada Agen pemantau sampai dengan dana tersebut habis terpakai dan atau jangka waktu berakhir

Penerbitan dana Medium Term Note bertujuan untuk ekspansi usaha melalui peningkatan kapasitas produksi dan perluasan wilayah operasional, serta modal usaha

21. MEDIUM TERM NOTES PAYABLE

Account securities issue as follows :

Medium Term Notes Phase 1
Less unamortized Medium Term Notes issuance cost
Total

On November 15, 2013, in 2013 Company issuing Medium Term Notes I with an overall nominal amount is Rp. 366.000.000, with a fixed interest rate of 9.5% per annum and maturity on 15 November 2015. Company have been rating *Single A Plus* issued by PT Pemeringkat Efek Indonesia No.1291/PEF-Dir/VII/2013 dated July 16, 2013, while the details of the calculation as follows :

Terms - Terms of Medium Term Notes (MTN):

- MTN issued under the name of "Medium Term Notes I" PT Wijaya Karya Beton In 2013, amounting to the principal amount of Rp. 366.000.000.000 (full amount)
- MTN issued with a period of 24 months from the date of publication since 15 November 2013 until the maturity date on 15 November 2015, which is the principal payment date of MTN
- The interest rate is 9.5% per annum MTN that would be paid every 3 (three) months
- Collateral equal to 100% of the principal amount of MTN in the form of finished goods
- The Company shall submit a report actual use of proceeds from the issuance of MTN every 3 (three) months of the monitoring agent until the funds are depleted and at the end of period

Publishing Medium Term Note fund aims to expand its business through expansion of enhancing production capacity and operational areas, as well as capital stock

22. KEPENTINGAN NON PENGENDALI

Kepentingan Non Pengendali pada entitas anak adalah sebagai berikut :

	2013	2012	2011
PT Wijaya Karya Komponen Beton	44.593.806	46.262.943	-
PT Wijaya Karya Krakatau Beton	5.350.748	-	-
Jumlah	49.944.554	46.262.943	-

The minority interest in subsidiaries as follow :

PT Wijaya Karya Komponen Beton
PT Wijaya Karya Krakatau Beton
Total

23. MODAL SAHAM

Berdasarkan Rapat Umum Pemegang Saham Luar Biasa (RUPSLB) yang diaktakan oleh Hambit Maseh SH., Notaris di Jakarta dengan Akta No.15 tanggal 30 April 2007, diputuskan bahwa:

- Peningkatan Modal Dasar dalam Perseroan dari sebesar Rp 178.000.000 (seratus tujuh puluh delapan milyar rupiah) menjadi sebesar Rp 460.000.000 (empat ratus enam puluh milyar rupiah)
- Peningkatan Modal Ditempatkan dan Modal Disetor dalam Perseroan dari Rp 80.000.000 (delapan puluh milyar rupiah) menjadi sebesar Rp 115.000.000 (seratus lima belas milyar rupiah) yang berasal dari kapitalisasi saldo laba sampai dengan tahun 2006.
- Menyetujui penjualan 5.680.000 (lima juta enam ratus delapan puluh ribu) saham dengan nilai nominal Rp.100 (seratus rupiah) atau sebesar Rp 568.000 (lima ratus enam puluh delapan juta rupiah) milik Yayasan Wijaya Karya kepada Koperasi Karya Mitra Satya (KKMS).

Komposisi kepemilikan saham Perseroan tanggal 31 Desember 2012 dan 2011 adalah sebagai berikut:

Pemegang Saham / Shareholders	Jumlah Saham (Lembar) Total of Shares (Share)	Nilai Nominal (Rupiah Penuh) / Nominal Value (Full Amount)	Persentase Kepemilikan / Percentage of Ownership	Jumlah / Total
PT Wijaya Karya	901.600	100	78,40%	90.160.000
KKMS	233.565	100	20,31%	23.356.500
Yayasan Wijaya Karya	14.835	100	1,29%	1.483.500
Jumlah / Total	1.150.000		100,00%	115.000.000

Sehubungan dengan rencana pelaksanaan *Initial Public Offering* (IPO) Perseroan, Para Pemegang Saham Perseroan menyetujui untuk mengambil keputusan Pemegang Saham di luar Rapat Umum Pemegang Saham yang diputuskan dengan nomor MJ.01.01/WB-0A.134/2013 tanggal 20 Desember 2013 yang telah terdaftar di KEMENKUMHAM No: AHU-AH.01.01-56091 tanggal 24 Desember 2013 diputuskan bahwa:

Menyetujui penjualan saham milik Koperasi Karya Mitra Satya (KKMS) sebanyak 65.027 lembar saham atau 5,65% kepada PT Wijaya Karya Beton dengan harga per lembar saham adalah PBV = 1,4 atas Rp 639,8 yaitu sebesar Rp 895,72 atau nilai harga saham seluruhnya sebesar Rp 58.246.193

Susunan Pemegang Saham Perseroan setelah dilaksanakannya pembelian saham KKMS menjadi sebagai berikut:

Pemegang Saham / Shareholders	Jumlah Saham (Lembar) Total of Shares (Share)	Nilai Nominal (Rupiah Penuh) / Nominal Value (Full Amount)	Persentase Kepemilikan / Percentage of Ownership	Jumlah / Total
PT Wijaya Karya	901.600	100	83,1%	90.160.000
(Persero), Tbk				
KKMS	168.538	100	15,5%	16.853.777
Yayasan Wijaya Karya	14.835	100	1,4%	1.483.500
Sub jumlah	1.084.973		100%	108.497.277
Saham yang diperoleh kembali/Treasury Stock	65.027	100		6.502.723
Jumlah / Total	1.150.000			115.000.000

Perseroan mencatat transaksi saham diperoleh kembali dengan menggunakan metode biaya perolehan (*cost method*)

Berdasarkan Keputusan Pemegang Saham di Luar Rapat nomor MJ.01.01/WB-0A.136/2013 tanggal 23 Desember 2013 yang terdaftar di KEMENKUMHAM No : AHU-00972.AH.01.02 tanggal 8 Januari 2014 diputuskan bahwa:

- Menyetujui peningkatan modal ditempatkan / modal disetor Perseroan dari Rp 115.000.000 menjadi Rp 667.000.000 yang berasal dari kapitalisasi cadangan / laba / retained earning / deviden saham/deviden interim sesuai dengan nilai Rp 552.000.000 yang tercantum dalam Laporan Keuangan Audited Per 30 September 2013
- Menyetujui peningkatan modal dasar Perseroan dari Rp 460.000.000 menjadi Rp 2.668.000.000
- Persetujuan peningkatan modal ditempatkan/modal disetor Perseroan yang dimaksud butir a dan peningkatan modal dasar Perseroan yang dimaksud dalam butir b diberikan dengan ketentuan bahwa kapitalisasi laba bersih tersebut akan berlaku efektif apabila pada akhir tahun 2013 setelah penutupan buku, Perseroan mempunyai saldo laba yang positif yang ditunjukkan pada laporan keuangan untuk periode yang berakhir tanggal 31 Desember 2013

23. CAPITAL STOCK

Based on the general meeting of shareholders which was covered by Maseh Hambit SH., Notary in Jakarta by deed no. 15 dated April 30, 2007, it was decided that:

- The increase in the Company's authorized capital of Rp 178.000.000 (one hundred seventy-eight billion rupiah) to Rp 460.000.000 (four hundred and sixty billion rupiah).
- Increase in issued and paid up capital of Rp 80.000.000 in the Company (eighty billion rupiah) to Rp 115.000.000 (one hundred and fifteen billion rupiah) derived from the capitalization of retained earnings as of 2006.
- Approved the sale of 5.680.000 (five million six hundred eighty thousand) shares with a nominal value of Rp 100 (one hundred rupiah) or Rp 568.000 (five hundred sixty-eight million rupiah) belonging to Yayasan Wijaya Karya to Koperasi Karya Mitra Satya (KKMS).

The composition of ownership shares of the Company dated December 31, 2012 and 2011 are as follows:

In connection with the implementation of the plan of the Initial Public Offering (IPO) of the Company, the Shareholders of the Company approved the Shareholders to make a decision outside the General Meeting of Shareholders to be decided by the number MJ.01.01/WB-0A.134/2013 dated December 20, 2013 has been registered KEMENKUMHAM No: AHU-AH.01.01-56091 dated December 24, 2013 it was decided that:

Approved the sale of shares owned by Koperasi Karya Mitra Satya (KKMS) of 65.027 shares or 5.65% to PT Wijaya Karya Beton at a price per share is above PBV = 1.4 Rp 639.8 in the amount of Rp 895.72 or the value of shares totaling Rp 58.246.193

The composition of the Shareholders of the Company after the execution of the stock purchase KKMS be as follows:

Company recorded stock transaction is recovered by using the cost method

Based Decisions in Shareholders Meeting MJ.01.01/WB-0A.136/2013 number dated December 23, 2013 has been registered KEMENKUMHAM No : AHU-00972.AH.01.02 tanggal January 8, 2014 it was decided that:

- Approved an increase in the issued / paid-up capital of the Company of Rp.115.000.000 to Rp 667.000.000 from the capitalization of reserves / profit / retained earnings / stock dividend / interim dividend of Rp 552.000.000 according to the value stated in the Audited Financial Statements as of September 30, 2013
- To approve an increase in authorized capital of Rp 460.000.000 to Rp 2.668.000.000
- Approval to increase the issued / paid-up capital of the Company referred to in point a and an increase in the authorized capital of the Company referred to in point b is given with the stipulation that the capitalization of net income will be effective after the end of 2013 after the close of the book, the Company's retained earnings have shown positive on the financial statements for the period ended December 31, 2013

23. MODAL SAHAM (Lanjutan)

23. CAPITAL STOCK (Continued)

Komposisi Pemegang Saham Perseroan setelah dilaksanakannya kapitalisasi deviden saham ke modal saham tanggal 31 Desember 2013 sebagai berikut :

The composition of the Shareholders of the Company after the implementation of the capitalization of the stock dividend to the share capital December 31, 2013 as follows:

Pemegang Saham / Shareholders	Jumlah Saham (Lembar) Total of Shares (Share)	Nilai Nominal (Rupiah Penuh) / Nominal Value (Full Amount)	Persentase Kepemilikan / Percentage of Ownership	Jumlah / Total
PT Wijaya Karya (Persero), Tbk	5.229.280	100	83,1%	522.928.000
KKMS	977.519	100	15,5%	97.751.905
Yayasan Wijaya Karya	86.043	100	1,4%	8.604.300
Sub jumlah	6.292.842		100%	629.284.205
Saham yang diperoleh kembali / Treasury Stock	377.158	100		37.715.795
Jumlah / Total	6.670.000			667.000.000

24. SALDO LABA

24. RETAINED EARNINGS

Akun ini terdiri dari :

This account consists of :

	2013	2012	2011	
Ditentukan Penggunaannya				Appropriated Use
Saldo Awal Tahun	106.894.828	78.010.247	78.010.247	Beginning Balance Of The Year
Penambahan (Pengurangan)	(83.649.665)	28.884.581	-	Addition (Reduction)
Jumlah	23.245.163	106.894.828	78.010.247	Total
Belum ditentukan penggunaannya				Unappropriated Use
Saldo Awal Tahun	336.172.008	236.684.439	129.091.054	Beginning Balance Of The Year
Laba Bersih	242.874.632	178.920.167	144.422.907	Net Income
Kapitalisasi Saham	(468.350.335)			Capitalization of Stock
Dividen	(62.622.059)	(50.548.017)	(36.829.522)	Dividend
Cadangan Bertujuan	-	(28.884.581)	-	Aiming Reserves
Jumlah	48.074.246	336.172.008	236.684.439	Total

Dalam rangka memenuhi Undang - undang Perseroan Terbatas No.40 Tahun 2007 tanggal 16 Agustus 2007, yang mengharuskan Perseroan secara bertahap mencadangkan sekurang - kurangnya 20% dari modal yang ditempatkan sebagai cadangan dana umum. Total saldo yang telah dicadangkan sebagai cadangan dana umum, setelah kapitalisasi deviden saham sampai dengan tanggal 31 Desember 2013 adalah sebesar Rp. 23.245.163

In compliance with Corporation Law No.40 of 2007 dated August 16, 2007, which requires companies to set aside, on a gradual basis, an amount equivalent to at least 20% of their subscribed capital as general reserve. Total appropriation of the Company's retained earnings as general reserve, after dividend capitalization as of December 31, 2013 amounted Rp 23.245.163

Berdasarkan Risalah Keputusan Rapat Umum Tahunan Pemegang Saham Nomor MJ.01.01/WB-OA.031/2013 tanggal 18 April 2013, Nomor MJ.01.01/WB-OA.031/2012 tanggal 26 April 2012 dan Nomor MJ.01.01/WB-OA.026/2011 tanggal 5 Mei 2011, menetapkan pembagian dividen Perseroan untuk tahun buku 31 Desember 2012, 2011 dan 2010 adalah sebagai berikut :

Based on the Minutes of the Annual General Meeting of Shareholders No. MJ.01.01/WB-OA.031/2013 dated April 18, 2013, No. MJ.01.01/WB-OA.031/2012 dated April 26, 2012 and No. MJ.01.01/WB-OA .026/2011 dated May 5, 2011, the company set a dividend for the financial year December 31, 2012, 2011 and 2010 are as follows:

	Tanggal Dideklarasikan / Date Declared	Tanggal Pembayaran / Date Paid	Dividen Per Lembar Saham (Nilai Penuh) / Dividend Per Share (Full Amount)	Jumlah / Total	
Dividen akhir tahun 2012	18 April / April 2013	21 Mei / May 2013	54	62.622.059	Final dividend for year 2012
Dividen akhir tahun 2011	26 April / April 2012	29 Mei / May 2012	44	50.548.017	Final dividend for year 2011
Dividen akhir tahun 2010	05 Mei / May 2011	31 Mei / May 2011	32	36.829.522	Final dividend for year 2010

25. LABA PER SAHAM DASAR

25. EARNINGS PER SHARE

Laba per saham dasar dihitung dengan membagi laba bersih dengan rata - rata tertimbang jumlah saham biasa yang beredar pada tahun yang bersangkutan

Basic earning per share calculated by dividing net profit by the average weighted general share amount circulated in the relevant year

	2013	2012	2011	
Laba periode berjalan yang diatribusikan kepada pemilik entitas induk	241.206.242	179.368.111	144.422.907	Period for the period attributable to owners of the parent entity
Rata - rata tertimbang saham untuk perhitungan laba per saham dasar	6.670.000	6.670.000	6.670.000	Weighted average number shares for the computation of basic
Laba per saham dasar (dalam Rupiah penuh)	36,16	26,89	21,65	Basic earnings per share (in full Rupiah amount)

Perhitungan saham tersebut telah disesuaikan dengan saham yang beredar yang meningkat sebagai akibat kapitalisasi cadangan laba dari semula 1.150.000 saham menjadi 6.670.000 saham.

The calculation of these shares has been adjusted with the outstanding shares increased as a result of the profits reserve capitalization of 1.150.000 shares into 6.670.000 shares.

26. PENDAPATAN USAHA

26. REVENUES

Rincian penjualan berdasarkan Satuan Bisnis Unit (SBU) untuk periode berjalan adalah sebagai berikut :

Details of sales per Satuan Bisnis Unit (SBU) for period progress as follows :

	2013	2012	2011
Tiang Beton	242.471.823	241.829.048	264.559.376
Tiang Pancang	1.356.404.794	1.142.032.459	911.040.910
Bantalan Jalan Rel	321.377.338	82.154.182	118.717.903
Beton Jembatan	345.758.467	240.381.052	150.465.961
Beton Dinding Penahan Tanah	185.761.092	214.613.110	116.759.068
Beton Bangunan Gedung	24.728.390		
Beton Bangunan Maritim	10.461.020	15.104.574	1.778.551
Beton Bangunan Lain-lain	134.803.749	81.126.719	56.332.130
Jasa	21.957.761	13.355.686	15.432.632
Jumlah	2.643.724.434	2.030.596.831	1.635.086.530

Concrete Pole
Piling
Railroad Pads
Concrete Bridge
Concrete Retaining Wall Soil
Concrete Building
Concrete Water Constructions
Concrete Other Buildings
Services
Total

Rincian penjualan produk beton berdasarkan wilayah operasi untuk tahun berjalan adalah sebagai berikut :

Details of precast product sales by region for the current year operations are as follows :

Wilayah penjualan I Sumatera Utara	344.516.980	286.961.391	262.477.043
Wilayah penjualan II Sumatera Selatan	274.245.366	212.405.642	241.364.946
Wilayah penjualan III DKI Jakarta	735.139.362	655.222.854	424.827.934
Wilayah penjualan IV Jawa Tengah	491.980.450	278.244.600	215.422.954
Wilayah penjualan V Jawa Timur	514.145.450	413.198.739	303.198.179
Wilayah penjualan VI Sulawesi Selatan	261.739.065	171.207.919	172.362.843
Jumlah	2.621.766.673	2.017.241.145	1.619.653.899

Sales Region I North Sumatra
Sales Region II South Sumatra
Sales Region III Jakarta
Sales Region IV Central Java
Sales Region V East Java
Sales Region VI South Sulawesi
Total

Rincian penjualan produk beton berdasarkan pelanggan untuk periode berjalan adalah sebagai berikut :

Details of precast product sales per customers for period progress as follows :

Pihak Ketiga			
PT Sigma Mutiara	70.991.809	8.298.608	41.241.488
PT Krakatau Engineering	62.641.419	88.499.133	179.910
PT D & C Engineering	51.025.944	-	-
PT Multi Artha Pratama	35.787.393	107.910	6.828.584
PT Rekayasa Industri	41.244.851	58.167.692	8.923.020
GPEC - PT Bagus Karya JO	33.635.086	56.605.193	1.310.189
PT Vico Indonesia	32.744.370	18.602.000	23.129.500
PT Pindo Deli Pulp & Paper	30.620.670	-	18.048.124
PT Karya Teknik Utama	26.420.781	20.652.996	14.272.308
PT China Harbour	21.788.730	-	404.040
PT Nusa Raya Cipta	20.970.250	1.940.896	2.021.480
PT Triroyal Timur Raya	19.211.614	-	801.840
PT Wilmar Nabati Indonesia	19.181.791	19.932.798	8.566.206
PT Takenaka Indonesia	18.394.154	4.413.574	1.438.253
PT Semen Tonasa	16.688.859	-	9.805.408
PT Catur Beton Sentosa	14.174.137	1.397.600	-
PT Hutama Karya - Adya Tunggal KSO	14.115.792	-	-
PT Gumaya Anggun	14.737.500	-	-
WKA-RAKA-TANJUNG KSC	13.647.185	-	-
Pertamina - Medco E&P Tomori Sulawesi	11.243.738	-	-
PT Zug Industry	11.462.618	-	-
PT Caturpile Perkasa	10.801.456	-	-
PT Kawahapejaya Indonesia	16.934.356	-	-
PT Pakuwon Jati	12.987.677	16.824.201	-
PT Karunia Oversease	12.815.399	-	-
PT Jaya Obayashi	16.019.505	1.824.124	222.190
PT Posco E&C Indonesia	11.208.366	44.930.078	19.258.889
PT Bangun Cipta Persada Mandiri	11.097.650	-	-
PT Tripatra Engineers and Constructors	12.241.118	18.507.192	8.675.000
PT Rekadaya ElektriKa	16.429.739	2.648.337	-
PT Bumi Rama Nusantara	10.310.873	14.616.483	8.737.500
Lain - lain dibawah 10 miliar	766.215.197	797.549.478	747.280.452
Subjumlah	1.477.790.029	1.175.518.293	921.144.381

Third Parties
PT Sigma Mutiara
PT Krakatau Engineering
PT D & C Engineering
PT Multi Artha Pratama
PT Rekayasa Industri
GPEC - PT Bagus Karya JO
PT Vico Indonesia
PT Pindo Deli Pulp & Paper
PT Karya Teknik Utama
PT China Harbour
PT Nusa Raya Cipta
PT Triroyal Timur Raya
PT Wilmar Nabati Indonesia
PT Takenaka Indonesia
PT Semen Tonasa
PT Catur Beton Sentosa
PT Hutama Karya - Adya Tunggal KSO
PT Gumaya Anggun
WKA-RAKA-TANJUNG KSO
Pertamina - Medco E&P Tomori Sulawesi
PT Zug Industry
PT Caturpile Perkasa
PT Kawahapejaya Indonesia
PT Pakuwon Jati
PT Karunia Oversease
PT Jaya Obayashi
PT Posco E&C Indonesia
PT Bangun Cipta Persada Mandiri
PT Tripatra Engineers and Constructors
PT Rekadaya ElektriKa
PT Bumi Rama Nusantara
Other below 10 billion
Subtotal

Pihak Berelasi			
Satker Perkeretaapian	226.596.019	32.507.160	22.805.057
PT Waskita Karya (Persero)	143.450.277	145.152.427	53.139.978
PT Wijaya Karya (Persero) Tbk	212.262.661	183.772.095	215.799.242
PT Adhi Karya (Persero) Tbk	128.025.438	96.142.469	47.350.324
Saldo dipindahkan	710.334.394	457.574.151	339.094.601

Related Parties
Satker Perkeretaapian
PT Waskita Karya (Persero)
PT Wijaya Karya (Persero) Tbk
PT Adhi Karya (Persero) Tbk
Carried forward

26. PENDAPATAN USAHA (Lanjutan)

26. REVENUES (Continued)

	2013	2012	2011
Saldo Pindahan	710.334.394	457.574.151	339.094.601
PT Perusahaan Listrik Negara (Persero)	199.333.625	185.585.468	210.046.154
PT Pemb. Perumahan (Persero) Tbk	70.768.538	31.848.636	41.640.118
PT Utama Karya (Persero)	53.081.170	63.691.225	10.439.161
PT Kereta Api (Persero)	50.536.260	24.054.490	39.548.584
Istaka - Sumbersari JO	15.180.493	4.915.468	-
PT Nindya Karya (Persero)	11.701.634	7.449.615	1.319.820
PT PINDAD (Persero)	11.695.600	-	-
Lain - lain Dibawah 10 miliar	21.344.928	66.603.799	56.421.080
Subjumlah	1.143.976.644	841.722.852	698.509.518
Jumlah	2.621.766.673	2.017.241.145	1.619.653.899

Brought forward
PT Perusahaan Listrik Negara (Persero)
PT Pemb. Perumahan (Persero) Tbk
PT Utama Karya (Persero)
PT Kereta Api (Persero)
Istaka - Sumbersari JO
PT Nindya Karya (Persero)
PT PINDAD (Persero)
Other below 10 billion
Subtotal
Total

Rincian penjualan jasa berdasarkan wilayah operasi untuk tahun berjalan adalah sebagai berikut :

Details of service sales by region for the current year operations are as follows :

Wilayah penjualan I Sumatera Utara	1.506.185	3.476.954	3.475.461
Wilayah penjualan II Sumatera Selatan	-	-	-
Wilayah penjualan III DKI Jakarta	2.994.912	2.703.660	4.829.680
Wilayah penjualan IV Jawa Tengah	9.351.789	1.015.499	2.766.194
Wilayah penjualan V Jawa Timur	1.551.800	876.900	397.209
Wilayah penjualan VI Sulawesi Selatan	6.553.075	5.282.673	3.964.088
Jumlah	21.957.761	13.355.686	15.432.632

Sales Region I North Sumatra
Sales Region II South Sumatra
Sales Region III Jakarta
Sales Region IV Central Java
Sales Region V East Java
Sales Region VI South Sulawesi
Total

Rincian penjualan jasa berdasarkan pelanggan untuk periode berjalan adalah sebagai berikut :

Details of service sales per customers for period progress as follows :

Pihak Ketiga

Third Parties

PT Fajar Parahiyangan	925.000	501.700	-
PT Modern Surya Jaya	881.038	-	-
PT Bhineka Cita Yasa	721.600	-	-
PT Jaya Raya Konstruksi	718.820	-	-
PT Latanindo Garaha Persada	658.000	-	-
PT Eka Surya Alam	571.128	-	-
PT Pertamina EP	558.200	-	-
PT Vin Sea Jaya	533.334	-	-
PT Dwifarta Fajarkharisma	529.118	-	-
PT Citra Nusa Indah	526.000	-	-
PT Prawiramas Puriprima	522.493	-	-
PT Maskar Sejahtera	-	870.320	-
Passokorang - Aneka Bangun JO	-	678.000	-
PT Aphasko Utamajaya	-	611.500	-
PT Bangun Makmur Utama	-	-	3.335.000
PT Karya Teknik Utama	-	-	1.494.680
PT Modern Surya Jaya	-	-	1.359.000
PT Tenaga Listrik Gorontalo	-	-	1.287.000
Lain - lain Dibawah 500 Juta	5.503.476	4.530.672	4.227.625
Subjumlah	12.648.208	7.192.192	11.703.305

PT Fajar Parahiyangan
PT Modern Surya Jaya
PT Bhineka Cita Yasa
PT Jaya Raya Konstruksi
PT Latanindo Garaha Persada
PT Eka Surya Alam
PT Pertamina EP
PT Vin Sea Jaya
PT Dwifarta Fajarkharisma
PT Citra Nusa Indah
PT Prawiramas Puriprima
PT Maskar Sejahtera
Passokorang - Aneka Bangun JO
PT Aphasko Utamajaya
PT Bangun Makmur Utama
PT Karya Teknik Utama
PT Modern Surya Jaya
PT Tenaga Listrik Gorontalo
Other Below 500 Juta
Subtotal

Pihak Berelasi

Related Parties

PT Wijaya Karya (Persero) Tbk.	3.561.120	737.500	-
PT Adhi Karya (Persero) Tbk.	2.205.517	1.167.850	-
PT Waskita Karya (Persero) Tbk.	1.456.575	953.264	-
Nindya Karya - Passokorang - Adi Jaya KSO	709.350	-	-
Nindya - Sember Agung S, KSO	579.088	-	-
Wika-Jakon, PT	-	1.831.340	-
PT Perkebunan Nusantara III	-	1.349.657	2.947.046
Lain - lain Dibawah 500 Juta	797.902	123.883	782.280
Subjumlah	9.309.552	6.163.494	3.729.326
Jumlah	21.957.761	13.355.686	15.432.632

PT Wijaya Karya (Persero) Tbk.
PT Adhi Karya (Persero) Tbk.
PT Waskita Karya (Persero) Tbk.
Nindya Karya - Passokorang - Adi Jaya KSO
Nindya - Sember Agung S, KSO
Wika-Jakon, PT
PT Perkebunan Nusantara III
Other below 500 million
Subtotal
Total

Penjualan tersebut diatas seluruhnya berasal dari penjualan produk dan jasa, tidak ada penjualan yang berasal dari pertukaran barang maupun komisi keagenan.

