

**PT LIPPO KARAWACI Tbk  
AND SUBSIDIARIES**

**Consolidated Interim Financial Statements**

**As of March 31, 2016 (Unaudited) and December 31, 2015 (Audited) and  
For the 3 (Three) Months Periods Ended March 31, 2016 and 2015 (Unaudited)**



**PT LIPPO KARAWACI Tbk  
AND SUBSIDIARIES**

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**DIRECTORS' STATEMENT  
ON  
THE RESPONSIBILITY FOR PT LIPPO KARAWACI TBK & SUBSIDIARIES  
CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE 3 (THREE) MONTHS ENDED MARCH 31, 2016**

We the undersigned:

- |  |  |
|--|--|
| 1. Name                                      | : Ketut Budi Wijaya  |
| Address                                      | : Menara Matahari Lt. 22<br>Jln. Bulevar Palem Raya No. 7<br>Lippo Karawaci, Tangerang 15811 |
| Residential Address<br>(as in identity card) | : Jln. Percetakan Negara II/3<br>Johar Baru, Jakarta Pusat.                                  |
| Telephone                                    | : (021)2566 9000   |
| Title  | : President Director   |
| 2. Name                                      | : Richard Setiadi  |
| Address                                      | : Menara Matahari Lt. 22<br>Jln. Bulevar Palem Raya No. 7<br>Lippo Karawaci, Tangerang 15811 |
| Residential Address<br>(as in identity card) | : Jln. Hanoman Raya 20A RT 003/RW 009<br>Rawa Buaya, Cengkareng, Jakarta Barat               |
| Telephone                                    | : (021)2566 9000   |
| Title  | : Finance Director   |

State that:

1. We are responsible for the preparation and the presentation of the consolidated financial statements of PT Lippo Karawaci Tbk ("the Company");
2. The Company's consolidated financial statements have been prepared and presented in accordance with generally accepted accounting principles in Indonesia;
3. a. All information contained in the Company's consolidated financial statements is complete and correct;  
b. The Company's consolidated financial statements do not contain misleading material information or facts and do not omit material information or facts; and
4. We are responsible for the Company's internal control system.

This statement is issued to the best of our knowledge and belief.

Lippo Karawaci, 28 April 2016  
**PT Lippo Karawaci Tbk**

  
Ketut Budi Wijaya  
President Director

  
Richard Setiadi  
Finance Director

**PT LIPPO KARAWACI Tbk**  
**AND SUBSIDIARIES**  
**CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION**  
As of March 31, 2016 (Unaudited) and December 31, 2015 (Audited)  
(Expressed In Full Rupiah, Unless Otherwise Stated)

<b>ASSETS</b>	<b>Notes</b>	<b>March 31, 2016</b>	<b>December 31, 2015</b>
		<b>Rp</b>	<b>Rp</b>
<b>Current Assets</b>			
Cash and Cash Equivalents	3, 10, 44, 46	1,970,717,828,730	1,839,366,003,277
Trade Accounts Receivable	4, 46		
Third Parties	44	1,733,133,517,484	1,424,217,469,472
Related Parties	10	11,120,065,010	10,130,038,169
Available-for-Sale Financial Assets	5, 46	6,082,789,029,770	5,869,063,440,408
Other Current Financial Assets	6, 42.d, 44, 46	2,294,128,546,816	2,928,088,914,567
Inventories	7	20,987,571,901,608	20,458,990,316,986
Prepaid Taxes	19.c	864,689,455,755	817,415,175,234
Prepaid Expenses	8, 42.b	242,170,834,302	229,665,665,157
<b>Total Current Assets</b>		<b>34,186,321,179,475</b>	<b>33,576,937,023,270</b>
<b>Non-Current Assets</b>			
Due from Related Parties Non-Trade	10, 46	32,960,928,080	37,093,485,060
Other Non-Current Financial Assets	9, 44, 46	817,340,468,081	754,183,530,989
Investments in Associates	10, 11	154,886,837,276	153,843,414,817
Investments in Joint Venture	10, 12	231,356,705,295	231,427,318,896
Investment Property	13	421,925,569,691	417,000,308,256
Property and Equipment	14	2,826,456,041,005	2,731,532,523,878
Intangible Assets	15, 47	536,039,839,623	534,930,482,004
Deferred Tax Assets	19.b	45,952,218,120	46,950,367,278
Advances	16	1,337,746,052,575	1,429,931,761,310
Land for Development	17	1,369,706,738,025	1,369,660,864,310
Other Non-Current Non-Financial Assets		72,416,178,097	43,067,097,981
<b>Total Non-Current Assets</b>		<b>7,846,787,575,868</b>	<b>7,749,621,154,779</b>
<b>TOTAL ASSETS</b>		<b>42,033,108,755,343</b>	<b>41,326,558,178,049</b>

The accompanying notes form an integral part of these consolidated interim financial statements

**PT LIPPO KARAWACI Tbk  
AND SUBSIDIARIES**

**CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION (Continued)**

As of March 31, 2016 (Unaudited) and December 31, 2015 (Audited)  
(Expressed In Full Rupiah, Unless Otherwise Stated)

<b>LIABILITIES AND EQUITY</b>	<b>Notes</b>	<b>March 31, 2016 Rp</b>	<b>December 31, 2015 Rp</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade Accounts Payable - Third Parties	20, 44, 46	906,468,485,599	782,916,296,824
Accrued Expenses	18, 44, 46	1,173,603,448,814	1,006,468,547,643
Taxes Payable	19.d	286,311,658,826	228,973,968,765
Short-Term Employment Benefits Liabilities	46	45,385,357,538	12,171,380,895
Short-Term Bank Loans	21, 46	896,768,940,522	962,173,564,967
Current Portion of Long-Term-Bank Loans	23, 46	59,151,098,911	48,261,246,570
Other Current Financial Liabilities	22, 46	524,692,815,767	339,865,932,700
Advances from Customers	26	1,077,757,692,352	863,192,440,180
Deferred Income	10, 27	445,831,267,946	480,093,178,686
Deferred Gain on Sale and Leaseback Transactions	28, 42.b	186,712,990,452	132,766,996,702
<b>Total Current Liabilities</b>		<b>5,602,683,756,728</b>	<b>4,856,883,553,932</b>
<b>Non-Current Liabilities</b>			
Long-Term Bank Loans	23, 46	481,844,650,271	471,749,633,437
Due to Related Parties Non-Trade	10, 46	2,425,352,150	7,528,997,776
Bonds Payable	24, 44, 46	10,478,528,301,984	10,883,059,011,816
Other Non-Current Financial Liabilities	46	93,773,885,749	85,551,631,230
Long-Term Employment Benefits Liabilities	10, 25	311,085,515,426	311,085,515,426
Deferred Tax Liabilities	19.b	56,204,326,733	39,593,675,631
Advances from Customers	26	4,174,973,241,949	4,348,551,967,369
Deferred Income	10, 27	394,069,764,227	359,098,632,304
Deferred Gain on Sale and Leaseback Transactions	28, 42.b	947,583,067,866	1,046,691,000,786
<b>Total Non-Current Liabilities</b>		<b>16,940,488,106,355</b>	<b>17,552,910,065,775</b>
<b>Total Liabilities</b>		<b>22,543,171,863,082</b>	<b>22,409,793,619,707</b>
<b>EQUITY</b>			
<b>Equity Attributable to Owner of the Parent</b>			
Capital Stock			
Par Value - Rp100			
Authorized Capital - 64,000,000,000 shares			
Issued and Fully Paid - 23,077,689,619 shares	29	2,307,768,961,900	2,307,768,961,900
Additional Paid-in Capital - Net	30	4,063,148,621,880	4,063,148,621,880
Difference in Transactions with Non-Controlling Interest	31	1,551,184,427,661	1,551,184,427,661
Difference in Equity Changes of Subsidiary	32	1,105,101,368,218	1,105,101,368,218
Treasury Stock	29	(216,524,113,794)	(216,524,113,794)
Retained Earnings		7,330,116,810,023	7,101,438,271,572
Other Comprehensive Income	34	668,131,396,512	482,023,339,014
<b>Total Equity Attributable to Owner of the Parent</b>		<b>16,808,927,472,400</b>	<b>16,394,140,876,451</b>
<b>Non-Controlling Interests</b>	35	<b>2,681,009,419,861</b>	<b>2,522,623,681,891</b>
<b>Total Equity</b>		<b>19,489,936,892,261</b>	<b>18,916,764,558,342</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>42,033,108,755,343</b>	<b>41,326,558,178,049</b>

The accompanying notes form an integral part of these consolidated interim financial statements

**PT LIPPO KARAWACI Tbk  
AND SUBSIDIARIES**

**CONSOLIDATED INTERIM STATEMENTS OF PROFIT OR LOSS  
AND OTHER COMPREHENSIVE INCOME**

For the 3 (Three) Months Periods Ended March 31, 2016 and 2015 (Unaudited)  
(Expressed In Full Rupiah, Unless Otherwise Stated)