The total sales came from sales of products and services, no sales derived from the exchange of goods and agency commissions.

Pada pendapatan per pelanggan tidak ada nilai bersih yang melebihi 10% dari total penjualan

On revenues from customer is no net value over 10% from total sale.

27. BEBAN POKOK PENJUALAN

Rincian harga pokok penjualan untuk tahun berjalan adalah sebagai berikut :

	2013	2012	2011
Harga pokok produk			
Persediaan barang jadi awal	777.888.699	613.739.296	504.385.575
Produksi barang jadi	1.545.986.831	1.431.616.418	1.041.084.296
Persediaan barang jadi akhir	(762.187.773)	(777.888.699)	(613.739.296)
Subjumlah	1.561.687.757	1.267.467.015	931.730.575
Biaya Langsung Produksi			
Biaya Material Proyek	111.609.379	48.798.751	50.067.897
Biaya Upah Tenaga Kerja	37.738.047	11.570.285	10.999.449
Biaya Operasional Proyek	32.166.596	13.768.266	9.333.194
Biaya Pelaksanaan Proyek	415.084.761	338.697.480	352.944.105
Subjumlah	596.598.783	412.834.782	423.344.645
Biaya Tidak Langsung Produksi			
Biaya Pemasaran dan Penjualan	1.414.649	1.277.991	1.074.965
Biaya Administrasi dan Umum	34.450.987	38.331.103	41.294.841
Biaya Penyusutan	60.841.073	44.453.993	30.582.235
Biaya Penelitian dan Pengembangan	755.478	780.081	753.673
Subjumlah	97.462.187	84.843.168	73.705.713
Jumlah	2.255.748.727	1.765.144.964	1.428.780.933

Beban Pelaksanaan Proyek merupakan realisasi biaya distribusi, perawatan dan pemasangan produk di lapangan.

Beban upah merupakan realisasi biaya yang dikeluarkan untuk para pekerja langsung berkaitan dengan proyek, baik upah harian, mingguan maupun upah borong.

Biaya material merupakan biaya - biaya yang timbul atas pekerjaan instalasi (penyerahan terpasang) dan pengadaan material yang pemanfaatannya hanya untuk memenuhi kebutuhan tiap proyek

27. COST OF GOOD SOLD

Details of cost of goods sold for the current year are as follows :

Cost of goods product
Finished good at beginning period
Finished good product
Finished good at ending period
Subtotal
Direct Cost of Production
Materials Cost
Labour Cost
Operational Cost of Production
Project Implementation Cost
Subtotal
Unirect Cost of Production
Marketing Cost
Administrative and General Cost
Depreciation Cost
Research and Development Cost
Subtotal
Total

Project cost Implementation is the realization of the cost of distribution, maintenance, and installation of the product on the field.

Cost of Wages is the realization of the costs incurred for the workers directly related to the production process, both the daily wages, weekly wages and the entire stock.

Material cost are costs incurred on the installation work (submission is attached) and the procurement of material utilization is only to meet the needs of each project

28. BEBAN USAHA

Rincian beban usaha untuk periode tahun berjalan adalah sebagai berikut :

	2013	2012	2011
Beban administrasi & umum	47.902.756	31.243.120	26.784.986
Beban pengembangan usaha	1.976.934	1.446.494	1.936.288
Beban pemasaran	1.893.052	1.477.406	1.264.751
Jumlah	51.772.742	34.167.020	29.986.025
Beban administrasi & umum terdiri dari			
Beban personalia	33.072.427	24.074.795	20.512.317
Beban fasilitas kantor	9.128.467	5.191.014	3.725.445
Beban keuangan	4.164.615	993.772	1.766.378
Beban Informatika	1.537.247	983.539	780.846
Subjumlah	47.902.756	31.243.120	26.784.986
Beban pengembangan usaha terdiri dari			
Beban penelitian dan pengembangan SDM	1.047.497	486.214	348.020
Beban pengembangan dan penelitian manajemen	291.811	74.479	310.827
Beban penelitian, pengembangan teknik & produk	569.958	874.524	1.253.533
Beban riset pasar	67.667	11.277	23.908
Subjumlah	1.976.934	1.446.494	1.936.288
Beban pemasaran terdiri dari			
Beban pemasaran	1.893.052	1.477.406	1.264.751
Subjumlah	1.893.052	1.477.406	1.264.751
Jumlah	51.772.742	34.167.020	29.986.025

Details of operating expenses for the current year are as follows :

General & administrative expenses
Business development expenses
Marketing expenses
Total
General & administrative expenses consist of
Personnel expenses
Office facilities expenses
Financial expenses
Information expenses
Subtotal
Business development expenses consist of
Research and HRD expenses
Development expenses and management research
Expenses of research, development engineering & product
Market research expenses
Subtotal
Marketing expenses consist of
Marketing expenses
Subtotal
Total

29. PENDAPATAN (BEBAN) LAIN LAIN

Akun ini terdiri dari :

	2013	2012	2011
Pendapatan (Beban) Bunga	(3.620.139)	1.899.688	6.210.577
Beban penurunan nilai piutang	(1.118.390)	(1.168.662)	(18.225.378)
Laba (Rugi) Selisih Kurs	(5.365.894)	(5.794.765)	9.459.569
Lain-lain bersih	2.423.097	7.459.957	16.001.031
Jumlah	(7.681.326)	2.396.218	13.445.799

Beban penurunan nilai piutang

Beban penyisihan piutang merupakan beban atas saldo-saldo piutang yang terindikasi terjadi penurunan nilai karena pencairannya tidak sesuai dengan ketentuan yang tertuang dalam kontrak yang telah disepakati.

Laba (rugi) Selisih Kurs

Laba (rugi) selisih kurs merupakan laba atas penyesuaian saldo-saldo laporan posisi keuangan Perseroan, seperti kas setara kas, piutang, utang dan uang muka diterima dan selisih antara realisasi atas pengakuan transaksi selisih kurs.

29. OTHER INCOME (EXPENSE)

This account shall be as follows :

	2013	2012	2011
Interest (Expenses) Income			
Allowance for Impairment			
Gain (loss) in Foreign Exchange			
Others - Net			
Total			

Allowance for Impairment

Allowance for impairment for receivables was the burden of receivables balances indicated the decline in value because the liquidation not in accordance with the provisions stipulated in the contract that has been agreed.

Gain (Loss) in Foreign Exchange

Gain (Loss) in Foreign Exchange are adjusted return on the Company's balance sheet, such as cash equivalents, receivables, payables and advances received and difference between the realization of the recognition of foreign exchange transaction.

30. KEPUTUSAN MESOP

Berdasarkan surat dari Menteri Negara BUMN No.S-294/MBU/2004 tanggal 9 Juni 2004 Pemegang saham memutuskan pelepasan penyertaan saham PT Wijaya Karya Beton dengan skema Management and Employee Stock Option Program (MESOP) sebesar 20,31% dari kepemilikan saham PT Wijaya Karya (Persero) Tbk ke dalam Perseroan kepada pengurus dan karyawan PT Wijaya Karya Beton dan PT Wijaya Karya (Persero) Tbk. Pada tahun 2004, realisasi pelepasan 20,31% saham dari kepemilikan saham PT Wijaya Karya (Persero) Tbk kepada karyawan dilaksanakan melalui Koperasi Karya Mitra Satva.

30. MESOP DECISION

On the basis of a letter from the Minister of State Owned Enterprises No.S-294/MBU/2004 dated June 9, 2004 the shareholders decide on release of the inclusion of shares of PT Wijaya Karya Concrete scheme Management and Employee Stock Option Program (MESOP) amounting to 20,31% of the ownership of the shares of PT Wijaya Karya (Persero) Tbk into the company to Executive Board and employees of PT Wijaya Karya Beton and PT Wijaya Karya (Persero) Tbk. in 2004, the realization of a release of a 20,31% share of ownership of shares of PT Wijaya Karya (Persero) Tbk to employees implemented through of Koperasi Karya Mitra Satva.

31. IKHTISAR TRANSAKSI PADA PIHAK BERELASI

Sifat berelasi yang terjadi pada Perseroan adalah sebagai berikut :

1. Pemerintah Republik Indonesia yang diwakili oleh menteri negara BUMN merupakan pemegang saham mayoritas Perseroan induk. Oleh karena itu secara tidak langsung Perseroan memiliki hubungan afiliasi melalui penyertaan modal pemerintah Republik Indonesia.
2. Perseroan memiliki dana dan memiliki pinjaman dana pada bank-bank pemerintah atau bank-bank yang dimiliki oleh BUMN dengan persyaratan dan tingkat bunga normal sebagaimana berlaku pada pihak ketiga.
3. Perseroan mengadakan perjanjian dalam rangka usaha Perseroan dengan BUMN- BUMN lain maupun anak perusahaan serta lembaga-lembaga pemerintah yang berwenang.

31. SUMMARY OF RELATED PARTIES TRANSACTIONS

Properties relate that happens in to the company are as follows :

1. The Government of the Republic of Indonesia which was represented by Minister of State Owned Enterprise is the majority shareholder of the parent company. Therefore indirectly other companies an affiliate connection through the inclusion of government capital of the Republic of Indonesia.
2. The company has a loan fund of funds and has on the banks the Government or banks that are owned by the State Owned Enterprise with normal requirements and interest rate as applicable at any third party.
3. The company held a Covenant in order of company business with other State Owned Enterprise and subsidiary and the institutions of government authorities.

	2013	2012	2011
Pendapatan Usaha			
Satker Perkeretaapian	226.596.019	32.507.160	22.805.057
PT Waskita Karya (Persero)	144.906.852	146.105.691	53.139.978
PT Wijaya Karya (Persero) Tbk	215.823.781	184.509.595	215.799.242
PT Adhi Karya (Persero) Tbk	130.230.955	97.309.469	47.350.324
PT Perusahaan Listrik Negara (Persero)	199.333.625	185.585.468	210.046.154
PT Pembangunan Perumahan (Persero) Tbk	70.768.538	31.848.636	41.640.118
PT Hutama Karya (Persero)	53.081.170	63.726.925	10.439.161
PT Kereta Api (Persero)	50.536.260	24.054.490	39.548.584
Istaka - Sumbersari JO	15.180.493	4.915.468	-
PT Nindya Karya (Persero)	11.701.634	7.449.615	1.319.820
PT PINDAD (Persero)	11.695.600	-	-
Lain - lain Dibawah 10 miliar	23.431.268	69.874.680	60.150.405
	1.153.286.196	847.887.196	702.238.844
Sebagai persentase terhadap jumlah pendapatan	44%	42%	43%

Revenue
Satker Perkeretaapian
PT Waskita Karya (Persero)
PT Wijaya Karya (Persero) Tbk
PT Adhi Karya (Persero) Tbk
PT Perusahaan Listrik Negara (Persero)
PT Pembangunan Perumahan (Persero) Tbk
PT Hutama Karya (Persero)
PT Kereta Api (Persero)
Istaka - Sumbersari JO
PT Nindya Karya (Persero)
PT PINDAD (Persero)
Other Below 10 million

As a percentage of total revenue

31. IKHTISAR TRANSAKSI PADA PIHAK BERELASI (Lanjutan)

31. SUMMARY OF RELATED PARTIES TRANSACTIONS (Continued)

	2013	2012	2011
Aset			
Kas dan Setara Kas			
PT Bank Mandiri (Persero) Tbk	375.111.910	262.764.655	177.512.679
PT Bank Negara Indonesia (Persero) Tbk	6.762.831	5.688.940	6.164.829
PT Bank Rakyat Indonesia (Persero) Tbk	27.886.676	7.732.652	15.427.472
PT Bank Tabungan Negara (Persero) Tbk	-	35.000.000	5.000.000
PT Bank Syariah Mandiri	691.564	-	-
PT Bank Sumselbabel	20.668	19.859	13.161
PT Bank Jabar Banten	6.272	6.332	6.388
PT Bank Jatim	1.605	1.605	1.605
PT Bank Negara Indonesia Syariah	1.454	-	-
	410.482.981	311.214.042	204.126.133
Sebagai persentase terhadap jumlah aset	14%	13%	11%
Piutang usaha			
PT Wijaya Karya (Persero) Tbk	100.375.372	29.439.322	64.425.363
PT Pembangunan Perumahan (Persero) Tbk	31.753.548	19.037.724	9.813.455
PT Adhi Karya (Persero) Tbk	20.920.591	31.887.825	27.645.428
PT Istaka Karya (Persero)	19.891.415	19.891.415	19.891.415
PT Utama Karya (Persero)	15.713.502	6.817.502	10.934.068
PT Waskita Karya (Persero) Tbk	14.249.102	26.575.246	21.056.104
PT Perusahaan Listrik Negara (Persero)	9.808.107	5.733.655	6.427.437
WKA - RAKA - TANJUNG JO	6.167.611	-	-
PT Pindad (Persero)	6.083.320	-	-
WKA - PP JO	4.541.376	-	-
PT Nindya Karya (Persero)	2.948.881	6.969.576	3.082.596
Bumi Rejo - Brantas Abipraya JO	2.177.843	2.077.043	2.099.596
Adhi Karya - PP JO	1.492.693	1.923.427	-
PT Amarta Karya	1.301.301	-	-
PT Kereta Api Indonesia (Persero)	1.110.592	29.646.680	-
WKA - BAP JO	1.098.180	-	-
PP - GNG - BLJ KSO	1.052.422	-	-
Wka - Adhi - Utama JO	838.257	17.898.614	-
Istaka - Sumbersari JO	-	2.817.941	2.117.938
Hutama Karya - Brantas Abipraya JO	-	3.309.624	-
Wka - Indo Niaga Jaya JO	-	1.531.186	-
PP - NK KSO	-	371.322	3.901.133
Lain - lain dibawah 1 Miliar	1.173.154	2.356.176	6.659.400
	242.697.265	208.284.278	178.053.934
Sebagai persentase terhadap jumlah aset	8%	9%	10%
Liabilitas			
Utang Usaha			
Kopkar Beton Makmur Wijaya	572.198	81.472	128.478
Kopkar PPB Sumut	212.480	240.654	-
Kopkar Wika	241.590	593.983	126.375
PT Wijaya Karya Realty	173.168	-	-
Kopkar Gema Wika	91.996	233.545	371.071
Kopkar PPWB Sulsel	1.447	3.783	-
PT Wijaya Karya Industri dan Konstruksi	18.715	685.245	1.156.571
Kopkar Sejahtera	-	41.610	-
	1.311.594	1.880.292	1.782.495
Utang Sub Kontraktor			
PT Pindad (Persero)	12.879.955	29.176.915	4.465.157
Utang Usaha Dalam Proses			
Kopkar Beton Makmur Wijaya	2.215.503	1.366.960	-
Kopkar PPB Sumut	193.040	-	244.163
Kopkar PPWB Unit Sulsel	4.852	52.519	-
PT Wijaya Karya Industri dan Konstruksi	-	637.200	563.680
Lain - lain Dibawah 50 juta	-	5.940	121.886
	2.413.395	2.062.619	929.729
Utang lain-lain			
Koperasi Karyawan Mitra Satya	-	393.454	161.951
PT Wijaya Karya (Persero) Tbk	25.290.958	17.564.197	21.071.786
	25.290.958	17.957.651	21.233.737

Assets
Cash and Cash Equivalent
PT Bank Mandiri (Persero) Tbk
PT Bank Negara Indonesia (Persero) Tbk
PT Bank Rakyat Indonesia (Persero) Tbk
PT Bank Tabungan Negara (Persero) Tbk
PT Bank Syariah Mandiri
PT Bank Sumselbabel
PT Bank Jabar Banten
PT Bank Jatim
PT Bank Negara Indonesia Syariah
As a percentage of total assets
Trade Receivables
PT Wijaya Karya (Persero) Tbk
PT Pembangunan Perumahan (Persero) Tbk
PT Adhi Karya (Persero) Tbk
PT Istaka Karya (Persero)
PT Utama Karya (Persero)
PT Waskita Karya (Persero) Tbk
PT Perusahaan Listrik Negara (Persero)
WKA - RAKA - TANJUNG JO
PT Pindad (Persero)
WKA - PP JO
PT Nindya Karya (Persero)
Bumi Rejo - Brantas Abipraya JO
Adhi Karya - PP JO
PT Amarta Karya
PT Kereta Api Indonesia (Persero)
WKA - BAP JO
PP - GNG - BLJ KSO
Wka - Adhi - Utama JO
Istaka - Sumbersari JO
Hutama Karya - Brantas Abipraya JO
Wka - Indo Niaga Jaya JO
PP - NK KSO
Lain - lain dibawah 1 Miliar
As a percentage of total assets
Liabilities
Trade Payables
Kopkar Beton Makmur Wijaya
Kopkar PPB Sumut
Kopkar Wika
PT Wijaya Karya Realty
Kopkar Gema Wika
Kopkar PPWB Sulsel
PT Wijaya Karya Industri dan Konstruksi
Kopkar Sejahtera
Subcontractors Payables
PT Pindad (Persero)
Payables in The Process
Kopkar Beton Makmur Wijaya
Kopkar PPB Sumut
Kopkar PPWB Unit Sulsel
PT Wijaya Karya Industri dan Konstruksi
Other below 50 Million
Other Payables
Koperasi Karyawan Mitra Satya
PT Wijaya Karya (Persero) Tbk

31. IKHTISAR TRANSAKSI PADA PIHAK BERELASI (Lanjutan)

31. SUMMARY OF RELATED PARTIES TRANSACTIONS (Continued)

	2013	2012	2011	
Jumlah utang yang terkait dengan pihak berelasi	41.895.902	51.077.477	28.411.118	Total payables associated with related parties
Sebagai persentase terhadap jumlah utang	2%	3%	2%	As a percentage of total payables

Rincian sifat hubungan dan jenis transaksi yang material dengan pihak berelasi adalah sebagai berikut : Details of the nature and type of material transactions with parties relate are as follows :

Pihak Berelasi / Related Parties	Sifat Hubungan Berelasi Perseroan / Nature of the Related Parties The Company	Transaksi / Transaction
Bank		Bank
PT Bank Mandiri (Persero) Tbk	Kepemilikan sama terikat / Common ownership	Penempatan Rekening, Pinjaman, dan Deposito / Placement of Accounts, Loans, and Deposits
PT Bank Rakyat Indonesia(Persero)Tbk	Kepemilikan sama terikat / Common ownership	Penempatan Rekening, Pinjaman, dan Deposito / Placement of Accounts, Loans, and Deposits
PT Bank Nasional Indonesia(Persero)Tbk	Kepemilikan sama terikat / Common ownership	Penempatan Rekening / Placement of Accounts
PT Bank BPD Sumsel	Kepemilikan sama terikat / Common ownership	Penempatan Rekening / Placement of Accounts
PT Bank BPD Jabar	Kepemilikan sama terikat / Common ownership	Penempatan Rekening / Placement of Accounts
PT Bank BPD Jatim	Kepemilikan sama terikat / Common ownership	Penempatan Rekening / Placement of Accounts
PT Bank Syariah Mandiri	Kepemilikan sama terikat / Common ownership	Penempatan Rekening / Placement of Accounts
PT Bank BNI Syariah	Kepemilikan sama terikat / Common ownership	Penempatan Rekening / Placement of Accounts
Piutang usaha		Trade Receivables
PT Wijaya Karya (Persero) Tbk	Pemegang saham / Shareholders	Penjualan produk Beton / Concrete product sales
PT Wijaya Karya Komponen Beton	Kepemilikan Saham / Share ownership	Afiliasi / Affiliation
Utang		Payables
Koperasi Karyawan Mitra Satya	Pemegang saham / Shareholders	Utang piutang / Receivables and payables
PT Wijaya Karya (Persero) Tbk	Pemegang saham / Shareholders	Utang piutang / Receivables and payables
Koperasi Karyawan Beton Makmur Wijaya	Pemegang saham / Shareholders	Utang piutang / Receivables and payables

32. ASET DAN LIABILITAS DALAM MATA UANG ASING

32. ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

31 Desember / December 2013							
USD	Ekuivalen Rupiah / Equivalent Rupiah	EURO	Ekuivalen Rupiah / Equivalent Rupiah	SGD	Ekuivalen Rupiah / Equivalent Rupiah		Assets
Aset							Assets
Kas							Cash and Cash
dan Setara Kas	1.062,94	12.953.932	-	-	-	-	Equivalent
Liabilitas							Liabilities
Utang Usaha	2.398,35	29.240.586	178,62	3.006.125	22,67	213.180	Account Payables
Aset (Liabilitas)							Assets (Liabilities)
Valuta Asing Bersih	(1.335,41)	(16.286.654)	(178,62)	(3.006.125)	(22,67)	(213.180)	Net Foreign Exchange
31 Desember / December 2012							
USD	Ekuivalen Rupiah / Equivalent Rupiah	EURO	Ekuivalen Rupiah / Equivalent Rupiah	SGD	Ekuivalen Rupiah / Equivalent Rupiah		Assets
Aset							Assets
Kas							Cash and Cash
dan Setara Kas	609,00	5.889.980	-	-	-	-	Equivalent
Liabilitas							Liabilities
Utang Usaha	7.707,00	74.535.078	511,17	6.552.386	108,83	861.748	Account Payables
Aset (Liabilitas)							Assets (Liabilities)
Valuta Asing Bersih	(7.098)	(68.645.098)	(511,17)	(6.552.386)	(108,83)	(861.748)	Net Foreign Exchange

32. ASET DAN LIABILITAS DALAM MATA UANG ASING (Lanjutan)

32. ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES (Continued)

	31 Desember / December 2011						
	USD	Ekuivalen Rupiah / Equivalent Rupiah	EURO	Ekuivalen Rupiah / Equivalent Rupiah	SGD	Ekuivalen Rupiah / Equivalent Rupiah	
Aset							Assets
Kas							Cash and Cash
dan Setara Kas	1.334,78	12.098.496	-	-	-	-	Equivalent
Liabilitas							Liabilities
Utang Usaha	7.953,20	72.124.181	457,35	5.375.708	208,25	1.455.028	Account Payables
Aset (Liabilitas)							Assets (Liabilities)
Valuta Asing Bersih	(6.618,42)	(60.025.684)	(457,35)	(5.375.708)	(208,25)	(1.455.028)	Net Foreign Exchange

33. INFORMASI SEGMENT

33. SEGMENTAL INFORMATION

Informasi segmen operasi Perseroan adalah sebagai berikut :

Operational segment information is as follows :

	31 Desember / December 2013				
	Beton / Concrete	Jasa / Service	Kantor Pusat / Head Office	Jumlah / Total	
Penjualan Bersih	2.621.766.673	21.957.761	-	2.643.724.434	Net Sales
Hasil					Income
Laba (rugi) usaha	333.640.090	2.562.875	-	336.202.966	Operating income (loss)
Penghasilan bunga	-	-	5.698.877	5.698.877	Interest income
Beban bunga	-	-	(9.319.016)	(9.319.016)	Interest expenses
Beban pajak penghasilan bersih	-	-	(87.315.397)	(87.315.397)	Income tax expenses - net
Penghasilan (beban) lain - lain bersih	-	-	(4.061.187)	(4.061.187)	Other income expenses - net
Laba (rugi) tahun berjalan	333.640.090	2.562.875	(94.996.723)	241.206.242	Income (loss) for the year
Informasi lainnya					Other information
Aset segmen	2.261.749.965	7.225.712	648.425.075	2.917.400.751	Segment assets
Liabilitas segmen	1.244.693.144	-	942.689.837	2.187.382.982	Segment liabilities
Perolehan Aset Tetap	454.305.244	-	-	454.305.244	Capital expenditures
Penyusutan	46.127.142	130.098	14.583.833	60.841.073	Depreciation

	31 Desember / December 2012				
	Beton / Concrete	Jasa / Service	Kantor Pusat / Head Office	Jumlah / Total	
Penjualan Bersih	2.017.241.145	13.355.686	-	2.030.596.831	Net Sales
Hasil					Income
Laba (rugi) usaha	262.146.619	3.305.248	(34.167.020)	231.284.847	Operating income (loss)
Penghasilan bunga	-	-	4.725.704	4.725.704	Interest income
Beban bunga	-	-	(2.826.016)	(2.826.016)	Interest expenses
Beban pajak penghasilan bersih	-	-	(54.312.954)	(54.312.954)	Income tax expenses - net
Penghasilan (beban) lain - lain bersih	(1.662.662)	-	2.159.192	496.529	Other income expenses - net
Laba (rugi) tahun berjalan	260.483.957	3.305.248	(84.421.094)	179.368.111	Income (loss) for the year
Informasi lainnya					Other information
Aset segmen	2.028.325.875	2.296.716	370.477.154	2.401.099.745	Segment assets
Liabilitas segmen	1.624.773.458	-	171.996.509	1.796.769.966	Segment liabilities
Perolehan Aset Tetap	143.483.638	-	30.766.471	174.250.109	Capital expenditures
Penyusutan	35.262.371	376.029	8.815.593	44.453.993	Depreciation

	31 Desember / December 2011				
	Beton / Concrete	Jasa / Service	Kantor Pusat / Head Office	Jumlah / Total	
Penjualan Bersih	1.619.653.898	15.432.633	-	1.635.086.530	Net Sales
Hasil					Income
Laba (rugi) usaha	205.078.836	1.226.761	(29.986.025)	176.319.572	Operating income (loss)
Penghasilan bunga	-	-	8.061.231	8.061.231	Interest income
Beban bunga	-	-	(1.850.654)	(1.850.654)	Interest expenses
Beban pajak penghasilan bersih	-	-	(45.342.464)	(45.342.464)	Income tax expenses - net
Penghasilan (beban) lain - lain bersih	(18.225.378)	-	25.460.601	7.235.223	Other income expenses - net
Laba (rugi) tahun berjalan	186.853.458	1.226.761	(43.657.312)	144.422.907	Income (loss) for the year
Informasi lainnya					Other information
Aset segmen	1.568.477.219	1.287.763	269.077.729	1.838.842.712	Segment assets
Liabilitas segmen	1.221.739.402	-	187.408.624	1.409.148.026	Segment liabilities
Perolehan Aset Tetap	152.396.888	-	9.841.957	162.238.845	Capital expenditures
Penyusutan	24.309.358	195.537	6.077.340	30.582.235	Depreciation

33. INFORMASI SEGMENT (Lanjutan)

33. SEGMENTAL INFORMATION (Continued)

Informasi segmen geografis Perseroan adalah sebagai berikut :

Geographic segment information is as follows :

	2013	2012	2011	
Pendapatan				Sales
Jawa	1.755.163.763	1.351.262.252	951.442.150	Java
Luar Jawa	888.560.671	679.334.579	683.644.380	Non - Java
Jumlah	2.643.724.434	2.030.596.831	1.635.086.530	Total
Laba Bersih				Net Income
Jawa	157.667.598	76.971.021	45.943.747	Java
Luar Jawa	83.538.644	102.397.090	98.479.160	Non - Java
Jumlah	241.206.242	179.368.111	144.422.907	Total
Total Asset				Assets total
Jawa	2.172.096.748	1.841.831.665	1.437.219.295	Java
Luar Jawa	745.304.004	559.268.080	401.623.416	Non - Java
Jumlah	2.917.400.751	2.401.099.745	1.838.842.712	Total

34. NILAI WAJAR ASET DAN LIABILITAS KEUANGAN

34. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Berikut ikhtisar nilai tercatat dan estimasi nilai wajar instrumen keuangan Perseroan yang dinyatakan dalam laporan posisi keuangan :

Here's an overview of the carrying value and estimated fair value of financial instruments are stated in the company's statement of financial position :

	2013	2012	2011	
Aset keuangan				Financial assets
Kas dan setara kas	413.026.822	340.319.362	225.719.987	Cash and Cash Equivalent
Piutang usaha	421.906.489	309.418.630	306.955.286	Account Receivables
Pendapatan akan diterima	27.516.701	48.857.472	5.351.891	Accrued Income
Biaya dibayar dimuka	143.423.312	179.430.997	107.924.088	Prepaid Expense
Jumlah	1.005.873.324	878.026.461	645.951.253	Total
Liabilitas keuangan				Financial liabilities
Pinjaman jangka pendek	172.519.354	19.491.685	15.856.502	Short-term loans
Utang usaha	325.099.905	421.000.057	333.231.242	Account Payables
Utang lain-lain	26.466.220	17.983.169	21.071.786	Other Payables
Pendapatan diterima dimuka	911.802.894	962.659.545	631.954.372	Unearned Revenue
Utang jangka panjang	3.788.349	-	-	Long - Term Payables
Jumlah	1.439.676.723	1.421.134.455	1.002.113.902	Total

Seluruh nilai tercatat instrumen keuangan mendekati nilai wajar dari instrumen keuangan tersebut. Berikut ini adalah metode dan asumsi yang digunakan dalam mengestimasi nilai wajar dari setiap golongan instrumen keuangan Perseroan :

The entire carrying value of financial instruments close to the fair value of financial instruments. Here is a method and assumptions used in estimating the fair value of each class of financial instrument :

Kas dan setara kas, piutang retensi dan biaya dibayar dimuka. Seluruh aset keuangan di atas merupakan aset keuangan jangka pendek yang akan jatuh tempo dalam waktu 12 bulan sehingga nilai tercatat aset keuangan tersebut telah mencerminkan nilai wajar dari aset keuangan tersebut.

Cash and cash equivalents, receivables and prepayments retention. The entire financial assets over the short-term financial assets that will mature in 12 months so that the carrying value of financial assets has been reflected in the fair value of financial assets.

Piutang usaha dan utang usaha dihitung berdasarkan nilai wajar dan diturunkan melalui akun penyisihan dan jumlah kerugian yang terjadi diakui pada laporan laba rugi.

Accounts receivable and accounts payable and calculated based on the fair value is derived through the allowance account and the amount of losses recognized in the income

Pinjaman jangka pendek, utang lain-lain, pendapatan diterima dimuka dan utang hubungan istimewa. Seluruh liabilitas keuangan tersebut merupakan liabilitas jangka pendek yang akan jatuh tempo dalam waktu 12 bulan sehingga nilai tercatat aset keuangan tersebut telah mencerminkan nilai wajar dari liabilitas keuangan.

Short-term loans, other payable, income received in advance and payable from related parties. The entire financial liability is a short-term obligations that will mature in 12 months so that the carrying value of financial assets has been reflected in the fair value of financial liabilities.

Utang jangka panjang merupakan utang sewa pembiayaan Entitas anak dengan jangka waktu sewa selama 3(tiga) tahun dan pengukuran nilai wajarnya berdasarkan nilai kontrak Entitas anak dengan pemberi sewa (lessor).

Long-term debt is a financing lease subsidiaries with a term of the lease for 3 (three) years and the measurement of fair value based on the value of the contract between subsidiaries with the lessor (the lessor).

35. REKLASIFIKASI AKUN

35. RECLASSIFICATION OF ACCOUNTS

Akun dalam laporan keuangan tanggal 31 Desember 2012 dan 2011 telah direklasifikasi agar sesuai dengan penyajian laporan keuangan 31 Desember 2013 dengan rincian sebagai berikut :

Account in the financial statements at December 31, 2012 and 2011 have been reclassification to the presentation of financial statements December 31, 2013 the details are as follows :

	2012	2011	
Sebelum Reklasifikasi			Before Reclassification
Utang lain - lain	1.471.823	8.943.589	Other Payables
Utang jangka panjang	16.511.345	12.128.197	Long - Term Payables
Reklasifikasi Akun	(16.511.345)	(12.128.197)	Account Reclassification
Setelah Reklasifikasi			After Reclassification
Utang lain - lain	17.983.169	21.071.786	Other Payables
Utang jangka panjang	-	-	Long - Term Payables

35. REKLASIFIKASI AKUN (Lanjutan)

Reklasifikasi akun disesuaikan karena utang tersebut merupakan utang terhadap induk perseroan yang telah dilakukan pembayaran pada tanggal 20 Januari 2014

36. PERIKATAN DAN KONTINGJENSI

- a. PT Inti Sumber Bajasakti
Untuk memenuhi kebutuhan bahan baku utama, perseroan mengadakan perjanjian jual beli Besi Beton dengan PT Inti Sumber Bajasakti. Perjanjian tersebut berlaku sejak 26 Maret 2013 sampai dengan 30 September 2013, pembayaran uang muka sebesar 20% dari total harga sebesar Rp.14.100.000 diluar PPN 10% dan pembayaran selanjutnya sebesar 80% setelah berkas tagihan yang lengkap dan benar diterima oleh Perseroan. Realisasi pada perjanjian tersebut telah 100%. Perjanjian tersebut diperpanjang dari tanggal 29 Nopember 2013 sampai dengan 31 Mei 2014. sesuai dengan rencana produksi dengan total harga sebesar Rp 18.437.500 diluar PPN 10% dengan nilai realisasi sebesar Rp 5.616.812. Sanksi-sanksi terkait yaitu pihak kesatu berhak menolak barang, apabila pihak kedua mengirimkan barang tidak sesuai dengan spesifikasi yang ditentukan dalam perjanjian
- b. PT Sinar Indah Perkasa
Untuk memenuhi kebutuhan bahan baku utama, Perseroan mengadakan perjanjian jual beli semen dengan PT Sinar Indah Perkasa. Untuk volume tonase semen berdasarkan kebutuhan dan rencana produksi, Pembayaran dilakukan 30 (tigapuluh) hari setelah pengiriman barang dan bukti tagihan lengkap. Perjanjian tersebut berlaku dari tanggal 4 Februari sampai dengan 31 Desember 2013, dan akan diperpanjang sesuai dengan kebutuhan atau rencana produksi serta negosiasi harga terbaru. Nilai realisasi per 31 Desember 2013 sebesar Rp 280.763.670
- c. PT Perusahaan Gas Negara (Persero) Tbk
Perusahaan melakukan perjanjian jual beli Gas dengan PT Perusahaan Gas Negara (Persero) Tbk, untuk memenuhi kebutuhan gas di pabrik Pasuruan, pabrik Bogor dan pabrik Jatiwangi, untuk mendukung operasional Perusahaan. Perjanjian tersebut berlaku mulai tanggal 1 April 2013 sampai dengan 31 Maret 2018, dan terus dilakukan perpanjangan, pemakaian minimum gas 10.000 m3/ bulan sedangkan pemakaian maksimum: 50.000 m3/bulan.

37. KEBIJAKAN MANAJEMEN RESIKO

Berbagai aktivitas yang dilakukan membuat Perseroan terekspos terhadap berbagai resiko keuangan, termasuk dampak nilai tukar mata uang asing, tingkat harga komoditas dan tingkat suku bunga. Program manajemen resiko keseluruhan yang dimiliki Perseroan ditujukan untuk menghadapi ketidakpastian harga komoditas dan untuk meminimalkan dampak yang tidak diharapkan pada kinerja keuangan Perseroan.

Manajemen resiko dijalankan oleh Dewan Direksi Perseroan. Dewan Direksi melakukan identifikasi, evaluasi dan lindung nilai terhadap resiko-resiko keuangan, apabila dianggap perlu. Komite menentukan prinsip manajemen resiko secara keseluruhan, termasuk resiko pasar, kredit dan likuiditas.

- a. Resiko pasar
Resiko pasar adalah resiko nilai wajar arus kas masa depan suatu instrumen keuangan akan berfluktuasi karena perubahan harga pasar. Resiko pasar mengandung 3 tipe resiko : resiko harga, resiko tingkat suku bunga dan resiko nilai mata uang asing. Instrumen keuangan yang terpengaruh oleh resiko pasar termasuk kas dan setara kas piutang usaha, utang usaha.
1. Resiko harga
Resiko harga adalah resiko fluktuasi nilai instrumen keuangan sebagai akibat perubahan harga pasar terlepas dari apakah perubahan tersebut disebabkan oleh faktor-faktor spesifik dari instrumen individual atau penerbitnya faktor-faktor yang mempengaruhi seluruh instrumen yang diperdagangkan dipasar. persero perseroan terkena dampak resiko harga yang terutama diakibatkan oleh pembelian bahan baku yang merupakan komponen utama biaya produksi, harga bahan baku tersebut dipengaruhi oleh beberapa faktor antara lain permintaan, pasokannya, dan nilai tukar. Dampak resiko harga tersebut mengakibatkan kenaikan biaya produksi. Perseroan tidak serta merta dapat mengalihkan kenaikan harga tersebut kepada pelanggannya.

35. RECLASSIFICATION OF ACCOUNTS (Continued)

Adjusted reclassification of accounts its debt to parent company, has made payments on January 20, 2014

36. AGREEMENTS AND CONTINGENCY

- a. PT Inti Sumber Bajasakti
The needs of key materials, the company entered into a purchase agreement with PT Inti Sumber Bajasakti. The agreement in effect since March 26, 2013 to September 30, 2013, advance payment of 20% of the total price of Rp 14.100.000 beyond 10% VAT and subsequent payment by 80% after the bill file complete and acceptable by the Company. The realization of agreement has been 100%. The agreement was extended from November 29, 2013 until May 31, 2014, according to the production planning with total price of Rp 18.437.500 beyond 10% VAT with realized value amounted Rp 5.616.812. Sanctions related party unity is entitled to reject the goods, if the second party does not deliver the goods in accordance with the specifications prescribed in the agreement.
- b. PT Sinar Indah Perkasa
To meet the needs of key raw materials, the company entered into a purchase agreement with PT Sinar Indah Perkasa. For volume tons cement based on requirements and production of the factory, payment is made 30 (thirty) days after delivery of the goods and evidence of the complete bill, agreement is valid from February 4 to December 31, 2013, and will be extended in accordance with the requirements or production plans as well as the latest price negotiations. Realizable value as December 31, 2013 amounted Rp 280.763.670
- c. PT Perusahaan Gas Negara (Persero) Tbk
Company made a purchase agreement with PT Perseroan Gas Negara (Persero) Tbk, to meet the needs of the gas at the factory, Pasuruan, Bogor and Jatiwangi, to support the operation of the Company. The agreement entered into force on April 01, 2013 until March 31, 2018, and continues to do an extension, the minimum usage 10,000 m3 of gas per / month while the maximum usage: 50,000 m3/month.

37. RISK MANAGEMENT POLICY

The various activities undertaken to the Company is exposed to various financial risks, including the impact of foreign currency exchange rates, commodity prices and the level of interest rates. Overall risk management program aimed at the Company's commodity price uncertainty and to minimize the adverse impact is expected on the Company's financial performance.

Risk management is run by a Board of Directors of the Company. Board of Directors of the identification, evaluation and hedging of financial risks, if deemed necessary. The Committee determines the overall risk management principles, including market risk, credit and liquidity.

- a. Market risk
Market risk is the risk of the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk contains three types of risk : price risk, interest rate risk and foreign currency risk. Financial instruments affected by market risk include cash and cash equivalents accounts receivable, accounts payable.
1. Price risk
Price risk is the risk of fluctuations in the value of financial instruments as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer faktor2 that affect all instruments which are traded in the market. state-owned companies affected by price risk which is mainly due to the purchase of raw materials is a major component of production costs, the price of raw materials is influenced by several factors such as demand, pasokannya, and the exchange rate. The impact of price risks result in increased production costs. The company does not necessarily able to divert these price increases to its customers.

37. KEBIJAKAN MANAJEMEN RESIKO (Lanjutan)

37. RISK MANAGEMENT POLICY (Continued)

2. Risiko Suku Bunga

Risiko suku bunga atas arus kas merupakan suatu risiko dimana arus kas masa datang suatu instrumen keuangan akan berfluktuasi akibat perubahan suku bunga pasar. Eksposur yang ada saat ini terutama berasal dari utang bank yang digunakan untuk modal kerja dan investasi. Kebijakan yang diambil oleh manajemen dalam mengantisipasi risiko suku bunga yaitu dengan mengevaluasi secara periodik perbandingan suku bunga tetap terhadap suku bunga mengambang sejalan dengan perubahan suku bunga yang relevan di pasar. Manajemen juga melakukan survey diperbankan untuk mendapatkan perkiraan mengenai suku bunga yang relevan.

Profil pinjaman Perseroan adalah sebagai berikut :

	2013	2012
Pinjaman dengan suku bunga tetap	366.000.000	-
Pinjaman dengan suku bunga mengambang	172.519.354	19.491.685
	<u>538.519.354</u>	<u>19.491.685</u>

Dampak fluktuasi suku bunga 100 basis poin terhadap laba setelah pajak dengan semua variabel lain tetap :

	2013	2012
Naik 100 bps	(5.385.194)	(194.917)
Turun 100 bps	5.385.194	194.917

3. Risiko Nilai Mata Uang Asing

Risiko nilai tukar mata uang asing adalah risiko perubahan nilai wajar arus kas dimasa datang dari suatu instrumen keuangan yang berfluktuasi akibat perubahan nilai tukar mata uang asing yang digunakan oleh Perseroan. Eksposur Perseroan terhadap fluktuasi nilai tukar terutama berasal dari utang pengadaan barang dan jasa dalam mata uang USD, EUR dan SGD.

Dalam hal transaksi valuta asing yang terkait dengan pengadaan barang dan jasa untuk, Pembelian peralatan produksi terkait produksi barang jadi beton. Perseroan mengelola risiko valuta USD, EUR dan SGD dengan menetapkan sebagai lindung nilai arus kas menggunakan instrumen keuangan non derivatif melalui pembelian spot mata uang asing.

Berikut ini adalah analisis sensitivitas efek 5% perubahan kurs nilai mata uang asing terhadap laba setelah pajak dengan semua variabel lain dianggap tetap :

	2013	2012
Kenaikan 5%	(1.622.995)	(4.097.461)
Penurunan 5%	1.622.995	4.097.461

b. Risiko Kredit

Risiko kredit adalah risiko kerugian yang dihadapi Perseroan sebagai akibat wanprestasi dari pihak ketiga. Pihak ketiga yang dimaksud yaitu pelanggan dan pihak lawan yang gagal memenuhi kewajiban kontraktual mereka. Kebijakan manajemen dalam mengantisipasi risiko kredit yang timbul dari pelanggan adalah sebagai berikut :

1. Perseroan hanya akan melakukan hubungan usaha dengan pihak ketiga yang diakui, kredibel dan bankable
2. Mempunyai kebijakan untuk penjualan kredit dan semua pihak ketiga yang akan melakukan perdagangan secara kredit harus melalui prosedur verifikasi kredit.
3. Meminta kepada pihak ketiga yang akan melakukan perdagangan kredit dengan Perseroan untuk memberikan jaminan berupa aset tetap, deposito berjangka atau bank garansi.

Perseroan meminimalkan risiko kredit aset keuangan seperti kas setara kas dengan mempertahankan saldo kas minimum dan memilih bank yang berkualitas untuk penempatan dana. Eksposur maksimum risiko kredit adalah sebesar nilai tercatat sebagaimana di ungkapkan pada Catatan 3 dan 4. Tidak ada risiko kredit yang terpusat secara signifikan.

	2013	2012
Piutang usaha	457.239.330	344.749.305
Penyisihan kerugian penurunan nilai	(35.332.841)	(35.330.676)
	<u>421.906.489</u>	<u>309.418.630</u>

2. Interest Rate Risk

Interest rate risk of the cash flows is a risk that the future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Eksposure current mainly comes from bank loans which are used for working capital and investment. Measures taken by management in anticipation of interest rate risk is to evaluate periodically the ratio of fixed rate floating rate in line with the change in relevant interest rates in the market. Management also conducted a survey diperbankan to get an estimate of the relevant interest rates.