	Notes	2016 (3 Months) Rp	2015 (3 Months) Rp
<b>REVENUES</b>	10, 36	2,605,195,503,310	2,447,143,391,222
<b>Final Tax Expenses</b>	19.a	(59,735,041,300)	(64,641,289,563)
<b>NET REVENUES</b>		<b>2,545,460,462,010</b>	<b>2,382,502,101,659</b>
<b>COST OF REVENUES</b>	37	(1,434,114,920,903)	(1,246,818,116,462)
<b>GROSS PROFIT</b>		<b>1,111,345,541,107</b>	<b>1,135,683,985,197</b>
Operating Expenses	38	(664,012,876,447)	(573,166,663,307)
Other Income	40	161,001,958,713	87,032,808,295
Other Expenses	40	(38,043,940,815)	(23,509,464,753)
<b>PROFIT FROM OPERATIONS</b>		<b>570,290,682,558</b>	<b>626,040,665,432</b>
Financial Charges - Net	39	(87,795,120,014)	(31,284,309,459)
Share in the Profit of Associates and Joint Venture	11	1,043,422,460	1,855,492,470
<b>PROFIT BEFORE TAX</b>		<b>483,538,985,004</b>	<b>596,611,848,443</b>
Tax Expenses	19.a	(28,497,431,037)	(36,113,667,918)
<b>PROFIT FOR THE PERIOD</b>		<b>455,041,553,967</b>	<b>560,498,180,525</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Other Comprehensive Income Items that will be Reclassified Subsequently to Profit or Loss:			
Gain from Translation of Financial Statements	34	280,508,025,062	92,471,642,194
Gain (Loss) on Remeasurement in Fair Value of Available-for-Sale Financial Assets	5, 34	(80,272,666,984)	208,397,057,367
<b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>200,235,358,078</b>	<b>300,868,699,562</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>655,276,912,045</b>	<b>861,366,880,087</b>
Profit for the Period Attributable to:			
Owner of the Parent		308,678,538,451	417,369,383,565
Non-Controlling Interests		146,363,015,516	143,128,796,960
		<b>455,041,553,967</b>	<b>560,498,180,525</b>
Total Comprehensive Income for the Period Attributable to:			
Owner of the Parent		494,786,595,949	718,238,083,127
Non-Controlling Interests		160,490,316,096	143,128,796,960
		<b>655,276,912,045</b>	<b>861,366,880,087</b>
<b>EARNINGS PER SHARE</b>			
Basic, Profit for the Period Attributable to Ordinary Shareholders of the Parent	41	13.56	18.33

The accompanying notes form an integral part of these consolidated interim financial statements

These consolidated interim financial statements are originally issued in Indonesian language

**PT LIPPO KARAWACI Tbk  
AND SUBSIDIARIES**

**CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY**

For the 3 (Three) Months Periods Ended March 31, 2016 and 2015 (Unaudited)  
(Expressed In Full Rupiah, Unless Otherwise Stated)

Total Equity Attributable to Owner of the Parent															
Notes	Additional Paid-in Capital - Net				Difference in Transactions with Non-Controlling Interest Rp	Difference in Equity Changes of Subsidiary Rp	Treasury Stock Rp	Retained Earnings			Other Comprehensive Income			Total Rp	Non-Controlling Interest Rp
	Issued and Fully Paid Capital Stock Rp	Paid-in Capital Excess of Par - Net Rp	Difference in Value from Restructuring Transactions between Entities Under Common Control- Net Rp	Total Rp				Appropriated Rp	Unappropriated Rp	Total Rp	Translation of Financial Statements Rp	Available for Sale Financial Assets Rp	Total Rp		
BALANCE AS OF DECEMBER 31, 2014 AFTER INITIAL ADOPTION OF PSAK NO.24 (REVISED 2013)	2,307,768,961,900	4,043,613,274,615	19,535,347,265	4,063,148,621,880	529,570,372,012	1,105,101,368,218	(216,524,113,794)	8,000,000,000	6,950,145,769,167	6,958,145,769,167	670,172,145,549	170,197,156,625	840,369,302,174	15,587,580,281,557	2,033,249,666,540
Equity Changes in 2015															
Acquisition of Shares in Subsidiary 31	--	--	--	--	43,851,181,695	--	--	--	--	--	--	--	--	43,851,181,695	(59,185,181,695)
Disposal of Shares in Subsidiary 31	--	--	--	--	1,000,581,189,869	--	--	--	--	--	--	--	--	1,000,581,189,869	20,706,334,268
Other Comprehensive Income for the Period	--	--	--	--	--	--	--	--	417,369,383,565	417,369,383,565	92,471,642,194	208,397,057,367	300,868,699,562	718,238,083,127	143,128,796,960
BALANCE AS OF MARCH 31, 2015	2,307,768,961,900	4,043,613,274,615	19,535,347,265	4,063,148,621,880	1,574,002,743,576	1,105,101,368,218	(216,524,113,794)	8,000,000,000	7,367,515,152,732	7,375,515,152,732	762,643,787,743	378,594,213,992	1,141,238,001,736	17,350,250,736,248	2,137,899,616,073
BALANCE AS OF DECEMBER 31, 2015	2,307,768,961,900	4,043,613,274,615	19,535,347,265	4,063,148,621,880	1,551,184,427,661	1,105,101,368,218	(216,524,113,794)	9,000,000,000	7,092,438,271,572	7,101,438,271,572	426,111,052,423	55,912,286,591	482,023,339,014	16,394,140,876,451	2,522,623,681,891
Equity Changes in 2016															
Cash Dividend and Reserved Fund 33	--	--	--	--	--	--	--	1,000,000,000	(81,000,000,000)	(80,000,000,000)	--	--	--	(80,000,000,000)	--
Dividend Distribution In Subsidiaries	--	--	--	--	--	--	--	--	--	--	--	--	--	--	(2,104,578,126)
Non-Controlling Interest	--	--	--	--	--	--	--	--	--	--	--	(14,127,300,580)	(14,127,300,580)	(14,127,300,580)	14,127,300,580
Other Comprehensive Income for the Period	--	--	--	--	--	--	--	--	308,678,538,451	308,678,538,451	280,508,025,062	(80,272,666,984)	200,235,358,078	508,913,896,529	146,363,015,516
BALANCE AS OF MARCH 31, 2016	2,307,768,961,900	4,043,613,274,615	19,535,347,265	4,063,148,621,880	1,551,184,427,661	1,105,101,368,218	(216,524,113,794)	10,000,000,000	7,320,116,810,023	7,330,116,810,023	706,619,077,485	(38,487,680,973)	668,131,396,512	16,808,927,472,400	2,681,009,419,861

The accompanying notes form an integral part of these  
Consolidated interim financial statements

**PT LIPPO KARAWACI Tbk  
AND SUBSIDIARIES**

**CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS**

For the 3 (Three) Months Periods Ended March 31, 2016 and 2015 (Unaudited)  
(Expressed In Full Rupiah, Unless Otherwise Stated)

	<b>2016</b> <b>(3 Months)</b> <b>Rp</b>	<b>2015</b> <b>(3 Months)</b> <b>Rp</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Collections from Customers	2,653,276,962,532	2,134,389,442,260
Payments to Suppliers	(1,703,702,040,920)	(2,481,048,468,849)
Payments to Employees	(259,890,480,045)	(292,991,441,869)
Interest Received	17,210,475,831	17,164,157,231
Interest Payments	(283,233,113,832)	(169,891,665,214)
Tax Payments	(64,165,952,176)	(65,307,961,566)
Net Cash Provided by (Used in) Operating Activities	<u>359,495,851,390</u>	<u>(857,685,938,007)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition Property and Equipment	(196,094,735,775)	(218,558,044,454)
Receipt of Dividend	107,382,595,159	87,124,166,681
Receipt of Hotel and Hospital Performance Guarantee	52,500,000,000	34,500,000,000
Acquisition of Investment Property	(10,627,248,601)	(10,326,399,315)
Placement of Restricted Funds	(63,156,937,092)	(1,385,289,250)
Disposal of Share in Subsidiary	--	1,136,800,000,000
Placement of Advances	(65,651,302,023)	(101,660,281,508)
Net Cash Provided by (Used in) Investing Activities	<u>(175,647,628,332)</u>	<u>926,494,152,154</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipt from (Payment to) Related Parties - Net	2,696,182,234	2,696,182,234
Bank Loans		
Received	979,517,847,277	--
Payments	(1,025,062,442,938)	(173,328,858,464)
Net Cash Used in Financing Activities	<u>(42,848,413,427)</u>	<u>(170,632,676,230)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	140,999,809,631	(101,824,462,083)
Effect of Foreign Exchange on Cash and		
Cash Equivalents at the End of the Period	17,877,887,573	17,877,887,573
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<u>1,839,366,003,277</u>	<u>3,529,169,475,504</u>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<u><b>1,998,243,700,481</b></u>	<u><b>3,445,222,900,994</b></u>

Additional informations that does not affect the activity of cash flows  
are presented in Note 48.



**PT LIPPO KARAWACI Tbk AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

As of March 31, 2016 (Unaudited) and December 31, 2015 (Audited)  
And for the 3 (Three) Months Periods Ended March 31, 2016 and 2015 (Unaudited)  
(Expressed In Full Rupiah, Unless Otherwise Stated)

**1. General**

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**1.a. The Company's Establishment**

PT Lippo Karawaci Tbk ("the Company") was established under the name of PT Tunggal Reksakencana on October 15, 1990 based on the Deed of Establishment No. 233, which was made in the presence of Misahardi Wilamarta, S.H., a notary in Jakarta. The deed of establishment was approved by the Minister of Justice of the Republic of Indonesia in his Decree No. C2-6974.HT.01.01.TH.91 dated November 22, 1991 and was published in the State Gazette No. 62, Supplement No. 3593 on August 4, 1992. The Company's articles of association has been amended several times, and the latest was by partial of the Deed of Annual General Meeting of Stockholders No. 30 dated July 3, 2015, made in the presence of Sriwi Bawana Nawaksari, a notary in Tangerang, in relation to the approval to change and rearrange of the Company's article of association. The change of deed was recorded by the Minister of Law and Human Rights of the Republic of Indonesia in his decree No.AHU-AH.01.03.0951739 dated July 15, 2015. The deed was received by the Minister of Law and Human Rights of the Republic of Indonesia in his decree No.AHU-AH.01.03.0951739 dated July 15, 2015.