The Company's loan profile is as follows :

	2011
Loans with fixed interest rates	-
Loan with floating interest rate	15.856.502
	<u>15.856.502</u>

Effect of interest rates fluctuation of 100 basis points to income after tax with all other variables constant :

	2011
Increase 100 bps	(158.565)
Decrease 100 bps	158.565

3. Foreign Currency Risk

The risk of foreign currency exchange rate is the risk of changes in fair value of future cash flows of a financial instrument fluctuate due to changes in foreign currency exchange rates used by the Company. The Company's exposure to exchange rate fluctuations primarily derived from procurement of debt denominated in USD, EUR and SGD.

In the case of foreign exchange transactions relating to the procurement of goods and services to, purchase of equipment related to the production of finished goods production of concrete. The Company manages the risk of currency USD and EUR to define as cash flow hedges using derivative financial instruments through spot purchase of foreign currency.

Sensitivity analysis of the 5% fluctuation in the foreign exchange rates to profit after tax with other variance considered as constant is as follow :

	2011
Increase 5%	(3.947.696)
Decreases 5%	3.947.696

b. Credit risk

Credit risk is the risk that the Company will incur a loss from defaulted third parties. Third parties are referred to the customers and counter parties that fail to discharge their contractual obligations. Management policies in anticipation of this credit risk arise from the Customer are as follows :

1. The Company will only do business relationships with third parties who are recognized, credible and bankable.
2. Have a policy for credit sales and all third parties who will make credit trade have to go through credit verification procedures.
3. Request to third parties who will do the credit trade with the Company to provide collateral in the form of fixed assets, time deposit or bank guarantee.

The Company minimize credit risks financial assets such as cash and cash equivalent by maintaining minimum cash balance and select qualified bank for the placement of funds. The maximum exposure to the credit risk is represented by the carrying amount as shown in Notes 3 and 4. There is no significant concentration of credit risk.

	2011
Trade receivables	347.359.372
Allowances for impairment	(40.404.086)
	<u>306.955.287</u>

37. KEBIJAKAN MANAJEMEN RESIKO (Lanjutan)

- c. Risiko Likuiditas
Risiko likuiditas adalah suatu risiko yang dapat terjadi dimana pendapatan jangka pendek tidak dapat menutupi pengeluaran jangka pendek.

Mengingat bahwa kebutuhan dana Perseroan saat ini cukup signifikan sebagai akibat dari meningkatnya aktivitas pengembangan atau perluasan bisnis, maka dalam mengelola risiko likuiditas, Perseroan terus menerus memantau dan menjaga tingkat kas dan setara kas agar memadai untuk membiayai kebutuhan operasional Perseroan.

Selain itu, Perseroan juga secara rutin mengevaluasi proyeksi arus kas untuk mengatasi dampak dari fluktuasi arus kas, termasuk jadwal jatuh tempo liabilitas jangka panjang dan terus menelaah kondisi pasar keuangan untuk inisiatif penempatan dan penggalangan dana yang meliputi pinjaman.

Tabel berikut ini menunjukkan profil jangka waktu pembayaran liabilitas Perseroan berdasarkan pembayaran dalam kontrak.

	< 1 Tahun/ < 1 Year	1 - 2 Tahun/ 1 - 2 Year	2 - 3 Tahun/ 2 - 3 Year	> 3 Tahun/ > 3 Year	Jumlah/ Total
Utang usaha	325.099.905	-	-	-	325.099.905
Utang lain-lain	26.466.220	-	-	-	26.466.220
Utang jangka panjang	1.236.158	2.552.191	-	-	3.788.349
	352.802.283	2.552.191	-	-	355.354.474

- d. Pengelolaan modal
Tujuan utama pengelolaan modal Perseroan adalah untuk memastikan pemeliharaan rasio modal yang sehat untuk mendukung usaha dan memaksimalkan imbalan bagi pemegang saham.

Perseroan disyaratkan untuk memelihara tingkat permodalan tertentu oleh perjanjian pinjaman. Persyaratan permodalan eksternal tersebut telah dipenuhi oleh entitas terkait pada tanggal 31 Desember 2013, 31 Desember 2012 dan 2011. Selain itu, Perseroan juga dipersyaratkan oleh Undang-undang No. 40 Tahun 2007 tentang Perseroan Terbatas, efektif sejak tanggal 16 Agustus 2007, untuk mengalokasikan sampai dengan 20% dari modal saham diterbitkan dan dibayar penuh ke dalam dana cadangan yang tidak boleh didistribusikan. Persyaratan permodalan eksternal tersebut telah dipertimbangkan oleh Perseroan serta telah diputuskan pada Rapat Umum Pemegang Saham (RUPS).

Perseroan mengelola struktur permodalan dan melakukan penyesuaian, bila diperlukan, berdasarkan perubahan kondisi ekonomi. Untuk memelihara dan menyesuaikan struktur permodalan, Perseroan dapat menyesuaikan pembayaran dividen kepada pemegang saham, atau mengusahakan pendanaan melalui pinjaman. Tidak ada perubahan atas tujuan, kebijakan maupun proses selama periode yang berakhir pada tanggal 31 Desember 2013, 31 Desember 2012.

Perseroan mengawasi modal dengan menggunakan rasio pengungkit (*gearing ratio*), dengan membagi total pinjaman berdampak bunga dengan total ekuitas yang dapat diatribusikan kepada pemilik entitas induk. Kebijakan Perseroan adalah menjaga rasio pengungkit dalam kisaran dari perseroan terkemuka di Indonesia untuk mengamankan akses terhadap pendanaan pada biaya yang rasional. Termasuk dalam total pinjaman berdampak bunga adalah pinjaman bank jangka pendek, pinjaman bank jangka panjang, dan liabilitas sewa pembiayaan.

Rasio pengungkit pada tanggal 31 Desember 2013, 31 Desember 2012 dan 2011 adalah sebagai berikut :

	2013	2012	2011
Pinjaman Jangka Pendek	172.519.354	19.491.685	15.856.502
Pinjaman Jangka Panjang	369.788.349	-	-
Jumlah	542.307.703	19.491.685	15.856.502
Jumlah ekuitas	730.017.770	604.329.779	429.694.686
Rasio Gearing	0,74	0,03	0,04

37. RISK MANAGEMENT POLICY (Continued)

- c. Liquidity risk
Liquidity risk is a risk that occurs when short-term revenue cannot cover short-term expenditure.

Given that funding requirements of the Company are currently significant as a result of increased activity of development or expansion of business, then in managing liquidity risk, the Company continue to monitor and maintain levels of adequacy of cash and cash equivalents to finance the operational needs of the Company.

In addition, the Company also regularly evaluate cash flow projections and actual cash to cope with the impact of fluctuations in cash flow, including the maturity schedule of long-term liabilities and continue to examine the condition of financial markets to placement and fund-raising initiatives.

The table below summarizes the maturity profile of the Company financial liabilities based on contractual payments.

- d. Capital Management
The primary objective of the Company capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximize shareholder value.

The Company are required under their respective loan agreements to maintain the level of existing share capital. This externally imposed capital requirement has been complied with by the relevant entities as of December 31, 2013, December 31, 2012 and 2011. In addition, the Company are also required by the Law No. 40 Year 2007 regarding Limited Liability Entities, effective August 16, 2007, to allocate and maintain a non-distributable reserve fund until the said reserve reaches 20% of the issued and fully paid share capital. This externally imposed capital requirements are considered by the Company decided at the Annual General Meeting of Shareholders (RUPS).

The Company manage their capital structure and makes adjustments to it, if necessary, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, issue new shares or raise debt financing. No changes were made in the objectives, policies or processes during the period ended December 31, 2013, December 31, 2012 and 2011.

The Company monitors its capital using gearing ratios, by dividing interest bearing loan to total equity attributable to equity holders of the parent entity. The Company's policy is to maintain its gearing ratio within the range of gearing ratios of the leading companies in Indonesia in order to secure access to finance at a reasonable cost. Including in interest bearing loan are short-term bank loans and long-term bank loans, and finance lease liabilities.

The gearing ratios as of December 31, 2013, December 31, 2012 and 2011 are as follow :

Bank Loans
Finance Lease liabilities
Total
Total Equity
Gearing ratio

38. AKTIVITAS YANG TIDAK MEMPENGARUHI ARUS KAS

Informasi pendukung laporan arus kas konsolidasian sehubungan dengan aktivitas yang tidak mempengaruhi arus kas adalah sebagai berikut :

	2013	2012	2011
Perolehan aset melalui sewa pembiayaan	3.996.765	-	-

38. NON - CASH ACTIVITIES

Supplementary information to the consolidated statements of cash flows relating to non-cash activities is as follows :

Acquisition of assets under finance leases

39. PERISTIWA SETELAH TANGGAL PELAPORAN

Berdasarkan Keputusan Pemegang Saham Diluar Rapat No MJ.01.01/WB-0A.005/2014 Tanggal 7 Januari 2014 dan salinan Akta No 03 Tanggal 8 Januari 2014 yang dibuat oleh notaris Mochamad Nova Faisal, SH., M.Kn berkedudukan di Jakarta Selatan dan ditetapkan oleh Keputusan Menteri Hukum dan HAM Indonesia No: AHU-01257.AH.01.02 Tanggal 9 Januari 2014 menyetujui perubahan anggaran dasar PT WIJAYA KARYA BETON menjadi PT WIJAYA KARYA BETON Tbk.

39. EVENTS AFTER THE REPORTING PERIOD

Based Decision Outside Shareholders Meeting No. MJ.01.01/WB-0A.005/2014 Dated January 7, 2014 and a copy of the Deed No. 03 Date January 8, 2014 made by Mochamad Nova Faisal, SH., M.Kn located in South Jakarta established by Decree No. Menteri Hukum dan HAM Indonesia: AHU-01257.AH.01.02 Date January 9, 2014 approved the change of the articles of association of PT WIJAYA KARYA BETON into PT WIJAYA KARYA BETON Tbk.

**LAMPIRAN /
ATTACHMENT**

Lampiran : a

PT WIJAYA KARYA BETON
ENTITAS INDUK SAJA
LAPORAN POSISI KEUANGAN

Tanggal 31 Desember 2013, 2012 dan 2011
(Dinyatakan dalam Rupiah, kecuali dinyatakan lain)

Attachment : a

PT WIJAYA KARYA BETON
PARENT ENTITY ONLY

STATEMENT OF FINANCIAL POSITION
As of December 31, 2013, 2012 and 2011
(Expressed in Rupiah, unless otherwise stated)

	2013	2012	2011	
ASET				ASSETS
ASET LANCAR				CURRENT ASSETS
Kas dan Setara Kas	406.771.214	292.938.989	225.719.987	Cash and Cash Equivalent
Piutang Usaha				Account Receivables
(setelah dikurangi akumulasi penurunan nilai piutang sebesar Rp 35.332.841, Rp 35.330.676 dan Rp 40.404.086 Per 31 Desember 2013, 2012 dan 2011)				(Net off accumulated allowance for impairment of Rp 35.332.841, Rp 35.330.676 and Rp 40.404.086 as of December 31, 2013, 2012 and 2011)
Pihak Berelasi	200.925.807	186.188.590	152.972.801	Related Parties
Pihak Ketiga	222.288.921	123.230.040	153.982.485	Third Parties
Pendapatan Akan Diterima	27.516.701	48.857.472	5.351.891	Accrued Income
Piutang Lain-Lain	1.847.897	525.480	501.608	Other Receivables
Pajak Dibayar Dimuka	24.390.601	20.440.383	28.736.105	Tax Prepaid
Persediaan	845.302.269	881.216.572	704.070.171	Inventories
Uang Muka	5.452.672	8.102.876	12.681.698	Advance
Biaya Dibayar Dimuka	143.423.312	179.430.997	107.924.088	Prepaid Expense
Jumlah Aset Lancar	1.877.919.395	1.740.931.399	1.391.940.834	Total Current Assets
ASET TIDAK LANCAR				NON - CURRENT ASSETS
Investasi Pada Entitas Anak	56.185.000	47.685.000	-	Investasi in Subsidiaries
Aset Pajak Tangguhan	4.832.397	18.814.653	13.558.036	Deferred Tax Assets
Properti Investasi	3.487.123	3.700.000	3.700.000	Investment Property
Aset Tetap				Fixed Assets
(setelah dikurangi akumulasi penyusutan sebesar Rp 260.510.895, Rp 199.887.964 dan Rp 155.437.021 Per 31 Desember 2013, 2012 dan 2011)				(Net off accumulated depreciation to Rp 260.510.895, Rp 199.887.964 and Rp 155.437.021 as December 31, 2013, 2012 and 2011)
	917.611.168	548.543.910	429.643.841	
Jumlah Aset Tidak Lancar	982.115.688	618.743.563	446.901.877	Total Non - Current Assets
JUMLAH ASET	2.860.035.083	2.359.674.962	1.838.842.712	TOTAL ASSETS

Lampiran : a

**PT WIJAYA KARYA BETON
ENTITAS INDUK SAJA
LAPORAN POSISI KEUANGAN**

Tanggal 31 Desember 2013, 2012 dan 2011
(Dinyatakan dalam Rupiah, kecuali dinyatakan lain)

Attachment : a

**PT WIJAYA KARYA BETON
PARENT ENTITY ONLY**

STATEMENT OF FINANCIAL POSITION
As of December 31, 2013, 2012 and 2011
(Expressed in Rupiah, unless otherwise stated)

	2013	2012	2011	
LIABILITAS DAN EKUITAS				LIABILITIES AND EQUITY
LIABILITAS JANGKA PENDEK				CURRENT LIABILITIES
Pinjaman Jangka Pendek	172.519.354	19.491.685	15.856.502	Short Term Loans
Utang Usaha				Trade Payable
Pihak Berelasi	16.604.949	33.119.830	7.177.381	Related Parties
Pihak Ketiga	298.130.282	387.717.117	326.053.861	Third Parties
Utang Pajak	24.303.676	43.375.805	38.582.889	Tax Payable
Uang Muka Diterima	78.456.443	35.407.103	50.315.332	Advances Received
Pendapatan Diterima Dimuka	911.802.894	962.659.545	631.954.372	Unearned Revenue
Biaya Yang Masih Harus Dibayar	253.987.270	277.627.463	311.891.791	Accrued Expenses
Utang Lain-lain	26.466.220	17.983.169	21.071.786	Others Payable
Jumlah Liabilitas Jangka Pendek	1.782.271.090	1.777.381.717	1.402.903.914	Total Current Liabilities
LIABILITAS JANGKA PANJANG				NON - CURRENT LIABILITIES
Utang Medium Term Notes	366.000.000	-	-	Medium Term Notes Payable
Liabilitas Imbalan Pasca Kerja	24.482.713	18.754.490	6.244.112	Employee Benefits Liabilities
Jumlah Kewajiban Jangka Panjang	390.482.713	18.754.490	6.244.112	Total Non - Current Liabilities
JUMLAH LIABILITAS	2.172.753.803	1.796.136.207	1.409.148.026	TOTAL LIABILITIES
EKUITAS				EQUITY
Modal Saham				Share Capital
Modal Dasar 26.680.000.000 saham, nilai nominal Rp 100 (Rupiah penuh) per saham. Modal ditempatkan dan disetor 6.670.000.000 saham				Authorized Capital 26.680.000.000 shares, par value of Rp 100 (full amount) per share. Issued and paid up capital are 6.670.000.000
Modal Dasar 4.600.000.000 saham, nilai nominal Rp 100 (Rupiah penuh) per saham. Modal ditempatkan dan disetor 1.150.000.000 saham	667.000.000	115.000.000	115.000.000	Authorized Capital 4,600,000,000 shares, par value of Rp 100 (full amount) per share. Issued and paid up capital are 1.150.000.000
Saham Diperoleh Kembali	(58.246.193)	-	-	Treasury Stock
Saldo Laba				Retained Earnings
Ditentukan Penggunaannya	23.245.163	106.894.828	78.010.247	Appropriated
Belum Ditentukan Penggunaannya	55.282.310	341.643.927	236.684.439	Unappropriated
Jumlah Ekuitas	687.281.280	563.538.755	429.694.686	Total Equity
JUMLAH LIABILITAS DAN EKUITAS	2.860.035.083	2.359.674.962	1.838.842.712	TOTAL LIABILITIES AND EQUITY

Lampiran : b

PT WIJAYA KARYA BETON
ENTITAS INDUK SAJA
LAPORAN LABA RUGI KOMPREHENSIF

Untuk Tahun - Tahun Yang Berakhir Tanggal 31 Desember 2013, 2012 dan 2011
(Dinyatakan dalam Rupiah, kecuali dinyatakan lain)

Attachment : b

PT WIJAYA KARYA BETON
PARENT ENTITY ONLY

STATEMENT OF COMPREHENSIVE INCOME
For The Years Ended December 31, 2013, 2012 and 2011
(Expressed in Rupiah, unless otherwise stated)

	2013	2012	2011	
PENDAPATAN USAHA	2.644.700.178	2.030.596.831	1.635.086.530	REVENUES
BEAN POKOK PENJUALAN	(2.256.724.471)	(1.765.144.964)	(1.428.780.933)	COST OF SALES
LABA KOTOR	387.975.707	265.451.867	206.305.597	GROSS PROFIT
BEAN USAHA				OPERATING EXPENSES
Beban Umum dan Administrasi	(42.731.895)	(30.624.343)	(26.784.986)	General and Administrative Expenses
Beban Pengembangan	(1.814.305)	(1.446.494)	(1.936.288)	Business development expenses
Beban Pemasaran	(1.866.075)	(1.444.950)	(1.264.751)	Marketing Expenses
Jumlah Beban Usaha	(46.412.275)	(33.515.787)	(29.986.025)	Total Operating Expenses
LABA USAHA	341.563.432	231.936.079	176.319.572	OPERATING INCOME
PENDAPATAN (BEAN) LAIN-LAIN				OTHER INCOME (EXPENSE)
Pendapatan (Beban) Bunga	(4.806.718)	333.556	6.210.577	Interest (Expense) Income
Beban persisihan piutang	(1.118.390)	(1.168.662)	(18.225.378)	Allowance of Impairment
Selisih Kurs	(5.290.691)	(5.794.765)	9.459.569	Foreign Exchange
Lain-lain	2.534.607	13.399.119	16.001.031	Others - Net
Jumlah Pendapatan (Beban) Lain-Lain	(8.681.192)	6.769.248	13.445.799	Total Other - Net Income (Expense)
LABA SEBELUM PAJAK PENGHASILAN	332.882.240	238.705.327	189.765.371	PROFIT BEFORE INCOME TAX
Beban Pajak Penghasilan	(88.271.464)	(54.313.240)	(45.342.464)	Total Income Tax
LABA BERSIH	244.610.776	184.392.087	144.422.907	NET INCOME
PENDAPATAN KOMPREHENSIF LAIN	-	-	-	OTHER COMPREHENSIVE INCOME
LABA KOMPREHENSIF	244.610.776	184.392.087	144.422.907	COMPREHENSIVE INCOME

Lampiran : c

**PT WIJAYA KARYA BETON
ENTITAS INDUK SAJA
LAPORAN PERUBAHAN EKUITAS**

Untuk Tahun - Tahun Yang Berakhir Tanggal 31 Desember 2013, 2012 dan 2011
(Dinyatakan dalam Rupiah, kecuali dinyatakan lain)

Attachment : c
**PT WIJAYA KARYA BETON
PARENT ENTITY ONLY
STATEMENT OF CHANGES IN EQUITIES**
For The Years Ended December 31, 2013, 2012 and 2011
(Expressed in Rupiah, unless otherwise stated)

	Saldo Laba / Retained Earnings		Modal Ditempatkan dan Disetor / Issued and Paid up Capital	Belum Ditetapkan / Penggunaan		Saham Diperoleh Kembali / Treasury Stock	Jumlah Ekuitas / Total Equity
	Ditetapkan / Penggunaan	Appropriated		Penggunaan	Unappropriated		
SALDO PER 1 JANUARI 2011	78.010.247	78.010.247	115.000.000	129.091.054	129.091.054	-	322.101.301
Dividen WIKA	-	-	-	(28.874.345)	(28.874.345)	-	(28.874.345)
Dividen KKMS	-	-	-	(7.480.076)	(7.480.076)	-	(7.480.076)
Dividen Yayasan Wijaya Karya	-	-	-	(475.101)	(475.101)	-	(475.101)
Laba Bersih Komprehensif	-	-	-	144.422.907	144.422.907	-	144.422.907
SALDO PER 31 DESEMBER 2011	78.010.247	78.010.247	115.000.000	236.684.439	236.684.439	-	429.694.686
Dividen WIKA	-	-	-	(39.629.646)	(39.629.646)	-	(39.629.646)
Dividen KKMS	-	-	-	(652.069)	(652.069)	-	(652.069)
Dividen Yayasan Wijaya Karya	-	-	-	(10.266.302)	(10.266.302)	-	(10.266.302)
Telah Ditetapkan Penggunaannya	-	28.884.581	-	(28.884.581)	(28.884.581)	-	-
Laba Bersih Komprehensif	-	-	-	184.392.087	184.392.087	-	184.392.087
SALDO PER 31 DESEMBER 2012	106.894.828	106.894.828	115.000.000	341.643.927	341.643.927	-	563.538.756
Kapitalisasi Dividen Saham	-	-	552.000.000	(468.350.335)	(468.350.335)	-	-
Saham Diperoleh Kembali	(83.649.665)	(83.649.665)	-	-	-	(58.246.193)	(58.246.193)
Dividen WIKA	-	-	-	(49.095.694)	(49.095.694)	-	(49.095.694)
Dividen KKMS	-	-	-	(12.718.540)	(12.718.540)	-	(12.718.540)
Dividen Yayasan Wijaya Karya	-	-	-	(807.825)	(807.825)	-	(807.825)
Laba Bersih Komprehensif	-	-	-	244.610.776	244.610.776	-	244.610.776
SALDO PER 31 DESEMBER 2013	23.245.163	23.245.163	667.000.000	55.282.310	55.282.310	(58.246.193)	687.281.280

Lampiran : d

PT WIJAYA KARYA BETON
ENTITAS INDUK SAJA
LAPORAN ARUS KAS

Untuk Tahun - Tahun Yang Berakhir Tanggal 31 Desember 2013, 2012 dan 2011.
(Dinyatakan dalam Rupiah, kecuali dinyatakan lain)

Attachment : d

PT WIJAYA KARYA BETON
PARENT ENTITY ONLY
STATEMENT OF CASH FLOW

For The Years Ended December 31, 2013, 2012 and 2011.
(Expressed in Rupiah, unless otherwise stated)

	Catatan/ Notes	2013	2012	2011	
ARUS KAS DARI					CASH FLOWS FROM
AKTIVITAS OPERASI					OPERATING ACTIVITIES
Penerimaan Kas dari Pelanggan		2.716.664.365	2.465.167.985	1.609.038.013	Received from Customers
Pembayaran Kepada Pemasok		(2.263.346.482)	(1.875.820.905)	(1.288.327.944)	Payment to Suppliers
Pembayaran Kepada Direksi dan Karyawan		(88.095.985)	(57.535.920)	(46.274.002)	Payment for Director and Employee
Pembayaran Pajak Penghasilan		(117.173.275)	(151.754.057)	(108.229.440)	Payment of Income Tax
Penerimaan Bunga		5.429.578	3.564.696	10.663.356	Interest Received
Pembayaran Bunga		(10.661.219)	(1.838.016)	(1.172.654)	Interest Paid
Pembayaran Operasi Lainnya		(106.496.700)	(82.053.307)	(40.537.698)	Payment of Others Operating
Kas Bersih Diperoleh dari					Net Cash Provided by (Used for)
(Digunakan untuk) Aktivitas Operasi		136.320.282	299.730.477	135.159.632	Operational Activities
ARUS KAS DARI					CASH FLOWS FROM
AKTIVITAS INVESTASI					INVESTING ACTIVITIES
Pembelian Aset Tetap		(412.147.475)	(174.485.288)	(162.238.845)	Acquisition of Fixed Assets
Penjualan Aset Tetap		-	40.472.733	-	Disposal of Fixed Assets
Penempatan Saham Perusahaan Anak		(8.500.000)	(47.685.000)	-	Investment in Subsidiaries Company
Kas Bersih Diperoleh dari					Net Cash Provided by (Used for)
(Digunakan untuk) Aktivitas Investasi		(420.647.475)	(181.697.555)	(162.238.845)	Investasi Activities
ARUS KAS DARI					CASH FLOWS FROM
AKTIVITAS PENDANAAN					FINANCING ACTIVITIES
Penerimaan Pinjaman Bank	12	439.213.003	77.895.583	72.180.373	Receipt of Bank Loans
Pembayaran Pinjaman Bank	12	(286.185.333)	(76.260.400)	(67.491.708)	Payment of Bank Loans
Pelunasan Pinjaman dari Pihak Berelasi		-	(1.901.085)	(2.000.000)	Payment of Loans from Related Parties
Penerimaan dari Medium Term Notes	21	366.000.000	-	-	Received from Medium Term Notes
Perolehan Saham Kembali		(58.246.193)	-	-	Treasury Stock
Pembayaran Dividen	24				Payment of Dividend
Pemilik Entitas Induk		(49.095.694)	(39.629.646)	(28.874.345)	Parents Entity
Kepentingan Non Pengendali		(13.526.365)	(10.918.372)	(7.955.177)	Non Controlling Interest
Kas Bersih Diperoleh dari					Net Cash Provided by (Used for)
(Digunakan untuk) Aktivitas Pendanaan		398.159.418	(50.813.920)	(34.140.857)	Financing Activities
KENAIKAN (PENURUNAN) BERSIH					INCREASE (DECREASE) OF NET
KAS DAN SETARA KAS		113.832.225	67.219.002	(61.220.070)	CASH AND CASH EQUIVALENT
SALDO KAS DAN SETARA KAS					BEGINNING BALANCE OF CASH
PADA AWAL PERIODE	3	292.938.989	225.719.987	286.940.057	AND CASH EQUIVALENT
SALDO KAS DAN SETARA KAS					ENDING BALANCE OF CASH
PADA AKHIR PERIODE	3	406.771.214	292.938.989	225.719.987	AND CASH EQUIVALENT

XVIII. ARTICLES OF ASSOCIATION

The Articles of Association of the Company as contained here constitutes the final Articles of Association of the Company pursuant to the Extraordinary General Meeting of Shareholders of the PT Wijaya Karya Beton abbreviated PT WIKA Beton No. 03 dated 8 January 2014, executed before Mochamad Nova Faisal, S.H., M.Kn., Notary in South Jakarta, which deed was approved by Minister of Law in accordance with the Letter of Decision No. AHU-01257.AH.01.02 Year 2014 dated 9 January 2014 and which has been registered with the Company Registry No. AHU-0002307.AH.01.09 Year 2014 dated 10 January 2014 which has accepted and listed in SABH database No. AHU-AH.01.10-01308 dated 10 January 2014 and which has been registered with the Company Registry No. AHU-0002925.AH.01.09 Year 2014 dated 10 January 2014 ("**Deed No. 03/2014**") that changes all the clause in the Article of Association in accordance with the Rule No. IX.J.1 as follow:

NAME AND DOMICILE

Article 1

1. This limited liability company is named:
"PT WIJAYA KARYA BETON Tbk.,
or shortened as PT WIKA BETON Tbk.
(hereinafter sufficiently referred to as the "Company"), domiciled and having its headquarters in Bekasi.
2. The Company may open offices or establish branches and representative offices or other business units in any other places, either within or outside the territory of the Republic of Indonesia, as determined by the Board of Directors subject to the approval of the Board of Commissioners.

Duration of the company

Article 2

The Company is established since 11-03-1997 (the eleventh day of March one thousand nine hundred and ninety-seven) and had obtained the ratification on 09-12-1997 (the ninth day of December one thousand nine hundred and ninety-seven) number: C2-12776.HT.01.01.TH.97, and is established for an unlimited period.

Objectives and purposes and business activities

Article 3

1. The objectives and purposes of the Company:
To engage in concrete trading and industry, construction services and any other related businesses.
2. To achieve the above objectives and purposes, the Company may conduct the following core business activities:
 - a. To conduct Planning, Production, Sale, Installation and Implementation of Construction of concrete products, among others:
 1. Transmission poles and power distribution and telephone poles;
 2. Piles;
 3. Railway sleepers;
 4. Concrete products for bridges;
 5. Concrete products for retaining walls;
 6. Pipes;
 7. Concrete products for buildings;
 8. Concrete products for maritime buildings;
 9. Other concrete products.

- b. To provide services in the Planning, Implementation and Supervision of Construction in the field of:
 1. Civil;
 2. Electrical;
 3. Post tensioning;
 - c. To conduct the Planning, Production and Sale of building material products/components;
 - d. To conduct import and export businesses related to the business activities as set forth in points a, b and c above.
 3. Other than the core business activities as set forth in paragraph 2, the Company may conduct supporting business activities to optimize the utilization of its sources for:
 - a. Providing services in the Planning, Implementation and Supervision of Construction in the field of:
 1. Architecture;
 2. Mechanical;
 3. Environmental;
 4. Installation of Heavy Lifting Components;
 5. Other Construction Implementation services.
 - b. Producing and selling ready mix concrete;
 - c. Managing natural resources/quarry;
 - d. Conducting the planning, installation and management of concrete products;
 - e. Utilizing coal fly ash and copper slag and hazardous waste management;
 - f. Conducting the Planning, Management, Sale, Purchase, lease and trading in the field of port and jetty;
 - g. Conducting natural resources/quarry mining;
 - h. Conducting the Planning, Production, Sale, and Trading of natural resources/products/Quarry;
 - i. Conducting the Planning, Implementation, Management, Sale, Purchase, lease and trading of Land and Sea Transportation Services;
 - j. Engaging in concrete production equipment industry and trading;
 - k. Engaging in cement chemical substance industry and trading;
 - l. Engaging in prestressed steel industry and trading;
 - m. Engaging in cement industry and trading;
 - n. Engaging in investment business.
 4. To conduct anything that in line with the purposes and objectives as set out in the aforementioned paragraphs and any related activities whether on its own account or together with other individuals or other entities, in such manner and form according to the requirement, subject to the prevailing laws and regulations.

CAPITAL

Article 4

1. The authorized capital of the Company shall be Rp.2,688,000,000,000.- (two trillion six hundred and eighty-eight billion Rupiah) divided into 26,680,000,000 (twenty six billion six hundred and eighty thousand million) shares, each share worth Rp.100.- (one hundred Rupiah) in nominal value.
2. Of such authorized capital, it has been subscribed for and paid-up 25% (twenty-five percent) or 6,670,000,000 (six billion six hundred and seventy million) shares or in the nominal value of Rp.667,000,000,000.- (six hundred and sixty-seven billion Rupiah) by the Shareholders, whose names are registered in the Company's Register of Shareholders, as described at the end of this deed.

3. Shares in portfolio shall be issued by the Company according to the Company's needs for capital, at such time and price as well as upon such conditions as determined by the Meeting of the Board of Directors subject to the approval of the General Meeting of Shareholders, whereby the Board of Directors shall first request for written response from the Board of Commissioners and the price of share shall not below the nominal value, and with due observance to the provisions of the Articles of Association and the prevailing Capital Market laws as well as the regulations of Stock Exchange where the Company's shares are listed.
4. If the shares in portfolio shall be issued with the pre-emptive right (hereinafter sufficiently referred to as the "Limited Public Offering") to the Shareholders, then all Shareholders whose names are listed in the Register of Shareholders on the date as specified by the Board of Directors based on the resolutions of the GMS approving such Limited Public Offering shall have the pre-emptive right to subscribe for the shares to be issued (such right shall be hereinafter referred to as the "Pre-emptive Right/*Hak Memesan Efek Terlebih Dahulu*" or abbreviated as "HMETD") in proportion to the number of shares they respectively own. HMETD is tradable and transferable to other parties, subject to the provisions of the Articles of Association and the prevailing Capital Market laws as well as the regulations of Stock Exchange where the Company's shares are listed.
 - The Board of Directors must announce the decision on the issue of shares with Limited Public Offering in at least 1 (one) daily newspaper in the Indonesian language with wide circulation within the Territory of the Republic of Indonesia at the discretion of the Board of Directors. The Shareholders or the HMETD holders shall be entitled to purchase the shares to be issued based on the number of HMETD they respectively own at such time and upon such conditions as determined by the resolutions of GMS.
 - If within the period as specified in the resolutions of GMS above, the Shareholders or the HMETD holders do not exercise their rights upon the offered shares according to the number of HMETD they respective own, by making the full payment in cash for the price of such offered shares to the Company, then those shares shall be allocated to the Shareholders that wish to purchase the shares in such quantity exceeding their HMETD portion, each in proportion to the number of HMETD which has been exercised, subject to the provisions of the Articles of Association and the prevailing Capital Market laws as well as the regulations of Stock Exchange where the Company's shares are listed.
 - In the event after such allocation, there are shares remaining:
 - 1) If the increase of the Company's capital by way of Limited Public Offering is conducted without specifying the maximum amount and without underwriters, such remaining shares which are not subscribed for shall not be issued;
 - 2) If the increase of the Company's capital by way of Limited Public Offering is conducted with specified amount and with underwriters in such Limited Public Offering, such remaining shares must be allocated to stand-by purchasers, at such price and upon such conditions which are at least the same as those of determined in the resolutions of GMS; as such subject to the provisions of the Articles of Association and the prevailing Capital Market laws as well as the regulations of Stock Exchange where the Company's shares are listed.
5. The provision of paragraphs 3 and 4 above shall apply *mutatis mutandis* in the event that the Company intends to issue the convertible bonds, warrants or any other convertible securities (the shares, convertible bonds, warrants or any other convertible securities shall be hereinafter referred to as the Equity Securities) which may affect the shareholding composition of the Company, one way or the other subject to the prevailing Capital Market laws and without prejudice to the permit from the authority to the extent that it is required under the prevailing laws.
6. If the Company intends to issue the shares in portfolio to the holders of Equity Securities issued by the Company based on the approval of GMS, then the Board of Directors is authorized to issue such shares without pre-emptive right to the existing Shareholders at that time, one way or the other subject to the provisions of the Articles of Association and the prevailing Capital Market laws as well as the regulations of Stock Exchange where the Company's shares are listed.

7. The Board of Directors is authorized to issue Equity Securities with private placement or public offering (the second, third and so on) pursuant to the resolutions of GMS without HMETD to the existing Shareholders in the event that such issue is:
 - a. Addressed to the employees;
 - b. addressed to the holders of bonds or other convertible securities issued based on the approval of Extraordinary GMS;
 - c. conducted in the course of reorganization and/or restructuring which is already approved by the GMS; and/or
 - d. conducted pursuant to the Capital Market laws that allow the increase of capital without HMETD.
 - The Equity Securities issued can be sold by the Company to any party at such price, in such number, within such period and upon such conditions as determined by the meeting of the Board of Directors based on the resolutions of GMS subject to the prevailing Capital Market laws.
8. In the event of subsequent increase of subscribed shares in relation to the increase of the Company's authorized capital, the provisions of paragraphs 3, 4, 5, 6, and 7 shall apply *mutatis mutandis* to the issue of shares due to the increase of such authorized capital.
9. The increase of authorized capital causing the ratio of subscribed and paid-up capital to the authorized capital to become less than 25% (twenty-five percent) can be conducted provided that:
 - a. it has obtained the approval of GMS for the increase of authorized capital;
 - b. the amendment to the Articles of Association with respect to such increase of authorized capital has been approved by the Minister of Laws and Human Rights;
 - c. the increase of subscribed/paid-up capital to become at least 25% (twenty five percent) of the authorized capital must be conducted at the latest within 6 (six) months after the amendment to the Articles of Association as set forth in point b of this paragraph has been approved by the Minister of Laws and Human Rights;
 - d. in the event that the increase of paid-up capital as set forth in point c of this paragraph has not been completely fulfilled, the Company must re-amend its Articles of Association within 2 (two) months after the period as set forth in point c of this paragraph is not fulfilled;
 - e. the approval of GMS as set forth in Article 4 paragraph 9 point a shall also include to amend the articles of association as set forth in point d of this paragraph.

SHARES

Article 5

1. All shares issued by the Company shall be registered shares and issued under the name of its holder as registered in the Company's Register of Shareholders.
2. Each 1 (one) share shall give 1 (one) vote.
3. The Company shall only recognize one person or 1 (one) legal entity as the holder of 1 (one) share, namely the person or legal entity whose name is registered as the holder of such share in the Company's Register of Shareholders.
4. If 1 (one) share or more for any reason whatsoever become the property of a number of persons, then those who have joint ownership shall be required to appoint in writing one person amongst them or any other person to be their joint proxy, and the name of this designee or proxy only shall be registered in the Company's Register of Shareholders and this designee or proxy must be deemed as the lawful holder of the relevant share(s) and shall be entitled to exercise the rights conferred by law upon such share(s).
5. To the extent that the provisions of paragraph 3 above have not been complied with, those Shareholders shall not have the right to cast vote at the GMS, whilst the payment of dividends for those shares shall be suspended.

6. Each Shareholder according to the law shall be subject to the Articles of Association and all resolutions lawfully adopted at a GMS as well as the prevailing laws.
7. The shares of the Company listed at the Stock Exchange shall be subject to the regulations of the Stock Exchange where those shares are listed.

SHARE CERTIFICATE

Article 6

1. The Company can issue a share certificate.
2. If a share certificate is issued, each share shall be given a share certificate.
3. A collective shares certificate shall be issued as evidence of ownership of 2 (two) or more shares owned by one Shareholder
4. The share certificate must contain at least:
 - a. the name and address of Shareholder;
 - b. the serial number of share certificate;
 - c. the serial number of share;
 - d. number of shares;
 - e. the nominal value of share; and
 - f. the date of issue of share certificate.
5. The collective shares certificate must contain at least:
 - a. the name and address of Shareholder;
 - b. the serial number of the collective shares certificate;
 - c. the serial number of share;
 - d. number of shares;
 - e. the nominal value of share; and
 - f. the date of issue of share certificate.
6. Each share certificate and/or collective shares certificate shall be printed according to the prevailing Capital Market laws and signed by any member of the Board of Directors who is entitled to represent the Board of Directors or such signature can be directly printed on the relevant share certificate and collective shares certificate.
7. The provisions of paragraph 6 above shall also apply *mutatis mutandis* to the printing and signing of the similar Equity Securities.
8. With respect to those shares included in the Collective Depository with the Depository and Settlement Institution or the Custodian Bank (especially for collective investment contract), the Company can issue a certificate or written confirmation signed by any member of the Board of Directors who is entitled to represent the Board of Directors or such signature can be directly printed on the relevant certificate or written confirmation.
9. A written confirmation issued by the Board of Directors for those shares included in the Collective Depository must contain at least:
 - a. The name and address of the Depository and Settlement Institution or the Custodian Bank that manages the relevant Collective Depository;
 - b. The date of issue of written confirmation;
 - c. The number of shares covered under the written confirmation;
 - d. The total nominal value of shares covered under the written confirmation;
 - e. The provision that each share with the same class in the Collective Depository shall be equal and exchangeable one to another.

REPLACEMENT FOR SHARE CERTIFICATE

Article 7

1. If a share certificate is damaged, the replacement for such share certificate can be conducted if:
 - a. the person filing a written request for replacement for share certificate is the owner of such share;
 - b. the Company has received the damaged share certificate and
 - c. the Company must destroy the original damaged share certificate after issuing the replacement for share certificate with the name number as that of the original.
2. If a share certificate is lost, the replacement for such share certificate can be conducted if:
 - a. the person filing a written request for replacement for share certificate is the owner of such share;
 - b. the Company has received evidence from the Police of the Republic of Indonesia concerning the lost share certificate;
 - c. the person requesting the replacement for share certificate has provided a guarantee deemed sufficient to the Board of Directors; and
 - d. the plan to issue the replacement for the lost share certificate has been published in the Stock Exchange where the Company's shares are listed, at the latest within 14 (fourteen) days before the issue of replacement for share certificate.
3. All expenses incurred for the issue of replacement for share certificate shall be borne by the relevant Shareholder.
4. The issue of replacement for share certificate pursuant to this article shall cause the original thereof to become void and no longer valid.
5. The provisions of this article 7 shall apply *mutatis mutandis* to the issue of replacement for collective shares certificate or replacement for Written Confirmation.

REGISTER OF SHAREHOLDERS AND SPECIAL REGISTER

Article 8

1. The Company must keep and maintain a Register of Shareholders and a Special Register at the Company's domicile.
2. In the Register of Shareholders, it shall be recorded:
 - a. the name and address of the Shareholders;
 - b. the number of shares, serial number and date of acquisition of share certificate and collective shares certificate held by the Shareholders;
 - c. the amount paid up for each share;
 - d. the name and address of the individual or legal entity being the pledgee or the holder of fiducia security upon shares and the date such pledge is made or the date such deed of fiducia is registered;
 - e. information of the payment for shares other than in the form of cash; and
 - f. any change of shares ownership, if any.
 - g. any other information deemed necessary by the Board of Directors and/or required by the prevailing laws.
3. In the Special Register, it shall be recorded the ownership of shares by members of the Board of Directors and the Board of Commissioners and their families in the Company and/or in other companies, and the date such shares were acquired.

4. The shareholders shall notify every change of address by mail to the Company's Board of Directors or its lawful proxy (such as the Securities Administration Bureau/*Biro AdministrasiEfek* designated by the Board of Directors). To the extent that such notification has not yet been made, all calls and notices to a Shareholder shall be lawful if they are sent to the address of Shareholder lastly recorded in the Register of Shareholders.
5. The Board of Directors shall be obliged to properly keep and maintain the Register of Shareholders and the Special Register.
6. Any recordation and/or change in the Register of Shareholders must be approved in writing by the Board of Directors, evidenced by the signature upon such change or approved in writing by any member of the Board of Directors who is entitled to represent the Board of Directors or their lawful proxy.
7. Upon request of the relevant Shareholder or the pledgee or the holder of fiducia security, the pledge of shares or the fiducia security must be recorded in the Register of Shareholders according to the procedure as specified by the Board of Directors against satisfactory evidence acceptable by the Board of Directors with respect to the relevant pledge of shares and fiducia security upon shares. The acknowledgement of pledge of shares by the Company as required under article 1153 of the Indonesian Civil Code can only be established as evidence based on the registration of such pledge of shares in the Register of Shareholders.
8. Any registration or recordation in the Register of Shareholders, including the record of sale, transfer, pledge, fiducia, cessie related to shares or any right or interest upon shares must be conducted pursuant to the provisions of Articles of Association and for those shares listed on the Stock Exchange, it shall apply the regulations of Stock Exchange as well as the Capital Market laws.
9. Each Shareholder shall be entitled to access to the Register of Shareholders and the Special Register which relates to the relevant Shareholder during the Company's office hours.

COLLECTIVE DEPOSITORY

Article 9

1. Shares in the Collective Depository with the Depository and Settlement Institution must be registered in the Company's Register of Shareholders under the name of the Depository and Settlement Institution for the interest of the account holders with the Depository and Settlement Institution.
2. Shares in the Collective Depository with the Custodian Bank or the Securities Company recorded in the securities account with the Depository and Settlement Institution shall be recorded under the name of the relevant Custodian Bank or the Securities Company for the interest of the account holders with such Custodian Bank or the Securities Company.
3. If the shares in the Collective Depository with the Custodian Bank are part of the securities portfolio of mutual fund in the form of collective investment contract and not part of the Collective Depository with the Depository and Settlement Institution, the Company must register those shares in the Company's Register of Shareholders under the name of the Custodian Bank for the interest of the Unit holders of such mutual fund in the form of collective investment contract.
4. The Company must issue a certificate or written confirmation to the Depository and Settlement Institution or the Custodian Bank, as evidence of the registration in the Register of Shareholders.
5. The Company must transfer shares in the Collective Depository registered under the name of the Depository and Settlement Institution or the Custodian Bank for the mutual fund in the form of collective investment contract in the Register of Shareholders to become under the name of the party designated by the relevant Depository and Settlement Institution or the Custodian Bank. The Depository and Settlement Institution or the Custodian Bank shall submit the request for shares transfer to the Company or the Securities Administration Bureau designated by the Company.

6. The Depository and Settlement Institution, the Custodian Bank or the Securities Company must issue a confirmation to the account holder, as evidence of the recordation in the securities account.
7. In the Collective Depository, each of the issued shares with the same type and class shall be equal and exchangeable one to another.
8. The Company must reject the recordation of shares transfer into the Collective Depository if the relevant shares are lost or destroyed, unless the person requesting the shares transfer can provide sufficient evidence and or guarantee that such person is truly the Shareholder and such shares are truly lost or destroyed.
9. The Company must reject the recordation of shares into the Collective Depository if such shares are encumbered, placed under judicial confiscation or confiscated for the purpose of criminal proceeding.
10. The account holder whose shares are recorded in the Collective Depository shall be entitled to attend and/or vote at the GMS according to the number of shares he/she owns in such account. The account holder entitled to cast vote at the GMS shall be the person recorded as the account holder in the Depository and Settlement Institution or the Custodian Bank 1 (one) business day before the notice of GMS.
11. The Custodian Bank and the Securities Company must submit the list of securities account holders and the number of the Company's shares owned by each account holder with such Custodian Bank and Securities Company, to the Depository and Settlement Institution to be further submitted to the Company, at the latest within 1 (one) business day before the notice of GMS for registration in the Register of Shareholders especially made available for the GMS.
12. The Investment Manager shall be entitled to attend and cast vote at the GMS upon the Company's shares included in the Collective Depository with the Custodian Bank, which are part of the securities portfolio of the mutual fund in the form of collective investment contract and not part of the Collective Depository with the Depository and Settlement Institution, provided that such Custodian Bank must provide the name of Investment Manager, at the latest within 1 (one) business day before the GMS.
13. The Company must distribute dividends, bonus shares or any other rights relating to the shares ownership to the Depository and Settlement Institution upon shares kept in the Collective Depository with the relevant Depository and Settlement Institution and thereafter, such Depository and Settlement Institution shall distribute those dividends, bonus shares or any other rights to the Custodian Bank and to the Securities Company for the interest of their respective Shareholders in such Custodian Bank or Securities Company.
14. The Company must distribute dividends, bonus shares or any other rights relating to the shares ownership to the Custodian Bank upon shares kept in the Collective Depository with the Custodian Bank, which are part of the securities portfolio of the mutual fund in the form of collective investment contract and not part of the Collective Depository with the Depository and Settlement Institution.
15. The deadline for determining the account holders entitled to receive dividends, bonus shares or any other rights relating to the ownership of shares kept in the Collective Depository shall be determined by the GMS, provided that the Custodian Bank and the Securities Company must submit the list of account holders and the number of the Company's shares owned by each account holder to the Depository and Settlement Institution to be further submitted to the Company, at the latest 1 (one) business day after the date of GMS that becomes the basis for determining a Shareholder to be entitled to such dividends, bonus shares or any other right.
16. The provisions on the Collective Depository shall be subject to the prevailing Capital Market laws and the regulations of Stock Exchange in the Republic of Indonesia where the Company's shares are listed.