In accordance with article 3 of the Company's articles of association, the Company's scope of activities include real estate, urban development, land purchasing and clearing, land cut and fill, land development and excavation; infrastructure development; planning, developing, leasing, selling and managing of buildings, houses, offices and industrial estates, hotels, hospitals, commercial centers and sports centers, supporting infrastructure, including but not limited to golf courses, club houses, restaurants, other entertainment centers, medical laboratories, medical pharmacies and related facilities, directly or by investment or capital divestment; build and operate environment infrastructure, build and manage public facilities and accommodation services and operating activities in services consisting of public transportation, security services and other supporting services, except for legal and taxation services.

The Company started commercial operations in 1993. As of the reporting date, the Company's and subsidiaries (Group) main activity is in the field of Urban Development, Large Scale Integrated Development, Retail Malls, Healthcare, Hospitality and Infrastructure, and Property and Portfolio Management. The work area of the Company and subsidiaries ("the Group"), includes Sumatera, Java, Bali, Borneo, Sulawesi, Nusa Tenggara and several subsidiaries domiciled in Singapore, Malaysia, British Virgin Island, Vanuatu and Seychelles.

The Company is domiciled at Jl Boulevard Palem Raya No. 7, Menara Matahari 22nd - 23rd Floor, Lippo Karawaci Central, Tangerang 15811, Banten - Indonesia. The Company is a member of the Lippo Group.

**1.b. The Company's Initial Public Offering**

The Company's initial public offering of 30,800,000 shares was declared effective by the Chairman of Capital Market and Financial Institution Supervisory Agency (Bapepam-LK) (formerly Capital Market Supervisory Board) in his Decree No. S-878/PM/1996 dated June 3, 1996, and was listed in the Indonesian Stock Exchange on June 28, 1996.

Subsequently, the Company offered 607,796,000 shares to its existing stockholders through Limited Public Offering I, as approved by the Decree of the Chairman of Bapepam-LK in his letter No. S-2969/PM/1997 dated December 30, 1997. These shares were listed in the Indonesian Stock Exchange on January 16, 1998.

On July 30, 2004, the Company acquired and merged with several companies. As part of the merger, the Company issued 1,063,275,250 new shares which increased the Company's total outstanding shares to 2,050,943,750 shares. The increase of authorized, issued and fully paid capital was approved by the Minister of Law and Human Rights of the Republic of Indonesia in his Decree No. C-19039.HT.01.04.Th.04 dated July 30, 2004.

**PT LIPPO KARAWACI Tbk AND SUBSIDIARIES**

**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Continued)**

As of March 31, 2016 (Unaudited) and December 31, 2015 (Audited)

And for the 3 (Three) Months Periods Ended March 31, 2016 and 2015 (Unaudited)

(Expressed In Full Rupiah, Unless Otherwise Stated)

In 2004, the Company offered 881,905,813 common shares at par value of Rp500 to the stockholders through Limited Public Offering II in connection with Preemptive Rights Issuance and issued 529,143,440 Warrants Series I as a compliment to stockholders who exercised their rights in the Limited PublicOffering II. This offering was approved by the Decree of the Chairman of Bapepam-LK in his Letter No. S-3357/PM/2004 dated October 29, 2004. These shares were listed in the Indonesian Stock Exchange on January 20, 2005.

On July 28, 2006, the Company exercised stock split from one to two shares. The outstanding 5,871,017,072 shares as of December 31, 2006 have been listed in the Indonesian Stock Exchange.

On December 26, 2007, the Company exercised stock split fromRp 250 to Rp100 per share. The outstanding 17,302,151,695 shares as of December 31, 2007 have been listed in the Indonesian Stock Exchange.

In December 2010, the Company offered 4,325,537,924 common shares with a par value of Rp100 to the stockholders through Limited Public Offering III. This offering has received an effective notice of registration statement through the letter of the Chairman of Bapepam-LK No. S-10674/BL/2010, dated November 29, 2010 and was approved by the stockholders through a resolution of the EGM on same date. On December 29, 2010 these shares were listed in the Indonesian Stock Exchange.

Based on the Deed of Extraordinary General Meeting of Stockholders (EGMS) No. 02 dated May 3, 2010 which was made in the presence of Unita Christina Winata, SH, a notary in Jakarta, which was recently updated by the Deed of EGMS Resolution No. 13 dated March 9, 2011, made in the presence of same notary, the stockholders approved the issuance of new shares within the framework of the Non Preemptive Rights Issuance (NPRI) with a maximum of 10% of paid-in capital or 2,162,768,961 shares. The NPRI can be implemented at once and / or gradually within a year of 2 (two) years as approved by the EGMS. On June 6, 2011, the addition of 1,450,000,000 shares has been issued. The new shares were listed in the Indonesian Stock Exchange on June 8, 2011.

Based on the Deed of EGMS No. 19 dated November 15, 2011 which was made in the presence of Unita Christina Winata, SH, a notary in Jakarta, the shareholders approved the repurchase (buyback) of outstanding shares. In 2011, the number of shares repurchased amounted to 96,229,500 shares, bringing the total number of ordinary shares outstanding as of the December 31, 2011 amounted to 22,981,460,119 shares. The Company has reported this buyback to Bapepam-LK in its letter No. 005/LK-COS/I/2012 dated January 13, 2012.

The repurchased of the outstanding ordinary shares made in 2012 totalling 209,875,000 shares, bringing the outstanding shares as of December 31, 2012 amounted to 22,771,585,119 shares. The Company has reported this buyback to Bapepam-LK in its letter No. 175/LK-COS/VII/2012 dated July 13, 2012.

# PT LIPPO KARAWACI Tbk AND SUBSIDIARIES

## NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Continued)

As of March 31, 2016 (Unaudited) and December 31, 2015 (Audited)

And for the 3 (Three) Months Periods Ended March 31, 2016 and 2015 (Unaudited)

(Expressed In Full Rupiah, Unless Otherwise Stated)

### 1.c. Structure of the Company and it subsidiaries

The Details of the subsidiaries consolidated in the consolidated financial statements are as follows:

Subsidiary	Domicile	Main Business	Direct Ownership Percentage	Indirect Ownership Percentage	Year of Starting Operation	Total Assets	
						Mar 31, 2016 Rp	Dec 31, 2015 Rp
Theta Capital Pte Ltd*** and subsidiary	Singapore	Investment	100.00%	--	--	11,202,903,278,200	11,422,760,431,696
Theta Kemang Pte Ltd***	Singapore	Trading	--	100.00%	--	11,131,389,140,864	11,347,225,059,287
Sigma Capital Pte Ltd*** and subsidiary	Singapore	Investment	100.00%	--	--	5,015,329,748	5,211,394,537
Sigma Trillium Pte Ltd ***	Singapore	Trading	--	100.00%	--	4,798,372,427	4,985,955,682
Lippo Karawaci Corporation Pte Ltd**** and subsidiaries	Singapore	Investment, Trading and Services	100.00%	--	--	569,794,132,236	536,104,452,256
LK Reit Management Pte Ltd**** and subsidiary	Singapore	Investment, Trading and Services	--	100.00%	--	569,794,142,066	536,104,462,007
Bowsprit Capital Corporation Ltd****	Singapore	Investment, Trading and Services	--	100.00%	2006	569,794,132,236	536,104,452,256
Jesselton Investment Limited*** and subsidiaries	Malaysia	Investment, Trading and Services	100.00%	--	--	535,973,671,908	500,438,252,026
Peninsula Investment Limited*** and subsidiary	Malaysia	Investment, Trading and Services	--	100.00%	--	535,973,685,184	500,438,265,821
LMIRT Management Ltd ****	Singapore	Investment, Trading and Services	--	100.00%	2007	535,973,671,909	500,438,252,026
PT Primakreasi Propertindo and subsidiaries (0.05% ownership in PT Gowa Makassar Tourism Development Tbk)	Tangerang	Real Estate	99.99%	0.01%	--	10,458,301,765,728	10,192,368,427,422
PT Mujuir Sakti Graha and subsidiaries	Tangerang	Real Estate	--	100.00%	--	58,499,395,238	48,223,381,969
PT Surplus Multi Makmur and subsidiary	Jakarta	Real Estate	--	90.00%	--	77,540,120,565	67,263,961,296
PT Arta Sarana	Bandung	Investment, Trading and Services	--	81.00%	--	77,545,744,544	67,269,439,275
PT Puri Paragon	Tangerang	Development, Trading and Services	--	100.00%	--	580,592,942	580,592,942
PT Menara Tirta Indah	Tangerang	Development, Trading and Services	--	100.00%	--	615,101,564,395	589,769,816,739
PT Gempita Sinar Abadi	Jakarta	Development, Trading and Services	--	100.00%	--	20,151,362,609	20,153,153,609
PT Tata Bangun Nusantara	Tangerang	Development, Trading and Services	--	100.00%	--	5,782,070,760	5,783,526,903
PT Lintas Lautan Cemerlang	Tangerang	Development, Trading and Services	--	100.00%	--	10,165,918,011	10,948,173,364
PT Nilam Biru Bersinar (3.81% ownership in PT Siloam International Hospitals Tbk)	Tangerang	Development, Trading and Services	--	100.00%	--	107,383,466,768	107,371,000,238
PT Safira Prima Utama (2.14% ownership in PT Siloam International Hospitals Tbk)	Tangerang	Development, Trading and Services	--	100.00%	--	961,977,086,575	962,085,510,656
PT Kalimaya Pundi Bumi	Tangerang	Development, Trading and Services	--	100.00%	--	1,061,157,755,728	1,061,156,484,719
PT Gloria Mulia (4.32% ownership in PT Siloam International Hospitals Tbk)	Tangerang	Development, Trading and Services	--	100.00%	--	62,886,181,253	62,855,297,333
PT Graha Solusi Mandiri and subsidiaries	Jakarta	Services	--	100.00%	--	115,838,108,842	115,840,230,785
PT Wijaya Wisesa Propertindo	Jakarta	Development and Services	--	80.00%	--	126,269,155	126,269,155
PT Kharisma Ekacipta Persada	Tangerang	Development, Trading and Services	--	100.00%	--	836,679,533	836,815,072
PT Cipta Mahakarya Gemilang	Tangerang	Development, Trading and Services	--	100.00%	--	98,086,876,071	98,085,547,608
PT Mandiri Cipta Gemilang and subsidiaries	Jakarta	and Services	--	100.00%	2003	5,505,582,293,576	5,359,772,584,370
PT Titian Semesta Raya	Jakarta	Real Estate Development, Trading and Services	--	100.00%	--	166,475,501,103	152,735,911,089
PT Adijaya Pratama Mandiri	Jakarta	Development, Trading and Services	--	100.00%	2013	189,307,040,161	165,184,501,524
PT Esatama Lestari Jaya	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	2,465,907,569	2,466,061,055
PT Bahtera Perkasa Makmur	Manado	Development, Trading, Printing and Services	--	100.00%	--	338,018,907,365	343,382,182,073
PT Gading Makmur Jaya	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	60,986,051,303	67,518,029,603
PT Bimasakti Jaya Abadi and subsidiaries	Jakarta	Development, Trading, Printing and Services	--	100.00%	2011	711,417,822,505	692,440,162,336
PT Kuta Beach Paragon and subsidiaries	Tangerang	Development, Trading and Services	--	100.00%	--	512,550,239,408	496,342,111,971
PT Graha Buana Utama and subsidiaries	Tangerang	Development, Trading and Services	--	100.00%	--	512,444,995,877	496,236,767,718
PT Berkat Langgeng Jaya and subsidiaries	Tangerang	Development, Trading and Services	--	100.00%	--	513,011,817,877	496,803,589,718
PT Pamor Paramita Utama and subsidiaries	Badung	Development, Trading and Services	--	100.00%	2013	504,022,339,452	487,350,358,983
PT Kridakarya Anugerah Utama *)	Badung	Development, Trading and Services	--	100.00%	--	600,000,000	600,000,000
PT Kencana Agung Pratama *)	Badung	Development, Trading and Services	--	100.00%	--	600,000,000	600,000,000
PT Trimulia Kencana Abadi *)	Badung	Development, Trading and Services	--	100.00%	--	600,000,000	600,000,000