TRANSFER OF RIGHT UPON SHARES

Article 10

1. In the event of the change of shares ownership of the Company, the original owner as registered in the Register of Shareholders must remain as the Shareholder until the name of the new owner is registered in the Company's Register of Shareholders, one way or the other without prejudice to a permit from the authority and subject to the prevailing laws, the provisions of the Articles of Association as well as the regulations of Stock Exchange where the Company's shares are listed.
2. Any transfer of right upon shares must be based on a transfer of right instrument signed by the transferor and the transferee or their lawful representative.
3. The transfer of right instrument as set forth in paragraph 2 must be in such form as specified and approved by the Board of Directors, a copy which shall be delivered to the Company provided that the form and procedure for transfer of right upon shares listed on the Indonesian Stock Exchange must comply with the prevailing regulations on the Stock Exchange where those shares are listed.
4. The transfer of right upon shares included in the Collective Depository shall be conducted by way of transfer from one securities account to another with the Depository and Settlement Institution, the Custodian Bank and the Securities Company.
5. The transfer of right upon shares shall only be allowed if all requirements under the Articles of Association are fulfilled.
6. Such transfer of right shall be recorded in the Register of Shareholders and on the relevant share certificate, such recordation must be signed by any member of the Board of Directors who is entitled to represent the Board of Directors or their lawful proxy.
7. The Board of Directors may, by giving the reason thereof, reject the registration of the transfer of right upon shares in the Register of Shareholders if the procedure specified by the Board of Directors is complied with or if one of the conditions of the shares transfer is not fulfilled.
8. In the event that the Board of Directors rejects the registration of the transfer of right upon shares, the Board of Directors must give a notice thereof to the party wishing to transfer its right, at the latest within 30 (thirty) days upon receipt of such request for registration by the Board of Directors.
9. With respect to the Company's shares listed on the Stock Exchange, any rejection to register the transfer of right upon shares must be conducted pursuant to the prevailing regulations on the Stock Exchange where those shares are listed.
10. The Register of Shareholders must be closed on the last Stock Exchange day before the call for GMS is advertised, to determine the names of Shareholders entitled to attend at such meeting.
11. Any person receiving the right upon shares due to the death of a Shareholder or any other reasons causing the change of shares ownership by the operation of law, may submit a written request for registration as the Shareholder by presenting evidence of entitlement as required from time to time by the Board of Directors.
 - The registration can only be conducted if the Board of Directors duly satisfies with such evidence, subject to the provisions of the articles of association and the prevailing insurance and capital market laws in Indonesia.
12. All limitations, restrictions and provisions under the Articles of Association that regulate the right to transfer the right upon shares and the registration of the transfer of right upon shares must also apply *mutatis mutandis* to any transfer of right under paragraph 11 of this article.

13. The transfer of shares listed on the Stock Exchange in Indonesia and/or shares traded on the Capital Market shall be conducted pursuant to the prevailing Capital Market laws in Indonesia and the regulations of Stock Exchange where the Company's shares are listed.

GENERAL MEETING OF SHAREHOLDERS

Article 11

1. The GMS of the Company are as follows:
 - a. the annual GMS as set forth in Article 12 hereof;
 - b. any other GMS, hereinafter referred to as the Extraordinary GMS, namely the GMS which is held at any time as required.
2. The term GMS in these Articles of Association shall mean both, i.e. the annual GMS and the extraordinary GMS, unless expressly specified otherwise.

THE ANNUAL GENERAL MEETING OF SHAREHOLDERS

Article 12

1. The annual GMS shall be held annually, at the latest within 6 (six) months after the closing of the Company's financial year.
2. At the annual GMS:
 - a. The Board of Directors must submit:
 - i. the Annual Report for approval by the Meeting.
 - ii. the Financial Report for ratification by the Meeting.
 - b. It shall resolve the appropriation of the Company's net profits.
 - c. It shall appoint the Public Accountant.
 - d. If necessary, it shall appoint members the Board of Directors and the Board of Commissioners.
 - e. It shall resolve any other matters duly brought up to the Meeting pursuant to the provisions of the Articles of Association.
3. The approval of Annual Report and the ratification of Financial Report by the annual GMS shall constitute the full discharge and release of responsibility of the members of the Boards of Directors and Board of Commissioners from their management and supervision duties performed during the previous financial year, to the extent that such actions are reflected in the financial report.
4. In the event that the Board of Directors or the Board of Commissioners fails to hold an annual GMS at the specified time, 1 (one) or more Shareholders jointly representing $\frac{1}{10}$ (one-tenth) of the total shares with lawful voting right shall be entitled to call for the annual GMS by themselves at the expense of the Company, after obtaining a permit from the Head of the District Court having jurisdiction over the Company's domicile.

THE EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS

Article 13

1. The Board of Directors shall have the authority to hold an extraordinary GMS.
2. The Board of Directors must call and hold an extraordinary GMS upon written request of the Board of Commissioners or 1 (one) or more Shareholders jointly representing $\frac{1}{10}$ (one-tenth) of the total shares with lawful voting right.
 - Such written request must be submitted in record, specifying the matters to be discussed and the reasons thereof.
3. Subject to the Capital Market laws, the Board of Commissioners must call and hold an extraordinary GMS if the Boards of Directors fails to hold the extraordinary GMS within 30 (thirty) days upon receipt of such request by the Board of Directors.

4. In the event that the Board of Commissioners fails to call the extraordinary GMS after the lapse of such period as stipulated under the laws as of the receipt of such request, the relevant Shareholder shall be entitled to call the GMS by themselves, at the expense of the Company, after obtaining a permit from the Head of the District Court having jurisdiction over the Company's domicile.
5. The implementation of meeting as set forth in paragraph 3 must observe the decision of the Head of the District Court giving such permit.

PLACE AND NOTICE OF THE GENERAL MEETING OF SHAREHOLDERS

Article 14

1. The GMS shall be held at the Company's domicile or the place where the Company conducts its main business activities or the domicile of the Indonesian Stock Exchange where the Company's shares are listed.
2. At least 14 (fourteen) days before the notice of GMS, excluding the date of announcement and the date of notice, the Board of Directors must inform the Shareholders by way of advertisement in at least 2 (two) daily newspapers in the Indonesian language, one of which having wide circulation within the Territory of the Republic of Indonesia and the other circulated at the Company's domicile as specified by the Board of Directors, stating that the GMS shall be held without prejudice to the provisions of the Articles of Association.
 - This notice shall not be required for the second and subsequent GMS, to the extent that the notice of first Meeting has been made pursuant to this Article 14 paragraph 2, and the agenda to be discussed is in essence the same as the agenda of the first Meeting, without prejudice to the other provisions of these Articles of Association.
3. The notice of GMS shall be made to all Shareholders by way of advertisement in at least 2 (two) daily newspapers in the Indonesian language, one of which having wide circulation within the Territory of the Republic of Indonesia and the other circulated at the Company's domicile as specified by the Board of Directors or the Board of Commissioners.
 - The notice of GMS must be made at least 14 (fourteen) days before the date of GMS, excluding the date of notice and the date of Meeting.
4. The notice of GMS must state the day, date, time, place and agenda of the meeting, as well as the information that materials to be discussed at the Meeting are available at the Company's office as of the date of notice until the date of Meeting.
 - The notice of annual GMS must also state that the annual report as set forth in Article 23 paragraph 3 is available at the Company's office and that a copy of the balance sheet, income statement and cash flow statement of the preceding financial year can be obtained from the Company upon written request of the Shareholders.
5. Any proposal from the Shareholders must be included in the agenda of GMS if:
 - a. The relevant proposal is submitted in writing to the Board of Directors by one or more Shareholders jointly representing at least $\frac{1}{10}$ (one-tenth) of the total issued shares with lawful voting right; and
 - b. The relevant proposal is received by the Board of Directors, at least 7 (seven) days before the notice of meeting is issued; and
 - c. In the opinion of the Board of Directors, such proposal is deemed directly relevant to the Company's business with due observance to other provisions of these Articles of Association.
6. To the extent that the Company has not obtained the effective statement from the Financial Services Authority, the Shareholders can also adopt lawful resolutions without holding the General Meeting of Shareholders physically, provided that all Shareholders have been informed in writing and have given their approval upon the relevant proposal in writing and signed such approval. The resolutions adopted in such manner shall have the same effect as those of adopted at the General Meeting of Shareholders.

THE CHAIRPERSON AND MINUTES OF THE GENERAL MEETING OF SHAREHOLDERS

Article 15

1. Unless otherwise provided under these Articles of Association, the GMS shall be presided over by the President Commissioner.
 - In the event that the President Commissioner is absent or prevented from attending, of which impediment no evidence to third parties shall be required, the Meeting shall be presided over by any member of the Board of Commissioners.
 - In the event that all members of the Board of Commissioners are absent or prevented from attending, of which impediment no evidence to third parties shall be required, the Meeting shall be presided over by the President Director.
 - In the event that the President Director is absent or prevented from attending, of which impediment no evidence to third parties shall be required, the Meeting shall be presided over by any member of the Board of Directors.
 - In the event that all members of the Board of Directors are absent or prevented from attending, of which impediment no evidence to third parties shall be required, the Meeting shall be presided over by a Shareholder present at the General Meeting of Shareholders who is appointed from and by the participants of GMS.
2. In the event that the President Commissioner has conflict of interest upon a matter to be resolved at the GMS, the GMS shall be presided over by another member of the Board of Commissioners who has no conflict of interest.
 - In the event that all members of the Board of Commissioners have conflict of interest, the GMS shall be presided over by the President Director.
 - In the event that the President Director has conflict of interest upon a matter to be resolved at the GMS, the GMS shall be presided over by another member of the Board of Directors who has no conflict of interest.
 - In the event that all members of the Board of Directors have conflict of interest, the GMS shall be presided over by an Independent Shareholder appointed by the other Shareholders present at the GMS.
3. The Chairperson of Meeting shall have the right to request those present at the Meeting to prove their right to attend such Meeting.
4. On all matters discussed and resolved at the GMS, the minutes of meeting shall be made. Such minutes of meeting must be drawn up by a Notary.
 - Such minutes of meeting shall serve as valid evidence towards all Shareholders and third parties with respect to any resolutions adopted and anything taken place at the meeting.

QUORUM, VOTING AND RESOLUTIONS

Article 16

1.
 - a. The GMS can be held if it is attended by the Shareholders representing more than ½ (a half) of the total issued shares with lawful voting right unless otherwise provided under these Articles of Association.
 - b. If the quorum as set forth in paragraph 1.a is not reached, the notice of second Meeting can be made, without first making the announcement of Meeting.
 - c. The notice as set forth in paragraph 1.b must be made at the latest 7 (seven) days before the second Meeting is held, excluding the date of notice and the date of meeting, by stating the information that the first Meeting has been held but failed to reach the quorum.
 - d. The second Meeting shall be held at the earliest 10 (ten) days and at the latest 21 (twenty-one) days after the first meeting, with the same conditions and agenda as required for the first meeting, except for the notice requirement as set forth paragraph 1.c and the quorum requirement as set forth paragraph 1.e below.

- e. The second Meeting shall be lawful and entitled to adopt binding resolutions if it is attended by the Shareholders representing at least $\frac{1}{3}$ (one-third) of the total issued shares with lawful voting right.
 - f. If the quorum for the second meeting is not reached, upon request of the Company, the Chairman of the Financial Services Authority (OJK) shall determine the quorum, the total votes for adopting resolutions, the notice and time of the General Meeting of Shareholders.
As such without prejudice to the provisions on quorum requirement as set out under the prevailing Capital Market laws, including the quorum to approve a certain conflict of interest transaction.
2. Each Shareholder may be represented by the other Shareholder or person by virtue of a power of attorney.
 - The power of attorney must be made and signed in such form as specified by the Company's Board of Directors without prejudice to the prevailing laws on civil evidence and must be submitted to the Board of Directors, at least 3 (three) business days before the date of GMS.
 3. The Chairperson of Meeting shall have the right to demand the power of attorney to represent the Shareholder to be shown to him/her at the Meeting.
 4. At the Meeting, each share shall grant to its holder the right to cast 1 (one) vote.
 5. Members of the Boards of Directors, the Board of Commissioners and employees of the Company may act as proxies at the Meeting, but the vote cast by them at the Meeting shall not be counted in the voting.
 6. Voting concerning individuals shall be by unsigned folded ballot papers, and voting concerning other matters shall be done verbally, unless the Chairperson of Meeting determines otherwise without any objection and 1 (one) or more Shareholders jointly representing at least $\frac{1}{10}$ (one-ten) of the total issued shares with lawful voting right request that the voting should be done in writing and anonymous.
 7. The Shareholders with lawful voting right who attend the Meeting but not casting the vote or abstain shall be deemed to have cast the same vote as those of the majority votes of the Shareholders.
 8. All resolutions shall be adopted by deliberation to reach a consensus. In the event that the deliberation to reach a consensus is not achieved, the resolutions shall be adopted based on the affirmative vote of more than $\frac{1}{2}$ (a half) of the total votes lawfully cast at the Meeting, unless otherwise provided under these Articles of Association.
 - In the event of a tie vote, the proposal shall be deemed rejected.
 9. Any resolutions with respect to a conflict of interest transaction as set forth in Article 18 paragraph 8 must be adopted at the Extraordinary GMS especially held for such purpose, which is attended by the independent Shareholders or any Shareholders that have no conflict of interest with the relevant transaction pursuant to the prevailing Capital Market laws and the regulations of Stock Exchange where the Company's shares are listed.
 10. Any proposal submitted by the Shareholders during the discussion or the voting at the GMS must fulfil the conditions as follows:
 - a. In the opinion of the Chairperson of Meeting, such proposal is deemed directly relevant to one of the agenda of meeting; and/or;
 - b. Such proposal is submitted by one or more Shareholders jointly representing at least 10% (ten percent) of the total issued shares with lawful voting right; and/or
 - c. In the opinion of the Board of Directors, such proposal is deemed directly relevant to the Company's business.

THE BOARD OF DIRECTORS

Article 17

1. The Company shall be managed and led by the Board of Directors, the number of which shall be adjusted according to the Company's requirement, provided that it shall comprise at least 3 (three) members of the Board of Directors, one of whom is appointed as the President Director with due observance of the prevailing Capital Market laws.
2. Those who can be appointed as members of the Board of Directors shall be individuals who fulfill the requirements under the prevailing laws, are capable of performing legal acts, and have never been declared bankrupt or become a member of the Board of Directors or the Board of Commissioners who was declared guilty of causing a company to be adjudicated bankruptcy, or persons who have never been convicted of a crime that caused financial losses to the State within a period of 5 (five) years before his/her appointment.
3. Members of the Board of Directors shall be appointed by the GMS pursuant to the prevailing provisions, each for a period as of the date determined at the GMS appointing them until the closing of the fifth annual GMS after the date of appointment, without prejudice to the right of GMS to dismiss them at any time by stating the reason thereof after the relevant member of the Board of Directors has been given the opportunity to defend him/herself at such Meeting.
 - The dismissal shall be effective as of the closing of the Meeting resolving his/her dismissal, unless the date of dismissal is specified otherwise by such Meeting.
 - Any member of the Board of Directors whose term of office has ended can be re-appointed by the GMS for another term.
4. Members of the Board of Directors shall receive remuneration and/or other facilities, the amount of which shall be determined by the GMS and such authority can be delegated to the Board of Commissioners.
5. If for any reason whatsoever all positions in the Board of Directors are vacant, then the GMS must be held within 60 (sixty) days as of the vacancy to appoint new members of the Board of Directors and the Company shall be temporarily managed by the Board of Commissioners.
6. A member of the Board of Directors shall be entitled to resign from his/her position by giving a written notice of his/her intention to do so to the Company, at least 30 (thirty) days before the date of his/her resignation.
 - The Company must hold a GMS at the latest within 60 (sixty) days upon receipt of the resignation letter.
 - In the event that the Company fails to hold a GMS within such period as set forth in this paragraph, then with the lapse of such period, the resignation of member of the Board of Directors shall be valid without requiring the approval of GMS.

The resigning member of the Board of Directors shall only be discharged from his/her responsibilities if the GMS discharge him/her from his/her responsibilities during his/her term of office.
7. In the event that the resignation of a member of the Board of Directors shall cause the total members of the Board of Directors to become less than 2 (two) persons, such resignation shall be valid upon the determination of GMS and a new member of the Board of Directors has been appointed to fulfill the minimum requirement for the total members of the Board of Directors.
 - Any person who is appointed to replace the member of the Board of Directors so dismissed pursuant to the provisions of Article 17 paragraph 2 above or to fill in a vacancy for any other reasons or any person is appointed as an addition to the existing members of the Board of Directors, he/she must be appointed for the remaining term of office of the other members of the Board of Directors who still hold their position.

8. If for any reason there is a vacancy in the Board of Directors, then:
 - a. Such vacancy must be filled at the next GMS that has the agenda for filling such vacancy;
 - b. As long as there is a vacancy in such position and his/her replacement is unavailable or has not yet held the position, then one of the other members of the Board of Directors appointed by the Board of Commissioners shall carry out the duties of such member of the Board of Directors with the same power and authority.
9. The term of office of a member of the Board of Directors shall be ended if he/she:
 - a. Resigns pursuant to the provisions of paragraph 6 of this Article;
 - b. No longer fulfills the requirements under the prevailing laws;
 - c. Passes away;
 - d. Is dismissed based on the resolution of GMS.

DUTIES AND AUTHORITIES OF THE BOARD OF DIRECTORS

Article 18

1. Each member of the Board of Directors must in good faith and with a full sense of responsibility carry out his/her duties for the interest and business of the Company with due observance of the prevailing laws.
2. The main duties of the Board of Directors shall be:
 - a. To lead, manage and control the Company according to the Company's objectives and always put an attempt to improve the efficiency and effectiveness of the Company.
 - b. To maintain and manage the Company's assets.
3. In carrying out its duties, the Board of Directors must fully dedicate its energy, mind, attention and dedication to the duties, obligations and achievement of the Company's purposes and objectives.
4. Each member of the Board of Directors shall be personally and fully liable if the relevant member is at fault or fails to perform his/her duties for the interest and business of the Company.
5. Any actions conducted by the member of the Board of Directors beyond those of resolved by the meeting of the Board of Directors shall become his/her personal liability until such actions are approved by the meeting of the Board of Directors.
6. Any member of the Board of Directors cannot be personally and fully liable for the Company's losses if:
 - a. it can be proven that such losses are not due to his/her fault or negligence;
 - b. he/she has carried out the management in good faith and prudently for the interest of and pursuant to the purposes and objectives of the Company;
 - c. he/she has no conflict of interest either directly or indirectly with any management actions that cause the losses;
 - d. he/she has taken actions to prevent the continuance of such losses.
7. The Board of Directors shall be entitled to represent the Company within and outside the Court with respect to all matters and in all events, to bind the Company to other parties and other parties to the Company, and to undertake all actions concerning either management and ownership, with restrictions as specified in these Articles of Association and with due observance of the prevailing Capital Market laws in Indonesia.
8. 1. The following actions of the Board of Directors shall be subject to written approval of the Board of Commissioners:
 - a. placing capital contribution with the value of more than 10% (ten percent) up to 50% (fifty percent) of the Company's total equity, in another company, subsidiary, and joint venture company;
 - b. establishing a subsidiary and/or joint venture company with the value of more than 10% (ten percent) up to 50% (fifty percent) of the Company's total equity;
 - c. disposing capital contribution with the value of more than 10% (ten percent) up to 50% (fifty percent) of the Company's total equity, in another company, subsidiary, and joint venture company;
 - d. conducting merger, consolidation, acquisition, separation, and dissolution of a subsidiary and joint venture company with the value of more than 10% (ten percent) up to 50% (fifty percent) of the Company's total equity;

- e. conducting cooperation with another business entity or party in whatsoever form with the value of more than 10% (ten percent) up to 50% (fifty percent) of the Company's total equity, except for non-investment projects;
 - f. binding the Company as the guarantor (*borg* or *avalist*) with the value of more than 10% (ten percent) up to 50% (fifty percent) of the Company's total equity;
 - g. receiving a mid/long term loan and granting a mid/long term loan with the value of more than 10% (ten percent) up to 50% (fifty percent) of the Company's total equity;
 - h. granting a short/mid/long term non-operational loan;
 - i. procuring landbank as inventory (merchandise)/ or as fixed assets;
 - j. placing encumbrance, exchanging, and disposing the Company's fixed assets with the value of more than 10% (ten percent) up to 50% (fifty percent) of the Company's total equity;
 - k. writing off bad debts and bad inventories from the books;
 - l. determining and changing the company's logo;
 - m. conducting any actions which have not been determined in RKAP with the value of more than 10% (ten percent) up to 50% (fifty percent) of the Company's total equity;
 - n. conducting any actions which fall under material transactions as stipulated by the capital market laws with the value of more than 10% (ten percent) up to 50% (fifty percent) of the Company's total equity.
2. The establishment of subsidiary/joint venture company and/or cooperation in the course of non-investment project bid and/or for the implementation of the acquired projects if necessary, shall not require the approval of the Board of Commissioners as set forth in paragraph 8.1 points b and e.
9. If within 45 (forty-five) calendar days upon receipt of the request or explanation and documents from the Board of Directors, the Board of Commissioners has not given any decision as set forth in paragraph 8 of this article, then the Board of Commissioners shall be deemed to have approved the Board of Directors' proposal.
 10. The following actions of the Board of Directors shall be subject to the approval of GMS:
 - a. conducting any actions which fall under material transactions as stipulated by the capital market laws with the value of more than 50% (fifty percent) of the Company's total equity.
 - b. no longer claiming bad debts which have been written off.
 11. The Board of Directors must seek for the approval of GMS for:
 - a. transferring the Company's assets; or
 - b. placing security interest upon the Company's assets;which exceeds 50% (fifty percent) of the total net assets of the Company in 1 (one) transaction or more, whether related one to another or not, within 1 (one) financial year.
 12.
 - a. The transaction as set forth in paragraph 11 point a is a transaction for transferring the Company's net assets which is taken place within 1 (one) financial year;
 - b. whilst the transaction as set forth in paragraph 11 point b is a transaction for placing security interest upon the Company's net assets which is taken place for 1 (one) or more financial years.
 13. Any legal action as set forth in paragraph 11 of this article without the approval of GMS shall still bind the Company to the extent that the other party in such legal action is acting in good faith.