**PT LIPPO KARAWACI Tbk AND SUBSIDIARIES**  
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(Expressed In Full Rupiah, Unless Otherwise Stated)

Subsidiary	Domicile	Main Business	Direct Ownership Percentage	Indirect Ownership Percentage	Year of Starting Operation	Total Assets	
						Mar 31, 2016 Rp	Dec 31, 2015 Rp
PT Surya Megah Lestari	Jakarta	Development, Trading, Printing, Land Transport, Industry, Agriculture and Services	--	100.00%	--	4,041,556,478	4,041,556,478
PT Gunung Halimun Elok	Tangerang	Development, Trading and Services	--	100.00%	--	475,491,736,372	439,260,589,848
PT Danisa Indah Cipta and subsidiary	Tangerang	Trading Industry, Printing and Services	--	100.00%	--	538,306,984	525,051,461
PT Fajarindo Sinar Sakti	Tangerang	Trading Industry, Printing and Services	--	100.00%	--	94,935,719	82,825,717
PT Jaya Makmur Bersama	Badung	Development, Trading and Services	--	100.00%	--	3,709,987,591	3,741,589,528
PT Gumarang Karya Sejati	Manado	Development, Trading, Printing and Services	--	100.00%	--	1,977,045,166	1,976,952,108
PT Grand Villa Persada (0.5% ownership in PT Gowa Makassar Tourism Development Tbk)	Tangerang	Real Estate	--	100.00%	--	54,201,106,475	54,201,213,000
PT Mega Proyek Pertiwi	Tangerang	Development, Trading and Services	--	100.00%	--	15,565,453,732	15,566,114,296
PT Sinar Surya Timur	Tangerang	Development, Trading and Services	--	100.00%	--	66,163,125,875	52,883,372,764
PT Gempita Cipta Bersama	Semarang	Development, Trading and Services	--	100.00%	--	2,026,358,533	1,986,816,333
PT Suryamas Khatulistiwa	Tangerang	Development, Trading and Services	--	100.00%	--	586,968,750	586,968,750
PT Lautan Sinar Abadi	Tangerang	Development, Trading and Services	--	100.00%	--	1,356,033,288	1,356,033,288
PT Karimata Putra Alam	Tangerang	Development, Trading and Services	--	100.00%	--	583,750,000	583,750,000
PT Timor Eka Selaras	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	5,111,851,901	5,111,793,383
PT Sultana Semesta Prima	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	36,723,263,271	36,717,871,271
PT Wijayakusuma Sukses Maju	Padang	Development, Trading, Printing and Services	--	100.00%	--	11,236,827,685	11,236,947,569
PT Andalan Utama Maju	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	2,320,667,400	2,325,167,400
PT Bumi Aurum Sejahtera	Medan	Development, Trading, Printing and Services	--	100.00%	--	64,104,725,444	63,588,734,445
PT Mentari Panen Raya	Jakarta	Development, Trading, Printing and Services	--	100.00%	--	58,705,000	58,705,000
PT Satyagraha Dinamika Unggul	Tangerang	Development, Trading, Printing and Services	--	70.00%	2013	1,044,204,726,695	1,011,670,328,438
PT Jayadipta Utama Makmur	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	2,320,667,400	2,325,167,400
PT Bumi Sindang Jaya	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	141,213,197	141,213,197
PT Cahaya Teratai Sakti	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	587,741,020	588,161,989
PT Damarindo Perkasa	Jambi	Development, Trading, Printing and Services	--	100.00%	--	77,001,748,346	66,123,746,499
PT Cipta Dunia Abadi	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	596,388,478	595,515,923
PT Sekawan Dunia Dinamika	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	581,500,000	581,500,000
PT Citra Dwi Anugrah	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	519,780,515	519,780,515
PT Pelangi Mutiara Timur	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	518,460,436	518,509,311
PT Sari Karya Muda	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	481,602,227	486,389,017
PT Sinar Biru Artha	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	578,500,000	581,500,000

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Subsidiary	Domicile	Main Business	Direct Ownership Percentage	Indirect Ownership Percentage	Year of Starting Operation	Total Assets	
						Mar 31, 2016 Rp	Dec 31, 2015 Rp
PT Tunggal Mekar Abadi	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	581,600,000	583,000,000
PT Bowsprit Asset Management	Jakarta	Investment Trading	--	100.00%	2015	24,034,423,490	24,034,423,490
PT Mega Pratama Serasi	Depok	Development, Trading, Printing and Services	--	100.00%	--	217,532,868	217,191,186
PT Mulia Aditama Setia	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	30,350,000	30,350,000
PT Mentari Adi Perkasa	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	997,755,000	997,755,000
PT Berdikari Jaya Abadi	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	70,855,000	72,255,000
PT Lumbung Mas Trijaya and subsidiaries	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	804,870,711,503	870,735,577,840
PT Karyatama Buana Cemerlang and subsidiary	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	724,876,651,899	790,741,518,236
PT Mapalus Mancacakti	Tangerang	Development, Trading, Printing and Services	--	70.00%	2014	680,231,717,448	730,423,687,982
PT Dwi Prabu Sakti	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	100,000,000	100,000,000
PT Sumber Pundi Sejahtera	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	10,970,562,500	10,970,562,500
PT Prabu Cipta Prima	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	581,517,500	581,517,500
PT Multi Panen Utama	Kupang	Development, Trading, Printing and Services	--	100.00%	--	5,908,135,482	5,908,209,435
PT Pancuran Intan Makmur	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	109,220,610,783	89,752,402,218
PT Solusi Dunia Baru	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	72,205,129,571	72,205,241,071
PT Suar Lintas Samudra	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	579,500,000	581,500,000
PT Berkat Samiguna Sukses	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	572,000,000	574,000,000
PT Global Lintas Multitama	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	579,600,000	584,000,000
PT Sarana Ciptakarya Utama	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	579,500,000	581,500,000
PT Mitra Samiguna Makmur	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	9,977,001,000	9,977,026,000
PT Cipta Mutiara Sukses	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	149,977,000,000	149,978,000,000
PT Suar Mutiara Semesta	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	581,600,000	584,000,000
PT Manyala Harapan	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	95,654,529,994	92,685,594,499
PT Suar Lintas Benua and subsidiary	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	861,250,000	863,650,000
PT BST Kupang Sejahtera	Jakarta	Development, Trading, Printing and Services	--	50.10%	--	600,000,000	600,000,000
PT Mulia Cipta Wibawa	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	579,500,000	582,500,000
PT Andromeda Sakti	Tangerang	Development, Trading, Printing and Services	--	100.00%	2015	121,369,463,197	102,013,197,250
PT Persada Mandiri Jaya	Jakarta	Development, Trading, Printing and Services	--	55.00%	--	586,500,000	586,500,000
PT Bandha Mulia Abadi	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	11,154,525,000	11,154,600,000

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Subsidiary	Domicile	Main Business	Direct Ownership Percentage	Indirect Ownership Percentage	Year of Starting Operation	Total Assets	
						Mar 31, 2016 Rp	Dec 31, 2015 Rp
PT Dutamas Cakra Tunggal	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	582,159,730	583,559,730
PT Indocitra Mulia Pratama	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	1,363,376,051	1,313,000,953
PT Praja Adikara Utama	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	8,401,858,846	3,048,283,917
PT Pusaka Sumber Artha	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	591,225,000	591,225,000
PT Prima Sentosa Jaya Abadi	Jakarta	Development, Trading, Printing and Services	--	100.00%	--	586,950,000	586,950,000
PT Indahjaya Sukses Abadi	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	588,375,000	588,375,000
PT Mandara Nusa Loka	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	588,350,000	588,350,000
PT Garda Utama Manado	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	588,350,000	588,350,000
PT Cipta Bakti Utama	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	1,288,706,023	1,094,236,892
PT Binaman Cipta Mandiri	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	39,508,400,332	39,508,475,332
PT Sentra Dwimandiri and subsidiaries (1.63% ownership in PT Gowa Makassar Tourism Development Tbk)	Jakarta	Real Estate	99.99%	0.01%	--	6,098,210,255,556	5,855,097,222,765
PT Prudential Development	Jakarta	Real Estate	--	100.00%	--	566,439,123	566,439,123
PT Sentra Realindo Development and subsidiaries (4.62% ownership in PT Lippo Cikarang Tbk)	Jakarta	Home Care	--	100.00%	2001	142,144,428,220	143,912,331,574
PT Darma Sarana Nusa Pratama and subsidiary	Tangerang	Real Estate	--	52.70%	1997	68,313,818,093	72,905,668,870
PT Tata Mandiri Daerah Villa Permata	Tangerang	Town Management	--	42.16%	2001	8,447,603,631	7,359,760,353
PT Golden Pradamas and subsidiaries	Tangerang	Real Estate	--	100.00%	--	702,242,535,988	733,793,521,174
PT Mulia Bangun Semesta and subsidiaries	Tangerang	Real Estate	--	100.00%	2002	780,114,317,079	811,992,028,933
PT Villa Permata Cibodas and subsidiaries	Tangerang	Real Estate	--	100.00%	1995	270,581,874,863	298,803,357,037
PT Puncak Resort International and subsidiaries	Cianjur	Real Estate	--	99.99%	1994	76,735,807,232	76,183,843,809
PT Dona Indo Prima	Tangerang	Real Estate	--	100.00%	--	41,078,268,776	41,078,593,520
PT Sentosa Seksama	Cianjur	Real Estate	--	100.00%	1994	22,670,619,374	22,670,912,374
PT Purnimegah Swarga Buana	Cianjur	Real Estate	--	100.00%	1994	9,351,701,522	9,351,288,266
PT Adigraha Rancang Sempurna	Cianjur	Real Estate	--	100.00%	1994	7,181,802,068	7,181,954,068
PT Pesanggrahan Suripermata Agung	Cianjur	Real Estate	--	100.00%	1994	1,824,145,812	1,824,438,812
PT Sukmaprima Sejahtera	Tangerang	Real Estate	--	100.00%	--	50,000,000	50,000,000
PT Villapermata Gemilang Abadi	Jakarta	Trading, Development, Printing and Services	--	100.00%	--	600,000,000	600,000,000
PT Bumi Sawarna Indah	Jakarta	Trading, Development, Printing and Services	--	100.00%	--	600,000,000	600,000,000
PT Mulia Sentosa Dinamika (4.48% ownership in PT Lippo Cikarang Tbk)	Tangerang	Real Estate	--	100.00%	1997	387,682,846,960	402,589,982,356
PT Sentra Asritama Realty Development and subsidiaries	Tangerang	Installation and Water Treatment	--	100.00%	1994	213,951,468,503	204,103,464,536
PT Tata Mandiri Daerah Lippo Karawaci and susidiary	Tangerang	Town Management	--	100.00%	1999	208,736,629,078	187,450,907,583
PT Surya Makmur Alam Persada	Jakarta	Real Estate	--	99.99%	--	20,329,539,810	20,330,325,285
PT Karya Bersama Jaya	Jakarta	Installation and Water Treatment	--	100.00%	2010	35,582,153,190	32,890,064,172
PT Sentragraha Mandiri	Jakarta	Real Estate	--	100.00%	--	33,360,670,477	33,361,768,217
PT Sapipersada Jagat Nusa	Tangerang	Bowling	--	100.00%	1998	7,718,109,946	7,844,810,637
PT Sejahtera Selaras	Jakarta	Real Estate	--	100.00%	--	13,199,565,807	13,200,319,878
PT Bahtera Pratama Wirasakti	Jakarta	Real Estate	--	100.00%	--	16,699,386,668	16,700,451,232
PT Sentra Office Realty	Tangerang	Development	--	100.00%	1998	722,781,760	722,781,760
PT Dinamika Intertrans	Jakarta	Transportation	--	100.00%	1994	1,216,274,582	1,157,602,808
PT Imperial Karawaci Golf	Tangerang	Golf	--	100.00%	--	465,062,500	465,520,500
PT Agung Sepadan	Tangerang	Real Estate	--	100.00%	--	2,551,393,213	2,551,501,213
PT Prudential Townhouse Development	Tangerang	Real Estate	--	100.00%	--	157,164,243	157,053,301
PT Wahana Tatabangun Cemerlang Matahari	Tangerang	Real Estate	--	100.00%	--	5,767,708	5,913,708
PT Wahana Tatabangun Cemerlang	Tangerang	Real Estate	--	100.00%	--	5,386,966	5,532,966
PT Manunggal Bumi Sejahtera and subsidiary	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	566,634,846,004	531,233,655,665
PT Asiatic Sejahterah Finance	Tangerang	Development, Trading, Printing and Services	--	100.00%	2009	465,333,002,600	427,015,850,305
PT Paragon City	Jakarta	Real Estate and Trading	--	100.00%	--	15,695,784,615	15,695,892,615
PT Padang Indah City	Padang	Trading, Development and Services	--	100.00%	--	16,719,065,228	16,720,547,228
Bridgewater International Ltd***	Seychelles	Investment and Trading	--	100.00%	2006	4,463,776,003,435	4,260,614,432,503
Pan Asian Investment Ltd*** and subsidiary	Vanuatu	Trading	--	100.00%	--	6,790,208,086	6,790,208,086
Cromwell Investment Ltd***	Vanuatu	Trading	--	100.00%	--	16,930	16,930
PT Lippo Karawaci Infrastructure & Utilities Division and subsidiary	Tangerang	Construction and Services	--	100.00%	--	10,217,705,530	10,217,805,495
PT TMD Manado Manajemen	Tangerang	Management Consulting	--	100.00%	--	10,000,000,000	10,000,000,000
Brightlink Capital Limited***	Malaysia	Investment, Trading and Services	--	100.00%	--	98,247,970,981	102,088,788,768
Evodia Strategic Investment Limited***	Malaysia	Investment, Trading and Services	--	100.00%	--	491,499,995,302	487,549,995,340
PT Si Moritz Management	Jakarta	Development, Trading and Services	--	100.00%	2014	19,370,978,124	14,761,833,436