14. The legal action of transferring/disposing the right upon or placing security interest upon the Company's net assets as set forth in paragraph 11 of this Article shall be subject to the approval of GMS, which is attended by the Shareholders or their proxy representing at least $\frac{3}{4}$ (three-fourths) of the total shares with lawful voting right and the resolution is approved by at least $\frac{3}{4}$ (three-fourths) of the total votes.
 - If the quorum is not reached, then the second GMS can be held with the attendance of at least $\frac{2}{3}$ (two-thirds) of the total shares with lawful voting right and the resolution is approved by at least $\frac{3}{4}$ (three-fourths) of the total votes.
15. The legal action of transferring/disposing the right upon or placing security interest upon all or part of the assets comprising merchandise or inventory, including those derived from the repayment of bad debts due to the implementation of the core business activities shall not require the approval of the Board of Commissioners or the GMS.
16. To conduct a legal action in the form of a conflict of interest transaction between the personal economic interest of a member of the Board of Directors, the Board of Commissioners or the Shareholder with that of the Company, the Board of Directors requires the approval of the General Meeting of Shareholders based on the majority of the shareholders that have no conflict of interest.
17. The GMS can minimize the restrictions upon the Board of Directors as set out in these Articles of Association or determine other restrictions upon the Board of Directors in addition to those of provided under these Articles of Association, with due observance of the prevailing laws.
18. In the course of implementing the management of the Company, the President Director shall be entitled to act for and on behalf of the Board of Directors and represent the Company, provided that all actions of the President Director have been approved by the meeting of the Board of Directors.
19. In the event that the President Director is absent or prevented from attending for any reason whatsoever, of which impediment no evidence to third parties shall be required, any member of the Board of Directors designated in writing by the President Director shall be authorized to act for and on behalf of the Board of Directors and carry out the duties of the President Director.
20. In the event that the President Director does not designate any person, a member of the Board of Directors with the longest term of office shall be authorized to act for and on behalf of the Board of Directors and carry out the duties of the President Director.
21. In the event that there are more than 1 (one) members of the Board of Directors with the longest term of office, then the oldest member of the Board of Directors in terms of age shall be authorized to act for and on behalf of the Board of Directors and carry out the duties of the President Director.
22. In the event that one of the members of the Board of Directors other than the President Director is absent for any reason whatsoever, of which impediment no evidence to third parties shall be required, the other members of the Board of Directors shall appoint one of the members of the Board of Directors to carry out the duties of the absent member of the Board of Directors.
23. All actions of the member of the Board of Directors who represents the President Director must be approved by the Meeting of the Board of Directors.
24. For certain actions and under its own responsibility, the Board of Directors shall also be entitled to appoint one or more persons as its proxy or representative by granting him/her or them powers for certain actions as provided under a power of attorney.

25. Distribution of duties and authorities of each member of the Board of Directors shall be determined by the GMS. In the event that the GMS does not determine the distribution of duties and authorities amongst members of the Board of Directors, it shall be determined based on the resolutions of the Board of Directors.
26. The Board of Directors in managing the Company shall carry out the instructions given by the GMS to the extent that it does not contravene the laws and/or these Articles of Association.
27. A member of the Board of Directors is not authorized to represent the Company if:
 - a. there is a proceeding before the Court between the Company and the relevant member of the Board of Directors; or
 - b. the relevant member of the Board of Directors has a conflict of interest with the Company.
28. Upon the occurrence of event as set forth in paragraph 25 of this Article, the person who is entitled to represent the Company shall be:
 - a. another member of the Board of Directors who has no conflict of interest with the Company;
 - b. the Board of Commissioners in the event that all members of the Board of Directors have conflict of interest with the Company; or
 - c. any other party appointed by the GMS in the event that all members of the Board of Directors and the Board of Commissioners have conflict of interest with the Company.

MEETINGS OF THE BOARD OF DIRECTORS

Article 19

1. The Meeting of the Board of Directors can be held at any time whenever deemed necessary by the President Director or by one or more members of the Board of Directors or upon request of the Board of Commissioners or upon written request of 1 (one) or more Shareholders jointly representing at least $\frac{1}{10}$ (one-tenth) of the total shares with lawful voting right.
2. A notice of Meeting of the Board of Directors shall be made by the President Director or one of the members of the Board of Directors.
3. A notice of Meeting of the Board of Directors shall be sent to each member of the Board of Directors and must be made in writing and sent by hand-delivery to each member of the Board of Directors against proper receipt, or by registered mail or by courier services or through telex or telefax (in the case of telex or telefax, it must be reconfirmed by a written letter sent by hand-delivery or registered mail as soon as possible), at the latest 5 (five) days before the Meeting, excluding the date of notice and the date of Meeting.
4. Such notice of meeting must specify the agenda, date, time and place of meeting.
5. A Meeting of the Board of Directors can be held at the Company's domicile or the place where the Company conducts its business activities. If all members of the Board of Directors are present or represented, such prior notice shall not be required and the Meeting of Board of Directors can be held anywhere and shall be entitled to adopt lawful and binding resolutions.
6. A Meeting of the Board of Directors shall be presided over by the President Director, and in the event that the President Director is absent or prevented from attending, of which impediment no evidence to the other parties shall be required, the Meeting shall be presided over by a Director elected by the members of the Board of Directors present and or represented at the Meeting of the Board of Directors.
7. A member of the Board of Directors may be represented at the Meeting of Board of Directors only by another member of the Board of Directors by virtue of a power of attorney.

8. The Meeting of Board of Directors shall be lawful and entitled to adopt binding resolutions if more than $\frac{1}{2}$ (a half) of the total members of the Board of Directors are present or represented at the Meeting.
9. The resolutions of Meeting of the Board of Directors shall be adopted by deliberation to reach a consensus. In the event that the deliberation to reach a consensus is not achieved, the resolutions shall be adopted based on the affirmative vote of more than $\frac{1}{2}$ (a half) of the total members of the Board of Directors present or represented at the Meeting.
10. In the event of a tie vote, the proposal shall be deemed rejected.
11.
 - a. Each member of the Board of Directors present at the meeting shall be entitled to cast 1 (one) vote and 1 (one) additional vote for each member of the Board of Directors he/she represents;
 - b. Voting concerning individuals shall be by unsigned folded ballots, whilst voting concerning other matters shall be done verbally, unless the Chairperson of Meeting determines otherwise, without any objection based on the majority of those present at the meeting;
 - c. Blank votes and void votes shall be considered not lawfully cast and non-existence and shall not be counted in determining the total votes cast at the meeting.
12. On all matters discussed and resolved at the Meeting of the Board of Directors, the Minutes of Meeting shall be made.
 - The Minutes of Meeting of the Board of Directors must be made by a person present at the meeting who is designated by the Chairperson of Meeting and thereafter, it must be signed by the Chairperson of Meeting and all members of the Board of Directors present at the Meeting.
 - Such Minutes of Meeting shall serve as valid evidence towards all members of the Board of Directors and any third parties with respect to any resolutions adopted and anything taken place at the Meeting.
 - If the Minutes of Meeting are drawn up by a Notary, the signature thereof shall not be required.
13. The Board of Directors can also adopt lawful resolutions without holding a Meeting of the Board of Directors, provided that all members of the Board of Directors have been informed in writing and have given their approval upon the relevant proposal in writing and signed such approval.
 - The resolutions adopted in such a manner shall have the same effect as those of lawfully adopted at the Meeting of Board of Directors.

THE BOARD OF COMMISSIONERS

Article 20

1. The Board of Commissioners shall comprise at least 2 (two) persons, one of whom is appointed as the President Commissioner.
 - The Company must have an Independent Commissioner pursuant to the prevailing Capital market laws in Indonesia.
2. The Board of Commissioners is a panel and each member of the Board of Commissioners cannot act individually, but based on the resolutions of the Board of Commissioners.
3. Members of the Board of Commissioners shall be appointed by the GMS for a period as of the date determined at the GMS appointing them until the closing of the fifth annual GMS after the date of appointment, without prejudice to the right of GMS to dismiss them at any time by stating the reason thereof after the relevant member of the Board of Commissioners has been given the opportunity to defend him/herself at such Meeting.
 - The dismissal shall be effective as of the closing of the Meeting resolving his/her dismissal, unless the date of dismissal is specified otherwise by such Meeting.
 - Any member of the Board of Commissioners whose term of office has ended can be re-appointed.

4. Members of the Board of Commissioners shall receive remuneration and/or other facilities, the amount of which shall be determined by the GMS.
5. A member of the Board of Commissioners shall be entitled to resign from his/her position by giving a written notice of his/her intention to do so to the Company, at least 30 (thirty) days before the date of his/her resignation.
6. The Company must hold a GMS at the latest within 60 (sixty) days upon receipt of the resignation letter.
 - In the event that the Company fails to hold a GMS within such period as set forth in this paragraph, then with the lapse of such period, the resignation of member of the Board of Commissioners shall be valid without requiring the approval of GMS.
 - The resigning member of the Board of Commissioners shall only be discharged from his/her responsibilities if the GMS discharge him/her from his/her responsibilities during his/her term of office.
 - In the event that the resignation of a member of the Board of Commissioners shall cause the total members of the Board of Commissioners to become less than 2 (two) persons, such resignation shall be effective upon the determination of GMS and a new member of the Board of Commissioners has been appointed to fulfill the minimum requirement for the total members of the Board of Commissioners.
 - Any person who is appointed to replace the member of the Board of Commissioners so dismissed pursuant to paragraph 3 above or to fill in a vacancy for any other reasons or any person is appointed as an addition to the existing members of the Board of Commissioners, he/she must be appointed for the remaining term of office of the other members of the Board of Commissioners who still hold their position.
7. The term of office of a member of the Board of Commissioners shall be ended if he/she:
 - a. Resigns pursuant to the provisions of paragraph 6;
 - b. No longer fulfills the requirements under the prevailing laws;
 - c. Passes away;
 - d. Is dismissed based on the resolution of GMS.

DUTIES AND POWERS OF THE BOARD OF COMMISSIONERS

Article 21

1. The Board of Commissioners shall supervise the policy of the Board of Directors in managing the Company and give advice to the Board of Directors.
2. To approve and ratify the Company's Long Term Plan and the Company's Business Plan and Budget prepared by the Board of Directors pursuant to the provisions of these Articles of Association.
3. The Board of Commissioners shall be entitled to, either collectively or individually at any time during the Company's office hours, enter such buildings, offices and premises used by the Company and to examine all books and documents as well as assets of the Company in performing its duties.
4. The Board of Directors must provide all information regarding the Company as required by the Board of Commissioners in performing its duties.
5. The Meeting of the Board of Commissioners shall be entitled to at any time suspend one or more members of the Board of Directors if they act in contrary to the Articles of Association and or the prevailing insurance and capital market laws.
6. Such suspension must be notified in writing to the relevant person together the reason thereof.

7. At the latest within 45 (forty-five) days as of the date of suspension, the Board of Commissioners must hold a GMS to resolve whether the relevant member of Board of Directors shall be either permanently dismissed or reinstated to his/her original position, whilst the suspended member of the Board of Directors should be given the opportunity to attend the Meeting to defend him/herself.
8. The Meeting as set forth in paragraph 6 of this Article shall be presided over by the President Commissioner; if the President Commissioner is absent or prevented from attending for any reasons whatsoever, of which impediment no evidence to third parties shall be required, the Meeting shall be presided over by one of the Commissioners; and if all members of the Board of Commissioners are absent or prevented from attending for any reasons whatsoever, of which impediment no evidence to third parties shall be required, the Meeting shall be presided over by a person elected by and from amongst those present at the Meeting and the notice of Meeting shall be conducted pursuant to the provisions as set out in Article 14.
9. If such General Meeting of Shareholders is not held within 45 (forty five) days after the suspension, such suspension shall be null and void, and the person concerned shall be entitled to be reinstated to his/her original position.
10. If all members of the Board of Directors are suspended causing no member of the Board of Directors is available, the Board of Commissioners must temporarily manage the Company.
In such case, the Board of Commissioners shall be entitled to give temporary authorities to one or more amongst them at their joint expense.
11. In the event that there is only one member of the Board of Commissioners, all duties and authorities granted to the President Commissioner or any member of the Board of Commissioners hereunder shall also apply to him/her.

MEETINGS OF THE BOARD OF COMMISSIONERS

Article 22

1. The Meeting of the Board of Commissioners can be held at any time whenever deemed necessary by the President Commissioner or by another member of the Board of Commissioners or by the meeting of the Board of Directors or upon request of 1 (one) or more Shareholders jointly representing at least $\frac{1}{10}$ (one-tenth) of the total shares with lawful voting right.
2. A notice of Meeting of the Board of Commissioners shall be made by the President Commissioner or one of the members of the Board of Commissioners.
3. A notice of Meeting of the Board of Commissioners shall be sent to each member of the Board of Commissioners and must be made in writing and sent by hand-delivery to each member of the Board of Commissioners against proper receipt, or by registered mail or by courier services or through telex or telefax (in the case of telex or telefax, it must be reconfirmed by a written letter sent by hand-delivery or registered mail as soon as possible), at least 10 (ten) days and in urgent cases, at least 5 (five) days before the Meeting, excluding the date of notice and the date of Meeting.
4. Such notice of Meeting must specify the agenda, date, time and place of Meeting.
5. A Meeting of the Board of Commissioners can be held at the Company's domicile or the place where the Company conducts its business activities.
If all members of the Board of Commissioners are present or represented, such prior notice shall not be required and the Meeting of Board of Commissioners can be held anywhere and shall be entitled to adopt lawful and binding resolutions.

6. A Meeting of the Board of Commissioners shall be presided over by the President Commissioner, and in the event that the President Commissioner is absent or prevented from attending, of which impediment no evidence to the other parties shall be required, the Meeting of the Board of Commissioners shall be presided over by a Commissioner elected by the members of the Board of Commissioners present and or represented at the Meeting of the Board of Commissioners.
7. A member of the Board of Commissioners may be represented at the Meeting of Board of Commissioners only by another member of the Board of Commissioners by virtue of a power of attorney.
8. The Meeting of Board of Commissioners shall be lawful and entitled to adopt binding resolutions if more than $\frac{1}{2}$ (a half) of the total members of the Board of Commissioners are present or represented at the Meeting.
9. The resolutions of Meeting of the Board of Commissioners shall be adopted by deliberation to reach a consensus. In the event that the deliberation to reach a consensus is not achieved, the resolutions shall be adopted based on the affirmative vote of more than $\frac{1}{2}$ (a half) of the total members of the Board of Commissioners are present or represented at the Meeting.
10. In the event of a tie vote, the proposal shall be deemed rejected.
11.
 - a. Each member of the Board of Commissioners present at the meeting shall be entitled to cast 1 (one) vote and 1 (one) additional vote for each member of the Board of Commissioners he/she represents;
 - b. Voting concerning individuals shall be by unsigned folded ballots, whilst voting concerning other matters shall be done verbally, unless the Chairperson of Meeting determines otherwise, without any objection based on the majority of those present at the meeting;
 - c. Blank votes and void votes shall be considered not lawfully cast and non-existence and shall not be counted in determining the total votes cast at the meeting.
12. On all matters discussed and resolved at the Meeting of the Board of Commissioners, the Minutes of Meeting shall be made.
 - The Minutes of Meeting of the Board of Commissioners must be made by a person present at the meeting who is designated by the Chairperson of Meeting and thereafter, it must be signed by the Chairperson of Meeting and all members of the Board of Commissioners present at the Meeting.
 - Such Minutes of Meeting shall serve as valid evidence towards all members of the Board of Commissioners and any third parties with respect to any resolutions adopted and anything taken place at the Meeting.
 - If the Minutes of Meeting are drawn up by a Notary, the signature thereof shall not be required.
13. The Board of Commissioners may also adopt lawful resolutions without holding a Meeting of the Board of Commissioners, provided that all members of the Board of Commissioners have been informed in writing and have given their approval upon the relevant proposal in writing and signed such approval.
 - The resolutions adopted in such a manner shall have the same effect as those of lawfully adopted at the Meeting of Board of Commissioners.

BUSINESS PLAN, FINANCIAL YEAR AND ANNUAL REPORT
Article 23

1. The Board of Directors shall submit the Business Plan and Budget of the Company (RKAP) to the Board of Commissioners for its approval before the commencement of financial year, which contain at least the followings:
 - a. The missions, business targets, business strategies, the company's policies which are described in detail for each business/activity program budget;
 - b. The proposed written off and transfer of the Company's fixed assets;
 - c. The Company's budget which is described in detail for each business/activity program budget;
 - d. The financial projection of the company and its subsidiary;
 - e. the Business Plan and Budget of the Board of Commissioners; and
 - f. Other matters that require the decision or approval of the Board of Commissioners.
2. The business plan as set forth in paragraph (1) must be submitted at the latest within 60 (sixty) days before the end of financial year. For such business plan, the Board of Commissioners must examine, review and sign as well as give its approval or ratification upon the Business Plan and Budget of the Company prepared by the Board of Directors, as the latest 30 (thirty) days before the commencement of new financial year;
 - The financial year of the Company shall commence as from 1st (the first day) of January until 31st (the thirty-first day) of December of the same year. At the end of December each year, the Company's books shall be closed.
3. The Board of Directors shall prepare the annual report (comprising the balance sheet and the income statement of the relevant financial year and other reports) pursuant to the prevailing laws which has been audited by the Public Accountant registered with the Capital Market Supervising Board and signed by all members of the Board of Directors and the Board of Commissioners, for submission to the annual GMS for approval and ratification.
 - Such Annual Report must be made available at the Company's office, at the latest 16 (sixteen) days before the date of the Annual GMS, for review by the shareholders.
4. Before signing the Annual Report as set forth in paragraph 3 of this article, the Board of Commissioners shall review and evaluate such Annual Report for which it can seek for assistance of an expert at the Company's expense and to whom the Board of Directors must give information as required.
5. The Company must publish the Annual Report, namely the Balance Sheet and the Income Statement of the Company in 2 (two) daily newspapers in the Indonesian language with national circulation, one of which circulated at the Company's domicile as determined by the Board of Directors, pursuant to the prevailing laws.

**APPROPRIATION OF NET PROFITS,
INTERIM DIVIDEND DISTRIBUTION AND
DIVIDEND DISTRIBUTION**
Article 24

1. The Meeting of Board of Directors must submit a proposal to the annual GMS concerning the appropriation and/or distribution of the undistributed net profits as stated in the balance sheet and the income statement proposed for the approval of the annual GMS, whereby such proposal may state the amount of undistributed net profits which can be used for the reserve fund as set forth in Article 25 below as well as the proposed amount of dividend that may possibly be distributed. One way or the other without prejudice to the right of the GMS to determine otherwise.

2. Dividend shall be paid in accordance with the Company's financial capability if the Company has positive balance of profits, based on the resolution adopted at the GMS, whereby such resolution must also state the period, terms of payment and form of dividend, subject to the prevailing Capital Market laws and the regulations of Stock Exchange where the Company's shares are listed.
 - Dividend for a share must be paid to a person under whom such share is registered in the Company's Register of Shareholders on such date as specified by the annual GMS that resolves the dividend distribution.
 - The Board of Directors must announce the payment day to all Shareholders.
 - In the event that the annual GMS does not determine any other appropriation, the net profits after deducted by the reserve fund as required by the law and the Articles of Association shall be distributed as dividend.
3. Based on the resolutions of the meeting of the Board of Directors, the Board of Directors can distribute the interim dividend after obtaining the approval of the Board of Commissioners and if such distribution does not cause the Company's net assets value to become less than the aggregate amount of the subscribed and paid-up capital and the mandatory reserve fund, provided that such interim dividend must be calculated against any dividend to be distributed based on the resolution of the next annual GMS which is adopted pursuant to the provisions of these articles of association, subject to the prevailing Capital Market laws and the regulations of the Stock Exchange where the Company's shares are listed.
4. In the event that the income statement in a financial year shows losses that cannot be covered by the reserve fund, such losses shall remain recorded in the income statement, and in the following financial years the Company shall not be considered as having made profits as long as the losses recorded and entered into the income statement have not yet been fully covered, without prejudice to the prevailing laws.
5. Subject to the Company's revenue during the relevant financial year, out of the net income as stated in the balance sheet and income statement approved by the annual GMS, the Company may distribute *tantiem* to members of the Board of Directors and the Board of Commissioners of the Company, the amount of which shall be determined by the GMS.
6. Any net profits distributed as dividend left unclaimed after 5 (five) years after being made available for payment shall be deposited into a special reserve designated for such purpose.
 - Any dividend deposited into such special reserve can be claimed by the entitling Shareholder before the lapse of ten-year period by presenting evidence of its entitlement to such dividend to the satisfaction of the Company's Board of Directors.
 - Any dividend left unclaimed after the lapse of such period shall become the property of the Company.

UTILIZATION OF RESERVE FUND

Article 25

1. The portion of net profits set aside for the reserve fund shall be determined by the GMS after considering the recommendation of the Board of Directors (if any) and with due observance of the prevailing laws.
2. The total reserve fund amounting at least 20% (twenty percent) of the subscribed capital may only be used to cover losses suffered by the Company that cannot be covered by other reserves.
3. If the total reserve fund exceeds the minimum 20% (twenty percent) of the subscribed capital, the GMS may resolve that the excess fund as set forth in paragraph 2 shall be used for the Company's purposes.

4. The Board of Directors must manage the reserve fund in order to bear profits in such manner it deems fit subject to the approval of the Board of Commissioners and with due observance of the prevailing laws.
5. Any profits derived from the reserve fund must be entered into the Company's income statement.

AMENDMENT TO THE ARTICLES OF ASSOCIATION

Article 27

1. Amendment to the Articles of Association must be resolved by the GMS, which is attended by the Shareholders representing at least $\frac{2}{3}$ (two-thirds) of the total issued shares with lawful voting right and the resolution is approved by more than $\frac{2}{3}$ (two-thirds) of the total votes lawfully cast at the meeting.
 - Amendment to the Articles of Association must be made in a notarial deed and in the Indonesian language.
2. Amendment to the Articles of Association concerning the change of name, the Company's domicile, the purposes and objectives, the line of business, the duration of the Company, the amount of the authorized capital, the reduction of the subscribed and paid-up capital and the change of status from a private company to become a public company or *vice versa*, shall be subject to the approval of the Minister of Laws and Human Rights of the Republic of Indonesia.
3. Amendment to the Articles of Association other than in regards to the matters as set forth in paragraph 2 of this Article suffice to be reported to the Minister of Laws and Human Rights of the Republic of Indonesia.
4. If the quorum is not reached at the Meeting as set forth in paragraph 2, then at the earliest 10 (ten) days and at the latest 21 (twenty-one) days after the first Meeting, the second Meeting can be held with the same conditions and agenda as required for the first Meeting, except for the period of notice, it must be made at the latest 7 (seven) days before the second Meeting, excluding the date of notice and the date of Meeting, and such notice of Meeting shall not first require call for the Meeting and the second Meeting shall be lawful and entitled to adopt binding resolutions if it is attended by the Shareholders representing at least $\frac{3}{5}$ (three-fifths) of the total issued shares with lawful voting right and the resolution is approved by more than $\frac{1}{2}$ (a half) of the total votes lawfully cast at the meeting.
5. If the quorum at the second Meeting is not reached, upon request of the Company, the Chairman of OJK shall determine the quorum of the third GMS, the total votes for adopting resolutions, the notice and time of GMS.
6. The resolution on capital reduction must be notified in writing to all creditors of the Company and published by the Board of Directors in at least 2 (two) daily newspapers in the Indonesian language, one of which having wide circulation within the Territory of the Republic of Indonesia and the other is published at the Company's domicile as determined by the Board of Directors and in the State Gazette, at the latest 7 (seven) days as of the date of the resolution on capital reduction.