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Subsidiary	Domicile	Main Business	Direct Ownership Percentage	Indirect Ownership Percentage	Year of Starting Operation	Total Assets	
						Mar 31, 2016 Rp	Dec 31, 2015 Rp
PT Kemang Village Management	Jakarta	Hotel	--	100.00%	2014	38,682,560,415	32,036,078,824
PT TMD Depok Manajemen	Depok	Services	--	100.00%	--	10,000,000,000	10,000,000,000
PT Dinamika Megah Cemerlang	Tangerang	Trading	--	100.00%	--	600,000,000	600,000,000
PT Sentrasemesta Indah Cemerlang	Tangerang	Development, Printing and Services	--	100.00%	--	600,000,000	600,000,000
		Trading Development, Printing and Services					
PT Wisma Jatim Propertindo and subsidiaries (1.23% ownership in PT Gowa Makassar Tourism Development Tbk)	Jakarta	Services	100.00%	--	--	6,110,914,929,952	5,752,773,130,589
PT Maharama Sakti (0.05% ownership in PT Gowa Makassar Tourism Development Tbk and 0.05% ownership in PT Siloam International Hospitals Tbk)	Jakarta	Trading	--	100.00%	--	274,316,000	274,316,000
PT Kemang Paragon Mall and subsidiaries (0.05% ownership in PT Gowa Makassar Tourism Development Tbk)	Tangerang	Development, Trading and Services	--	100.00%	--	2,904,256,560,322	3,208,720,342,821
PT Wahana Usaha Makmur and subsidiaries	Jakarta	Real Estate	--	100.00%	--	1,420,252,392,790	1,724,714,244,769
PT Almaron Perkasa and subsidiaries	Jakarta	Real Estate	--	100.00%	2005	1,402,413,691,444	1,706,872,089,223
PT Multiguna Selaras Maju	Tangerang	Development, Trading and Services	--	100.00%	2014	38,529,042,349	33,836,430,746
PT Gelora Raya Semesta	Tangerang	Trading and Services	--	100.00%	2013	258,928,390,781	259,062,090,279
		Development and Services					
PT Prima Aman Sarana	Jakarta	Services	--	100.00%	--	147,005,699,440	139,139,604,503
PT Kemang Multi Sarana	Jakarta	Real Estate and Urban	--	100.00%	2013	75,070,055,019	36,470,032,019
PT Harapan Insan Mandiri	Jakarta	Development, Trading and Services	--	100.00%	2014	28,510,114,103	22,733,502,448
		Development, Trading and Services					
PT Violet Pelangi Indah	Tangerang	Development, Trading and Services	--	100.00%	2014	22,512,278,921	19,338,125,177
		Development, Trading and Services					
PT Lippoindo Abadi and subsidiaries	Jakarta	Trading	--	100.00%	--	238,240,985,082	238,242,381,539
PT Kemuning Satiatama and subsidiaries (42.20% ownership in PT Lippo Cikarang Tbk)	Jakarta	Trading	--	100.00%	--	233,328,325,009	233,329,575,466
PT Megachandra Karyaestari	Jakarta	Trading	--	100.00%	1992*	283,123,217	283,171,674
PT Prudential Apartment Development	Jakarta	Services	--	100.00%	1993*	569,328,944	569,474,944
PT Sentraharisma Indah and subsidiary	Jakarta	Services	--	100.00%	--	2,170,684,120	2,171,594,120
PT Sentra Goldhill Business Park	Jakarta	Services	--	90.00%	--	--	--
PT Carakatama Dirgantara and subsidiary	Jakarta	Trading	--	100.00%	--	68,697,998,226	68,923,066,067
PT Prudential Hotel Development	Tangerang	Trading and Services	--	100.00%	1994*	68,683,944,054	68,908,990,902
PT Ariasindo Sejati and subsidiaries	Jakarta	Trading and Services	--	95.00%	--	181,994,349,706	182,440,215,774
		Trading and Services					
PT Unitech Prima Indah and subsidiary	Tangerang	Real Estate	--	94.69%	2004	191,558,030,320	189,416,530,150
PT Karya Cipta Pesona	Medan	Accommodation service provider	--	94.69%	2014	68,020,220,283	68,932,342,486
PT Puri Istana Megah	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	647,400,000	647,400,000
PT Metropolitan Leisure Corporation and subsidiaries	Jakarta	Trading and Services	--	100.00%	--	39,117,347,073	38,834,979,960
PT Kurniasindo Sejahtera	Jakarta	Trading and Services	--	100.00%	--	139,567,138	139,767,149
PT Graha Tata Cemerlang Makassar (0.34% ownership in PT Lippo Cikarang Tbk)	Makassar	Real Estate	--	100.00%	2002	35,825,102,176	35,542,419,390
PT Guna Tata Carakatama	Makassar	Trading and Services	--	100.00%	2002	257,117,145	257,117,145
PT Lippo Land Cahaya Indonesia	Tangerang	Services	--	100.00%	2003	2,895,674,245	2,895,674,245
PT Karunia Persada Raya and subsidiary	Tangerang	Trading	--	100.00%	--	91,860,713,948	86,368,298,496
PT Pendopo Niaga	Malang	Real Estate	--	100.00%	2004	91,860,713,948	86,368,298,496
PT Larasati Anugerah	Jakarta	Trading	--	100.00%	--	19,584,420	19,730,420
PT Bathara Brahma Sakti (0.05% ownership in PT Gowa Makassar Tourism Development Tbk)	Tangerang	Trading and Services	--	100.00%	1992*	4,790,454,703	4,790,614,247
PT Realty Limaribu	Jakarta	Services	--	100.00%	1998*	390,519,241	344,735,579
PT Dwisindo Jaya (0.05% ownership in PT Gowa Makassar Tourism Development Tbk)	Jakarta	Trading	--	100.00%	--	113,450,996	113,543,879
PT Karunia Alam Damai and subsidiary	Jakarta	Trading	--	100.00%	--	206,488,519,028	203,190,705,028
PT Jagatperta Nusantera	Depok	Real Estate	--	100.00%	2004	206,488,519,028	203,190,705,028
PT Muliamukti Persada Perkasa	Jakarta	Trading	--	100.00%	--	--	--
PT Kemang Village and subsidiaries	Jakarta	Trading	--	100.00%	--	284,626,936,097	281,636,959,741
PT Menara Bhumimegah and subsidiaries	Jakarta	Services	--	100.00%	2005	185,213,073,303	183,324,266,430
PT Jaya Usaha Prima and subsidiary	Jakarta	Real Estate	--	99.90%	--	120,112,352,639	118,223,401,559
PT Persada Mandiri Abadi	Jakarta	Real Estate	--	99.90%	2005	120,110,380,639	118,221,429,559
PT Adhi Utama Dinamika	Jakarta	Real Estate	--	100.00%	--	99,927,417,170	98,826,140,559
PT Menara Perkasa Megah and subsidiaries	Surabaya	Real Estate and Urban	--	100.00%	2005	480,232,982,137	501,976,724,625
PT Pelangi Cahaya Intan Makmur and subsidiaries	Surabaya	Development	--	85.00%	2005	390,568,196,400	412,311,793,261
		Trading					
PT Surya Mitra Jaya and subsidiary	Sidoarjo	Trading and Services	--	85.00%	--	390,719,588,613	391,444,673,035
PT Citra Harapan Baru	Surabaya	Accommodation	--	87.50%	--	2,000,000,000	2,000,000,000
PT Niaga Utama	Jakarta	Trading	--	100.00%	--	100,100,000	100,750,000
PT Mitra Kasih Karunia	Jakarta	Real Estate	--	100.00%	--	1,887,217,700	1,887,217,700
PT Kreasi Megatama Gemilang and subsidiaries (0.05% ownership in PT Gowa Makassar Tourism Development Tbk)	Tangerang	Development, Industri, Agrobisnis, Transportation, Trading and Services	--	100.00%	--	1,030,468,206,803	1,004,411,143,767
PT Lippo Malls Indonesia and subsidiaries (2.73% ownership in PT Lippo Cikarang Tbk)	Tangerang	Services	--	100.00%	2002	1,038,508,115,702	1,012,073,038,335
PT Kreasi Gemilang Perkasa	Tangerang	Development, Trading and Services	--	100.00%	2013	10,285,239,182	5,494,973,738
PT Kilau Intan Murni	Tangerang	Development, Trading and Services	--	100.00%	--	79,581,522,926	79,581,597,600
PT Mulia Citra Abadi and subsidiaries	Yogyakarta	Development, Trading, Printing, Land Transport, Industry, Agriculture and Services	--	100.00%	2012	514,336,654,203	498,831,588,231
PT Mulia Cipta Sarana Sukses *)	Yogyakarta	Trading	--	100.00%	--	600,000,000	600,000,000
PT Manunggal Megah Serasi *)	Yogyakarta	Development, Printing, Agriculture, and Services	--	100.00%	--	600,000,000	600,000,000

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Subsidiary	Domicile	Main Business	Direct Ownership Percentage	Indirect Ownership Percentage	Year of Starting Operation	Total Assets	
						Mar 31, 2016 Rp	Dec 31, 2015 Rp
PT Andhikarya Sukses Pratama <sup>2)</sup>	Yogyakarta	Trading Development, Printing, Agriculture, and Services	--	100.00%	--	600,000,000	600,000,000
PT Nusa Bahana Semester	Tangerang	Trading and Services Development, and Services	--	100.00%	--	600,000,000	600,000,000
PT Sky Parking Indonesia and subsidiaries	Tangerang	Trading and Services Development, and Services	--	100.00%	--	43,683,822,640	43,855,908,044
PT Sky Parking Nusantara and subsidiary <sup>2)</sup>	Tangerang	Trading and Services Development, and Services	--	70.00%	--	43,683,248,640	43,855,233,044
PT Sky Parking Utama <sup>2)</sup>	Tangerang	Trading and Services Development, and Services	--	70.00%	2015	43,680,018,807	43,853,632,333
PT Gayana Sumber Cipta and subsidiary	Tangerang	Trading and Services Development, and Services	--	100.00%	--	709,550,000	709,550,000
PT Gaharu Alam Permai	Tangerang	Trading and Services Development, and Services	--	100.00%	--	600,000,000	600,000,000
PT Semboja Indah Cipta	Tangerang	Trading and Services Development, and Services	--	100.00%	--	552,550,000	552,550,000
PT Putera Abadi Karya	Bogor	Trading and Services Development, and Services	--	100.00%	--	552,550,000	552,550,000
PT Buana Mediatama	Tangerang	Trading and Services Development, and Services	--	100.00%	--	559,800,000	559,800,000
PT Nusaindah Bukit Permai	Tangerang	Trading and Services Development, and Services	--	100.00%	--	550,950,000	550,950,000
PT Lembayung Karya Nirwana	Jakarta	Trading and Services Development, and Services	--	100.00%	--	559,550,000	559,550,000
PT Inspira Ide Cemerlang	Tangerang	Trading and Services Development, and Services	--	100.00%	--	559,550,000	559,550,000
PT Irama Karya Megah	Surabaya	Trading and Services Development, and Services	--	100.00%	--	251,602,938,945	251,476,498,945
PT Usahatama Kreatif	Tangerang	Trading and Services Development, and Services	--	100.00%	--	1,303,083,288	1,303,083,288
PT Usahatama Kreatif <sup>2)</sup>	Tangerang	Trading, Development, Industry, and Services	--	100.00%	--	600,000,000	600,000,000
PT Saputra Karya (0.05% ownership in PT Gowa Makassar Tourism Development Tbk)	Surabaya	Land Transportation and Services	--	100.00%	--	259,929,144,796	124,395,714,267
PT Grand Provita and subsidiary (0.05% ownership in PT Gowa Makassar Tourism Development Tbk)	Tangerang	Real Estate Development	--	100.00%	--	464,646,900	464,646,900
PT Grand Prima Propertindo	Tangerang	Real Estate	--	65.00%	--	5,348,100	5,348,100
PT Pacific Sejahtera	Tangerang	Real Estate	--	100.00%	--	14,122,400	14,122,400
PT Anugerah Bahagia Abadi and subsidiaries	Jakarta	Real Estate	--	100.00%	--	528,141,926,437	527,642,541,736
PT Internusa Prima Abadi	Jakarta	Real Estate	--	85.00%	--	528,138,975,567	527,639,590,865
PT Bangun Bina Bersama and subsidiary	Jakarta	Real Estate	--	85.00%	--	527,653,458,067	527,154,073,365
PT Satrimandiri Idola Utama	Jakarta	Real Estate	--	85.00%	--	157,106,113,813	157,058,282,729
PT Mahakaya Abadi	Tangerang	Real Estate	--	100.00%	--	475,345,600	477,345,600
PT Persada Mandiri Dunia Niaga and subsidiaries (0.05% ownership in PT Gowa Makassar Tourism Development Tbk)	Jakarta	Real Estate	--	100.00%	--	--	--
PT Ekaputra Kencana Abadi	Jakarta	Real Estate	--	100.00%	--	4,950,000,000	4,950,000,000
PT Gapura Sakti Prima and subsidiaries	Jakarta	Real Estate	--	100.00%	--	68,809,953,177	69,175,797,596
PT Menara Megah Tunggal and subsidiary	Jakarta	Real Estate	--	100.00%	--	68,675,187,705	69,040,432,223
PT Trias Mitra Investama	Binjai	Real Estate	--	100.00%	2005	68,504,539,291	68,870,925,808
PT Permata Agung Propertindo	Jakarta	Real Estate	--	100.00%	--	522,480,130	522,480,130
PT Kencana Mitra Lestari	Jakarta	Development, and Services	--	100.00%	--	644,425,000	645,075,000
PT Direct Power and subsidiaries	Bogor	Transportation, Trading and Services	--	100.00%	2007	126,888,818,024	125,337,920,962
PT Mitra Mulia Kreasi and subsidiary	Jakarta	Trading, Real Estate, Industri, Agrobisnis, Transportation and Services	--	80.00%	--	44,230,502,349	42,679,605,288
PT Bellanova Country Mall	Bogor	Development, Transportation and Services	--	80.00%	2005	44,140,572,349	42,589,675,288
PT Tirta Sentosa Dinamika <sup>2)</sup>	Tangerang	Trading and Services Development, and Services	--	100.00%	--	600,000,000	600,000,000
PT Pinus Permai Sejahtera <sup>2)</sup>	Cianjur	Printing, and Services	--	100.00%	--	15,814,578,252	15,762,983,041
PT Emas Makmur Cemerlang and subsidiary	Jakarta	Printing, and Services	--	100.00%	--	10,886,336,650	10,887,100,000
PT Guna Sejahtera Karya	Jakarta	Printing, and Services Development, and Services	--	100.00%	--	426,827,620,469	427,127,204,143
PT Sarana Global Multindo and subsidiaries	Jakarta	Industri, Agrobisnis, Landscaping and Services	--	100.00%	--	575,157,607,960	575,157,607,960
PT Citra Sentosa Raya and subsidiaries	Jakarta	Development, Transportation, Perdagangan and Services	--	100.00%	--	555,963,931,083	572,547,649,912



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Subsidiary	Domicile	Main Business	Direct Ownership Percentage	Indirect Ownership Percentage	Year of Starting Operation	Total Assets	
						Mar 31, 2016 Rp	Dec 31, 2015 Rp
PT Gading Nusa Utama	Jakarta	Trading, Development, Industri, Agrobisnis, Landscaping and Services	--	100.00%	--	19,065,965,333	19,076,707,333
Rosenet Limited**** and subsidiary	British Virgin Island	Investment	--	100.00%	--	554,462,817,344	571,054,888,841
Sea Pejaten Pte. Ltd****	Singapore	Investment	--	100.00%	--	43,321,780,004	44,650,214,701
Continental Investment Limited****	Malaysia	Investment, Trading and Services	--	100.00%	--	27,906,205	28,739,537
PT Sandiego Hills Memorial Park and subsidiary	Karawang	Trading, Development, Transportation and Services	--	100.00%	2006	655,451,727,578	596,305,567,169
PT Pengelola Memorial Park	Karawang	Development, Trading and Services	--	100.00%	2010	95,670,137,659	80,393,041,067
PT CB Commercial	Tangerang	Development, Trading and Services	--	100.00%	--	581,584,437	581,730,437
PT Kemilau Karyacipta Persada	Tangerang	Development, Trading and Services	--	100.00%	--	2,454,295,000	2,455,091,000
PT Bumi Indah Pertiwi	Tangerang	Development, Trading and Services	--	100.00%	--	2,579,391,024	2,579,391,024
PT Galang Karya Usaha	Tangerang	Public Service Development, Trading and Services	--	100.00%	--	100,000,000	100,000,000
PT Alona Griya Utama and subsidiary	Tangerang	Development, Trading and Services	--	60.00%	--	4,928,575,421	4,936,565,421
PT Cipta Semesta Prima	Tangerang	Development, Trading, Printing and Services	--	60.00%	--	4,919,289,508	4,918,797,508
PT Kreasi Ciptaprima Gemilang	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	72,000,000	73,000,000
PT Manikam Mutu Prima and subsidiary	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	125,750,000	60,251,000
PT Holland Village Manado	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	600,000,000	600,000,000
PT Suporta Developa Jaya	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	66,200,000	69,200,000
PT Wismacahaya Sentosa Megah	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	600,000,000	600,000,000
PT Ciptaindah Selaras Persada	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	600,000,000	600,000,000
PT Asri Griya Terpadu and subsidiary ²)	Tangerang	Development, Trading, Printing and Services	--	85.00%	--	396,792,703,244	49,990,000,000
PT Asri Griya Utama	Tangerang	Development, Trading, Printing and Services	--	85.00%	--	347,400,952,244	1,673,497,537
PT Cakrawala Semesta Abadi	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	585,582,000	586,232,000
PT Sarana Sentosa Propertindo	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	8,536,085,615	6,938,039,595
PT Bahana Megah Pratama and subsidiary	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	576,166,620	588,350,000
PT Bahana Perisai Abadi	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	567,349,935	567,349,935
PT Cahaya Puspita Raya	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	588,350,000	588,350,000
PT Karyaalam Indah Lestari ²)	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	600,000,000	600,000,000
PT Prakarsa Dinamika Unggul ²)	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	600,000,000	600,000,000
PT Setra Bumi Utama ²)	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	587,350,000	588,000,000
PT Taruna Multi Utama ²)	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	1,978,850,000	1,979,500,000
PT Grahata Asri Makmur	Tangerang	Development, Trading, and Services	--	100.00%	--	624,583,288	624,583,288
PT Lippo Cikarang Tbk and subsidiaries	Bekasi	Real Estate	--	54.37%	1989	5,545,290,419,694	5,476,757,336,509
PT Great Jakarta Inti Development and subsidiary	Bekasi	Town Management and Real Estate	--	54.37%	1992	400,326,715,168	399,691,712,048
PT Menara Inti Development	Bekasi	Real Estate	--	54.37%	2012	17,931,682,507	17,649,902,438
PT Tunas Pundi Bumi	Bekasi	Town Management	--	54.37%	2010	80,933,923,429	69,213,327,034
PT Erabaru Realindo	Bekasi	Real Estate	--	54.37%	--	26,786,107,020	26,788,406,656
PT Dian Citimarga	Bekasi	Transportation	--	54.37%	1993	610,895,975	611,000,223
PT Kreasi Dunia Keluarga	Bekasi	Recreational Park	--	54.37%	1993	3,784,844,408	3,848,349,610
PT Chandra Mulia Adhindharna	Bekasi	Property Management	--	54.37%	2011	26,708,987,305	26,037,970,359
PT Tirta Sari Nirmala	Bekasi	Water Treatment	--	54.37%	2011	51,826,876,995	35,608,402,065
PT Waska Sentana	Bekasi	Real Estate	--	54.37%	2014	192,477,450,019	197,446,696,592
PT Swadaya Teknopolis dan dan subsidiaries	Bekasi	Real Estate	--	54.37%	2009	170,100,001,000	170,100,001,000
Premium Venture International Ltd and subsidiary	British Virgin Island	Investment	--	54.37%	2015	167,426,688,280	167,426,688,280
Intellitop Finance Ltd	British Virgin Island	Investment	--	28.12%	2014	393,881,852,694	374,224,622,985