MERGER, CONSOLIDATION, ACQUISITION AND SEPARATION

Article 27

1. With due observance of the prevailing laws, a merger, consolidation, acquisition and separation can only be undertaken based on a resolution of the GMS, which is attended by the Shareholders representing at least $\frac{3}{4}$ (three-fourths) of the total issued shares with lawful voting right, and the resolution is approved by more than $\frac{3}{4}$ (three-fourths) of the total votes lawfully cast at the meeting.
 - If the quorum above is not reached, then at the second GMS the resolution is lawful if it is attended by the Shareholders or their lawful proxy representing at least $\frac{2}{3}$ (two-thirds) of the total issued shares with lawful voting right and the resolution is approved by more than $\frac{3}{4}$ (three-fourths) of the total votes lawfully cast at the meeting.
 - If the quorum at the second GMS is not reached, upon request of the Company, the Chairman of OJK shall determine the quorum, the total votes for adopting resolutions, the notice and time of subsequent General Meeting of Shareholders.
2. The Board of Directors must announce in at least 2 (two) daily newspapers in the Indonesian language, one of which having wide circulation within the territory of the Republic of Indonesia and the other is published at the Company's domicile as determined by the Board of Directors, a abridged plan formerger, consolidation, acquisition or separation of the Company, at the latest within 30 (thirty) days before the notice of GMS.

DISSOLUTION AND LIQUIDATION

Article 28

1. With due observance of the prevailing laws, the dissolution of the Company can only be undertaken based on a resolution of the GMS, which is attended by the Shareholders representing at least $\frac{3}{4}$ (three-fourths) of the total issued shares with lawful voting right, and the resolution is approved by more than $\frac{3}{4}$ (three-fourths) of the total votes lawfully cast at the meeting.
 - If the quorum above is not reached, then at the second GMS the resolution is lawful if it is attended by the Shareholders or their lawful proxy representing at least $\frac{2}{3}$ (two-thirds) of the total issued shares with lawful voting right and the resolution is approved by more than $\frac{3}{4}$ (three-fourths) of the total votes lawfully cast at the meeting.
 - If the quorum at the second GMS is not reached, upon request of the Company, the Chairman of OJK shall determine the quorum, the total votes for adopting resolutions, the notice and time of subsequent GMS.
2. If the Company is dissolved, either due to the expiry of its duration (if it is established for a certain period) or based on a resolution of the GMS or on account of being adjudicated dissolved under a Court decision, the liquidation of Company must be carried out by one or more liquidators.
3. The Board of Directors shall act as the liquidator if no liquidator is designated in either the resolution of the GMS or the decision as set forth in paragraph 2 above.
4. The regulations on the appointment, suspension, dismissal, authorities, duties, responsibilities and supervision towards the Board of Directors shall also apply to the liquidator.
5. The remuneration for liquidators shall be determined by the GMS or by a Court decision.

6. The liquidator must within 30 (thirty) days after the dissolution of the Company:
 - a. notify to all creditors regarding the dissolution of the Company pursuant to the prevailing laws through announcement in 2 (two) daily newspapers in the Indonesian language, one of which having wide circulation within the Territory of the Republic of Indonesia and the other is published at the Company's domicile as determined by the Board of Directors and in the State Gazette of the Republic of Indonesia;
 - b. notify the dissolution of the Company to the Minister of Laws and Human Rights of the Republic of Indonesia to be registered in the Company registry that the Company is in liquidation.
 - c. notify the dissolution of the Company to the Chairman of OJK pursuant to the prevailing laws.
7.
 - a. The Liquidator must be responsible to the GMS for liquidation carried out by him/her;
 - b. Any balance of assets after the liquidation must be distributed amongst the Shareholders and each Shareholder shall be entitled to such portion in proportion to the nominal value of his/her paid-up shares;
 - c. The Liquidator must register and announce the end result of liquidation process pursuant to the prevailing laws.
8. The Articles of Association as contained in the deed of establishment and any future amendments thereof shall remain in force until the date the liquidation account is ratified by the GMS and the full discharge and release are given to all liquidators.

CLOSING PROVISIONS

Article 29

All matters not provided for or not sufficiently covered in these articles of association shall be decided by the GMS.

- All matters not provided for or not sufficiently covered in these articles of association must observe the capital market laws and the Company Law and shall be decided based on the resolutions of Meeting of the Board of Directors, the Meeting of the Board of Commissioners, and/or the GMS which does not contravene the capital market laws and the Company Law.

THE MANAGEMENT OF THE COMPANY HEREBY STATES THAT THE ARTICLES OF ASSOCIATION CONTAINED IN THIS PROSPECTUS CONSTITUTE THE FINAL ARTICLES OF ASSOCIATION OF THE COMPANY IN ACCORDANCE WITH RULE NO. IX.J.1. WHICH HAS BEEN APPROVED BY THE MINISTER OF LAW AND HUMAN RIGHTS

XIX. TERMS OF SHARES SUBSCRIPTION

1. SHARES SUBSCRIPTION

Shares subscription shall be done in accordance with the stipulations contained in this Prospectus and Shares Subscription Form/Formulir Pemesanan Pembelian Saham (hereinafter to be referred to as "SSF"). Shares subscription shall be done by using original or copy SSF issued by the Lead Underwriters. Original or copy of SSF issued by the Lead Underwriters may be acquired from the Underwriters or Sales Agents whose names are contained in the Chapter of Distribution of Prospectus and SSF in this Prospectus. SSF shall be made in 5 (five) copies. Shares subscription violating the stipulations mentioned above shall not be served.

Each share subscriber is required to have a securities account at the securities company/custodian bank which is already an Account Holder at the PT Kustodian Sentral Efek Indonesia (KSEI).

2. ELIGIBLE SUBSCRIBERS

Subscribers entitled to conduct shares subscription shall be individuals and/or Business Entities as set forth in UUPM and Rule No. IX.A.7

3. NUMBER OF SUBSCRIPTION

Shares subscription shall be submitted for a minimum of 1 (one) trading unit consisting of 100 (one hundred) shares, and subsequently in multiples of 100 (one hundred) shares.

4. REGISTRATION OF SECURITIES INTO THE COLLECTIVE DEPOSITORY

All the shares offered have been registered to KSEI based on an Agreement of Registration of Equity Shares with KSEI No.SP-0005/PE/KSEI/0114 dated 22 Januari 2014 signed by the Company and KSEI.

A. Due to such shares being registered with KSEI, therefore the following provisions shall apply on such offered shares:

1. The Company shall not issue Collective Shares Certificates, however such shares are to be distributed electronically, administration of which shall be done in KSEI Collective Depository. Shares from the Public Offering shall be credited into the Security Account in the name of the account holder at the latest on the date of distribution of shares after receiving confirmation of the registration of shares under the name of KSEI from the Company or BAE;
2. The Company shall issue Letter of Confirmation of Shares Registration/*Surat Konfirmasi Pencatatan Saham* ("SKPS") to KSEI as proof of record in the Registry of Shareholders of the Company of shares in the Collective Depository;
3. Prior to the listing of the shares offered in this Public Offering in the Stock Exchange, the subscribers shall receive confirmation of allotment in the name of the subscribers in the form of Shares Allotment Confirmation Form/*Formulir Konfirmasi Penjatahan* ("FKP");
4. KSEI, Security Company, or Custodian Bank shall issue a written confirmation to account holders as a letter of confirmation concerning ownership of Shares. The Written Confirmation shall constitute a valid letter of confirmation on Shares registered with the Security Account;
5. Assignment of ownership of Shares shall be conducted through transfer between Security Accounts in KSEI;
6. Shareholders registered with Security Account shall be entitled to dividend, bonus shares, rights issue, and cast votes in GMS, as well as other rights attached to the shares;

7. Payment of dividend, bonus shares and proceeds on rights issue to Shareholders shall be made by the Company, or BAE appointed by the Company, through the Security Account in KSEI, to further be forwarded to the beneficial owner who is the holder of security account in the Security Company or Custodian Bank
8. After the Public Offering and after the Company's shares are registered, the shareholders who desire shares certificates may withdraw shares from the Collective Depository in KSEI after the shares from the Public Offering are distributed into the Security Account of the appointed Security Company / Custodian Bank;
9. The withdrawal shall be conducted by submitting a request for shares withdrawal to KSEI through the Security Company / Custodian Bank managing their shares by completing the Shares Withdrawal Form;
10. Shares withdrawn from the Collective Depository shall be issued in the form of Collective Shares Certificates at the latest 5 (five) business days after the request is received by the Company and issued in the name of the Shareholders in accordance with the request from the Security Company or Custodian Bank managing the shares;
11. Parties who would like to conduct settlement of stock exchange transaction on Company's Shares shall be required to appoint a Security Company or Custodian Bank who is an account holder at KSEI to conduct administration for such Shares.

Shares that have been withdrawn from KSEI Collective Depository and Collective Shares Certificates of which have been issued cannot be used to settle stock exchange transactions. Further information on shares withdrawal procedures may be acquired from the Lead Underwriters or Underwriters wherein the concerned SSF is submitted.

5. SUBMISSION OF SHARES SUBSCRIPTION

During the Offering Period, eligible subscribers may subscribe for shares during normal working hours applicable at the office of Lead Underwriters or Underwriters or Sales Agent where the SSF is acquired.

Every party is entitled to submit only 1 (one) SSF and such must be submitted by the concerning subscriber by attaching copy of identification (KTP/Passport for individuals and Articles of Association for legal entities) as well as to conduct payment in accordance with the amount of subscription. For foreign subscribers, other than submitting copy of passport/KITAS that is still valid, they must state on the SSF their names and addresses abroad / valid legal domicile of the subscribers completely and clearly as well as to conduct payment in accordance with the amount of subscription.

Sales Agents, Underwriters, Lead Underwriters and the Company shall be entitled to reject shares subscription if SSF is not completed or if the conditions for shares subscription are not met

6. OFFERING PERIOD

Offering Period shall be 3 (three) business days, namely on 28 March - 2 April 2014. The offering shall commence at 09.00 WIB up to 15.00 WIB.

7. DATE OF ALLOTMENT

The final date of allotment, wherein the Lead Underwriters and the Company determine the shares allotment for each subscriber, shall be on 4 April 2014

8. CONDITIONS FOR PAYMENT

Payment may be made with cash, cheque, or bank draft in Rupiah and paid to the concerned subscribers (non representable) by presenting original identification and SSF which has been filled completely and correctly to the Underwriters at the time of submission of SSF. Payment for one SSF may only be made in one of the payment methods, namely using cheque or cash or transfer or bank draft.

In the case of payment by cheques, the respective cheques shall bear the name of the parties filing (signing) the shares subscription forms. Any cheque owned by or bearing the name of a Third Party is not acceptable as payment. All bank charges and transfer fees in relation to the payment shall be borne by the subscribers. All cheques and bank drafts received shall be immediately endorsed upon receipt; in the event that such cheques or bank drafts are dishonoured by the drawing bank, the related shares subscriptions shall be automatically considered void. Payment by cheques/transfers/giros by Underwriters, retail customers and domestic institutional customers shall be received in good fund on the last day of the Public Offering Period; whereas payment by international customers subscribing under the fixed allotment mechanism shall be made and received in good fund by 09.00 AM Western Indonesian Time on the Distribution Date, at the latest.

For special shares subscription, payment shall be made directly to the Company. For payment made through transfer from other banks, the subscribers shall attach copies of Credit Notes from the concerned bank.

Further, all deposits from the Underwriters and Sales Agents shall be made to the account of Lead Underwriters at:

Bank Mandiri
Berdharma Branch
Account No.: 122-0006324167
Account Name: PT Bahana Securities – IPO Wika Beton

Shares subscription made through Underwriters which have conveyed confirmation from Paying Bank at the time of submission of shares subscription may make deposit to the account of Lead Underwriters on the date set forth in the Underwriting Agreement.

9. PROOF OF RECEIPT

Lead Underwriters, Underwriters, or Sales Agent receiving the SSF, shall return to the subscribers the carbon copy of the fifth sheet of the signed SSF (original signature) as proof of receipt of shares subscription. The proof of receipt for such shares subscription does not constitute any warranty that the subscription is fulfilled and it must be well kept for re-submission at the time the remaining subscription fee is returned and/or when receiving Allotment Confirmation Form on shares subscription. For special shares subscribers, the proof of receipt of shares subscription shall be given directly by the Company.

10. SHARES ALLOTMENT

Allotment is to be carried out by PT Bahana Securities as the Allotment Manager with a combination system, which are Fixed Allotment and Pooling, in accordance with Rule No. IX.A.7 as well as other prevailing statutory regulations, including in Capital Market sector.

The allotment portion system that is implemented uses a combination system of Fixed and Pooling Allotment. The Fixed Allotment is limited to a maximum of 98% (nine eight percent) of the total shares on offer. The remaining 2% (two percent) shall be used in the Pooling Allotment.

A. Fixed Allotment

Fixed Allotment is limited to 98% (ninety eight seven percent) of the total Shares on Offer, which shall be allocated but not limited to:

- Pension fund
- Insurance
- Mutual fund
- Corporations
- Individuals
- Company's Employees through the ESA Program

In the event that the allotment is carried out using the fixed allotment system, therefore such allotment can only be carried out if the following requirements are met:

- a. The Allotment Manager shall determine the percentage of allocation and the eligible parties receiving the fixed allotment in the Public Offering. The total of Fixed Allotment percentage, shall also considerate individual subscriber interest
- b. The total of Fixed Allotment, as stated in point a shall also include the allotment for employees of the Issuer conducting subscription in Public Offering (if any) with maximum total of 10% (ten percent) of the total shares on offer in the Public Offering and;
- c. Fixed allotment is prohibited to be given to subscriber that have special relations as follows :
 - 1) Director, commissioner, employee or parties that have 20% or more shares ownership of a securities company acting as Underwriters or Security Selling Agent in the connection of Public Offering
 - 2) Director, commissioner, and/or the Company's majority shareholder; and
 - 3) Affiliates of the parties mentioned in points 1) and 2) above.

B. Pooling Allotment

Pooling Allotment is a minimum of 2% (two percent) of the offered shares. In the event that the subscribed shares exceed the offered shares, the Allotment Managers shall exercise the remaining shares allotment procedures after allocation of Fixed Allotment as follows:

- a. If after exempting Affiliated Subscribers who are: (i) directors, commissioners, employees or parties with 20% or more share ownership in a Security Company that acts as the Underwriter or Selling Agent with regard to this Public Offering; (ii) the Company's directors, commissioners, and/or principal shareholders; or (iii) affiliates of the parties referred to in points (i) and (ii), who are not submitting shares subscription on behalf of a third party and there are remaining shares which total is equal to or higher than the amount subscribed, then: the non-exempted subscribers shall receive all the subscribed shares. In the event that non-exempted subscribers have received full allotment and the Offered Shares still remain, the remaining shares shall be allocated proportionally to the subscribers who are (i) directors, commissioners, employees or Parties with 20% or more share ownership in a Security Company that acts as the Underwriter or Selling Agent with regard to this Public Offering; (ii) the Company's directors, commissioners, and/or principal shareholders; or (iii) affiliates of the Parties referred to in point (i) and (ii), who are not submitting shares subscription on behalf of a third party.

- b. In the event that there are remaining shares after exempting the subscribers as defined in point a, which are less than the remaining shares subscription, the allotment for non-exempted subscribers shall be allocated based on the following requirements:
- 1) In the event that the shares will be listed on IDX, the shares shall be allocated based on the following requirements:
 - Non-exempted subscribers shall receive 1 (one) unit of transaction at the Stock Exchange, provided that adequate units of transaction are available. In the event that such units are unavailable, the remaining units of transactions shall be allocated by way of lottery. The number of shares included in the unit of transaction referred to above is the highest unit of transaction set by the Stock Exchange where such shares are to be listed;
 - In the event of remaining shares, subsequent to allocation of one unit of transaction to non-exempted subscribers, the remaining shares shall be allocated proportionally in unit of transactions in accordance with the number of shares subscribed by the subscribers.
 - 2) In the event that the shares will not be listed on IDX, such shares shall be allocated proportionally based on the amount subscribed by the respective subscribers.

C. Other Methods of Allotment

Other methods of allotment may be applied in so far as the following:

- 1) The said procedures have been approved by OJK;
- 2) The said procedures have been disclosed fully in the Prospectus; and
- 3) The said procedures have been in accordance with Rule No. IX.A.7 except for Fixed and Pooling Allotment.

The shares allotment is to be audited by complying with procedures as set forth in the Rule No. VIII.G.12.

In the event of Securities over-subscription and if it is proven that particular Parties have submitted Securities subscriptions through more than one subscription form for each Public Offering, whether directly or indirectly, then for the purpose of allotment, the Allotment Manager may only include one Securities subscription form, which is the first form submitted by the concerned subscriber.

11. CANCELLATION OR DELAY OF PUBLIC OFFERING

Pursuant to Deed of Underwriting Agreement No. 21 dated 22 January 2014, as amended by First Amendment to the Deed of Underwriting Agreement PT Wijaya Karya Beton Tbk No. 19 dated 20 February 2014, both drawn up before Mochamad Nova Faisal, S.H., M.Kn., Notary in South Jakarta and last amended by Second Amendment to the Deed of Underwriting Agreement No. 25 dated 19 March 2014 drawn up before Nila Noordjasmani Soeyasa Besar S.H., M.Kn., substitute of Mochamad Nova Faisal S.H., M.Kn., Notary in South Jakarta, the Public Offering may be cancelled or delayed in accordance with the prevailing OJK Regulation, by the Company with prior written notification to OJK with regards to the delayed Public Offering, in the event of the following :

- a. Collective shares price index at the Stock Exchange has declined by more than 10% (ten percent) for 3 (three) consecutive Exchange days;
- b. Natural disasters, war, riots, fire, strike, that have significant impact on the course of business of the Company; and/or
- c. The occurrences of other events with significant impact on the course of business of the Company as determined by OJK as referred to in Rule No. IX.A.2.
- d. All rights and obligations of the parties have been met in accordance with the Underwriting Agreement

12. REFUND

- a. With due observance of provisions on allotment, in the event of over-subscription, the Underwriters shall be responsible and shall be required to refund the surplus in subscription money to the Lead Underwriters at the latest 1 (one) Business Day after the Date of Allotment, and each Underwriter shall be responsible and shall be required to refund the subscription money to the subscribers which it has received in relation to the purchase as soon as possible but no later than 2 (two) Business Days after the Date of Allotment. Therefore, the Lead Underwriters and Underwriters hereby release the Company from all demands/penalties arising out of negligence by the Lead Underwriters and underwriters.
- b. Such refund shall be required to be made in form of transfer to the account in the name of the subscriber or through other payment instruments in the form of cheque, bank draft or letter of refund that can be directly taken by the concerned subscriber from the Underwriter, in which the subscription is submitted by handing over proof of receipt of subscription of Shares and proof of identification.
- c. For Special Subscribers, refund of subscription money due to allotment shall be set forth and directly implemented by the Company and therefore the Company shall release the Lead Underwriters, Underwriters of all claims/penalties arising out of negligence by the Company.
- d. In the event the Underwriter fails to refund the subscription money thus causing a delay in the refund of subscription money to the subscribers, the said Underwriter shall be required to pay a fine to the concerned subscribers, for each day of delay, amounting to the interest rate of bank draft at Recipient Bank commencing on the 3rd Business Day since the Date of Allotment in prorate for each day of delay.
- e. In relation to the cancellation of Public Offering or postponement of Public Offering causing the termination of Securities Underwriting Agreement, as contemplated in the Securities Underwriting Agreement, the following provisions shall apply :
 - Refund of subscription money (including any fine on delay in refund of subscription money) shall be borne by the Lead Underwriters or Underwriters in accordance with their own shares or the Issuer (to Special Subscribers), and shall be settled within at the longest 2 (two) Business Days after the termination of Securities Underwriting Agreement or announcement of postponement of Public Offering;
 - If the subscription money to be refunded is available (including Special Subscribers), but the subscribers fail to show to take it within 2 Business Days after the date of decision to postpone or cancel the Public Offering or termination of Securities Underwriting Agreement, such shall not be the responsibility of the Company, Lead Underwriters and/or Underwriters, thus no obligation to pay penalty and or interest to the subscribers.

13. SUBMISISON OF ALLOTMENT CONFIRMATION FORM ON SHARES SUBSCRIPTION

Distribution of Shares Allotment Confirmation Form to respective Shares Accounts of shares subscribersto the Underwriters wherein the concerned SSF submitted shall be conducted at the soonest within1 (one) business day after Date of Allotment. Shares Allotment Confirmation Form on such sharessubscription may be claimed by presenting original proof of identification and Proof of Receipt of Shares Subscription.

14. MISCELLANEOUS

In line with the Rule No. IX.A.7, in the event of securities over-subscription and that it is proven that particular Parties have submitted securities subscriptions through more than 1 (one) subscription form for each Public Offering, whether directly or indirectly, therefore for the purpose of allotment, the Allotment Manager may only include 1 (one) Securities subscription form first submitted by the concerned subscribers.

The Underwriters, Securities sales agents, or their affiliations are prohibited from purchasing or owningshares for their own accounts, should over demand occur in a Public Offering, if the subscribers have received full allotment and there are Securities remain, the remaining Securities shall be distributed proportionately according to the amount subscribed by the subscribers, who constitute (i) director, commissioner, employee, or party owning 20% (twenty percent) or more of shares from the Underwriters or Securities Sales Agents in relation to the Public Offering; (ii) director, commissioner, and/or majorityshareholders of the Issuer; or (iii) Affiliated of the parties as referred to in points (i) and (ii), who do not constitute parties subscribing for the interest of third parties.

In the event of under demand in the Public Offering, the Underwriters, securities sales agents or their affiliations shall be prohibited from selling the shares that they have purchased, or will purchase based on the Underwriting Contract until the Securities are listed to the Stocks Exchange.

The Underwriters are to submit Report on Results of Public Offering to OJK at the latest 5 (five) business days after the Date of Allotment in accordance with Rule No. IX.A.2.

XX. DISTRIBUTION OF THE PROSPECTUS AND THE SHARES SUBSCRIPTION FORMS

The Prospectus and the SSF can be obtained at the offices of the Joint Lead Underwriters and the Underwriters, namely the Securities Brokers registered as members of the IDX. The Joint Lead Underwriters and Underwriters as referred to above are :

JOINT LEAD UNDERWRITERS

PT Bahana Securities (Affiliated) Graha Niaga, Lantai 19 Jl. Jenderal Sudirman, Kav. 58 Jakarta 12190 Telephone : (021) 250 5081 Facsimile : (021) 522 5869 Website: www.bahana.co.id	PT Danareksa Sekuritas (Affiliated) Gedung Danareksa, Lantai 1 Jl. Medan Merdeka Selatan No. 14 Jakarta 10110 Telephone : (021) 2955 5888 Facsimile : (021) 350 1712 Website: www.danareksa.com	PT Mandiri Sekuritas (Affiliated) Plaza Mandiri, Lantai 28 Jl. Jend. Gatot Subroto Kav 36-38 Jakarta 12190 Telephone : (021) 526 3445 Facsimile : (021) 526 3507 Website: www.mandirisekuritas.co.id	PT Sucorinvest Central Gani Equity Tower, Lantai 31 Jl. Jenderal Sudirman Kav 52-53 Jakarta 12190 Telephone : (021) 299 60999 Facsimile : (021) 5797 3938 Website: www.sucorinvest.com

UNDERWRITERS

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In addition to the Joint Lead Underwriters and the Underwriters office, the Prospectus and Share Subscription Form ("SSF") can also be obtained at the Public Offering Booth will be opened at Bank Mandiri Cabang Berdharma Jl. Jend. Sudirman Kav. 32-33 Jakarta 10220.