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Subsidiary	Domicile	Main Business	Direct Ownership Percentage	Indirect Ownership Percentage	Year of Starting Operation	Total Assets	
						Mar 31, 2016 Rp	Dec 31, 2015 Rp
PT Bekasi Mega Power	Bekasi	Power Plant	--	54.37%	2014	147,982,000	147,982,000
PT Dunia Air Indah	Bekasi	Recreation Services	--	54.37%	2009	3,432,732,840	3,432,732,840
PT Cahaya Ina Permai and subsidiaries	Bekasi	Real Estate	--	54.37%	--	278,904,813,560	279,139,052,611
PT Zeus Karya Prima	Tangerang	Development, Trading, Printing and Services	--	54.37%	--	55,429,532,015	31,696,793,617
PT Manunggal Utama Makmur	Tangerang	Real Estate	--	54.37%	--	599,362,734	598,003,173
PT Mahkota Sentosa Ekanusa	Bekasi	Real Estate	--	54.37%	2015	49,734,794,396	49,734,869,396
PT Mega Kreasi Teknika	Bekasi	Building Construction	--	54.37%	--	185,334,370	155,198,464
PT Astana Artha Mas	Tangerang	Real Estate	--	54.37%	--	155,659,694,613	155,665,273,863
PT Mega Kreasi Nusantara Teknologi	Bekasi	Real Estate	--	54.37%	--	3,000,000,000	3,000,000,000
PT Pondera Prima Sarana	Tangerang	Real Estate	--	54.37%	--	14,081,012,000	14,086,542,000
PT Telaga Banyu Murni and subsidiary	Tangerang	Real Estate	--	54.37%	--	42,025,701,800	42,052,164,000
PT Karimata Alam Damai	Tangerang	Real Estate	--	54.37%	--	55,921,151,800	55,921,151,800
PT Megakreasi Cikarang Damai	Tangerang	Real Estate	--	54.37%	--	11,964,273,634	9,992,431,270
PT Megakreasi Cikarang Permai	Tangerang	Real Estate	--	54.37%	--	98,888,337,985	98,888,412,985
PT Megakreasi Cikarang Asri	Bekasi	Real Estate	--	40.78%	2015	32,945,153,778	33,000,800,000
PT Megakreasi Propertindo Utama	Bekasi	Real Estate	--	40.78%	--	67,646,071,665	67,627,567,693
PT Megakreasi Cikarang Realtindo *)	Bekasi	Development, Trading, and Services	--	54.37%	--	8,037,746,750	7,385,268,997
PT Mahkota Sentosa Utama *)	Bekasi	Marketing and Building Management		54.37%	--	1,250,000,000	1,250,000,000
PT Megapratama Karya Persada and subsidiaries	Tangerang	Investment, Trading and Services	100.00%	--	--	5,354,908,272,050	5,142,753,364,187
PT Siloam International Hospitals Tbk and subsidiaries	Tangerang	Healthcare Services	--	70.82%	2010	3,161,795,027,788	2,986,270,148,106
PT Aritasindo Permaisemesta	Jakarta	Trading, Development, Mining, Agriculture	--	70.82%	--	64,319,488	76,559,368
PT Perdana Kencana Mandiri	Jakarta	Land Transport, Printing and Industry	--	70.82%	--	600,000	600,000
PT Multiselaras Anugerah	Tangerang	Development, Trading and Services	--	70.82%	--	9,015,032	9,138,115
PT Nusa Medika Perkasa	Jakarta	Healthcare Services	--	57.79%	--	944,109,065	932,687,770
PT Siloam Graha Utama and subsidiary	Jakarta	Development, Transportation, Trading and Services	--	70.82%	--	105,107,205,519	118,401,195,607
PT East Jakarta Medika	Bekasi	Healthcare Services	--	64.30%	2002	105,100,647,006	118,394,342,094
PT Guchi Kencana Emas and subsidiary	Jakarta	Development, and Services	--	70.82%	--	83,744,096,797	81,070,295,372
PT Golden First Atlanta	Jambi	Healthcare and Pharmacy	--	58.78%	2008	83,742,813,279	81,068,056,854
PT Prawira Tata Semesta and subsidiary	Jakarta	Trading, Development, Industry, Mining, Land Transportation, Agriculture, Printing, Workshop and Services except	--	70.82%	--	219,339,507,349	228,123,139,722
PT Balikpapan Damai Husada	Balikpapan	Services of Legal and Tax	--	56.37%	2007	180,170,019,322	188,952,720,833
PT Siloam Emergency Services	Tangerang	Healthcare including Hospital, Clinic, Health Centre, Polyclinic and Other related Services	--	70.82%	2013	2,611,107,248	2,611,998,278
PT Medika Harapan Cemerlang Indonesia	Tangerang	Healthcare Services	--	70.82%	2013	5,090,963,416	3,469,450,033
PT Pancawarna Semesta and subsidiary	Tangerang	Trading, Industry and Services	--	70.82%	--	67,448,311,716	66,955,366,327
PT Diagram Healthcare Indonesia	Depok	Development, Printing and Services	--	56.66%	2006	36,906,115,951	36,398,484,767
PT Adamanisa Karya Sejahtera	Jakarta	Healthcare Services	--	70.82%	--	1,024,090,159	1,012,776,138
PT Brenada Karya Bangsa	Tangerang	Development, Printing and Services	--	70.82%	--	594,703,333	594,998,333
PT Harmoni Selaras Indah	Tangerang	Trading, Industry Printing and Services	--	70.82%	--	594,370,000	594,665,000
PT Kusuma Prima dana and subsidiaries	Tangerang	Trading, Industry Printing and Services	--	70.82%	--	179,952,755,591	144,519,575,447
PT Adijaya Buana Sakti and subsidiaries	Tangerang	Trading, Industry Workshop and Services	--	56.66%	--	172,681,639,572	144,518,510,447
PT Siloam Sumsel Kemitraan and subsidiary	Tangerang	Land Transportation, Printing and Services	--	69.66%	--	7,990,828,670	7,991,123,670
PT RS Siloam Hospital Sumsel	Palembang	Healthcare Services	--	61.86%	2012	180,950,156,643	145,516,091,499
PT Optimum Karya Persada	Jakarta	Trading, Industry and Services	--	70.82%	--	1,000,675,300	1,000,970,300

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Subsidiary	Domicile	Main Business	Direct Ownership Percentage	Indirect Ownership Percentage	Year of Starting Operation	Total Assets	
						Mar 31, 2016 Rp	Dec 31, 2015 Rp
PT Rosela Indah Cipta	Jakarta	Trading, Industry and Services	--	70.82%	--	594,370,000	594,665,000
PT Sembada Karya Megah	Tangerang	Trading, Industry and Services	--	70.82%	--	602,371,157	602,666,157
PT Trijaya Makmur Bersama	Tangerang	Trading, Industry and Services	--	70.82%	--	594,370,000	594,665,000
PT Visindo Galaxi Jaya	Tangerang	Trading, Industry and Services	--	70.82%	--	4,984,653,333	4,984,948,333
PT Tunggal Pilar Perkasa and subsidiaries	Tangerang	Development, Trading, Real Estate, Printing, Industry, Agribusiness, and Services	--	70.82%	--	1,188,255,354,026	1,104,842,861,746
PT Tirtasari Kencana	Serang	Development, Trading, and Services	--	70.82%	--	1,128,956,218	1,129,177,218
PT Gramari Prima Nusa	Medan	Development, Trading, and Services	--	70.82%	2014	143,181,142,447	142,285,912,947
PT Krisolis Jaya Mandiri	Kupang	Healthcare Services	--	70.82%	2014	155,678,500,479	135,816,231,542
PT Kusuma Bhakti Anugerah	Tangerang	Trading, Industry and Services	--	70.82%	--	7,186,016,544	7,186,262,922
PT Agung Cipta Raya	Tangerang	Healthcare Services	--	70.82%	--	965,930,000	964,225,000
PT Bina Cipta Semesta	Padang	Healthcare Services	--	70.82%	--	998,603,474	998,898,474
PT Mega Buana Bhakti	Bangka	Trading, Industry and Services	--	70.82%	--	6,289,814,219	6,289,590,225
PT Taruna Perkasa Megah	Yogyakarta	Trading, Industry and Services	--	70.82%	--	100,702,837,076	96,121,791,102
PT Tataka Bumi Karya	Bogor	Trading, Industry and Services	--	70.82%	--	1,655,832,996	845,251,870
PT Tataka Karya Indah	Bandung	Trading, Industry and Services	--	70.82%	--	845,079,340	825,433,327
PT Siloam Medika Cemerlang	Tangerang	Trading, Industry and Services	--	70.82%	--	13,312,961,167	12,240,837,850
PT Koridor Usaha Maju and subsidiaries	Tangerang	Development, Trading, Printing and Services	--	70.82%	--	494,792,128,099	480,847,930,537
PT Medika Sarana Triliansia and subsidiary	Bali	Development, Trading, Printing and Services	--	70.82%	2008	280,750,638,117	266,476,908,793
PT Trisaka Raksa Waluya	Tangerang	Healthcare and Other related Services	--	70.82%	2008	137,758,576,611	137,390,081,888
PT Buana Utama Sejati	Tangerang	Healthcare Service	--	70.82%	--	23,371,776,228	23,370,843,650
PT Sentra Sejahtera Utama	Sorong	Healthcare Service	--	70.82%	--	600,000,000	600,000,000
PT Bumi Unggul Persada	Tangerang	Healthcare Service	--	70.82%	--	643,503,523	641,265,124
PT Berlian Cahaya Indah	Tangerang	Healthcare Service	--	70.82%	2014	171,827,331,584	138,001,094,698
PT Rashal Siar Cakra Medika	Jakarta	Trading, Development, Real Estate, Industry, Printing, Agrobusiness, Services and Transportation	--	70.82%	2008	68,588,760,701	59,415,242,800
PT Mulia Pratama Cemerlang	Tangerang	Trading, Development, Real Estate, Industry, Printing, Agrobusiness, Services and Transportation	--	70.82%	2014	8,151,719,575	3,679,309,300
PT Medika Rescue International (formerly PT Karya Pesona Cemerlang)	Tangerang	Trading, Development, Real Estate, Industry, Printing, Agrobusiness, Services and Transportation	--	70.82%	--	878,992,065	878,649,715
PT Indah Kemilau Abadi	Jember	Trading, Development, Real Estate, Industry, Printing, Agrobusiness, Services and Transportation	--	70.82%	--	954,090,562	657,128,900
PT Persada Dunia Semesta	Tangerang	Trading, Development, Real Estate, Industry, Printing, Agrobusiness, Services and Transportation	--	70.82%	--	4,838,813,501	2,349,333,094
PT Inti Pratama Medika	Tangerang	Trading, Development, Real Estate, Industry, Printing, Agrobusiness, Services and Transportation	--	70.82%	--	602,068,000	600,363,000

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Subsidiary	Domicile	Main Business	Direct Ownership Percentage	Indirect Ownership Percentage	Year of Starting Operation	Total Assets	
						Mar 31, 2016 Rp	Dec 31, 2015 Rp
PT Sentra Sehat Sejahtera	Tangerang	Trading, Development, Real Estate, Industry, Printing, Agrobusiness, Services and Transportation	--	70.82%	--	879,029,093	878,649,715
PT Genta Raya Internusa	Tangerang	Trading, Development, Real Estate, Industry, Printing, Agrobusiness, Services and Transportation	--	70.82%	--	602,093,000	600,388,000
PT Sembilan Raksa Dinamika	Tangerang	Health Center, Clinic, Polyclinic and Other related Services	--	70.82%	--	79,072,125,565	54,795,114,119
PT Saritama Mandiri Zamrud	Tangerang	Health Center, Clinic, Polyclinic and Other related Services	--	70.82%	--	600,000,000	600,000,000
PT Gempita Nusa Sejahtera	Tangerang	Health Center, Clinic, Polyclinic and Other related Services	--	70.82%	--	600,000,000	600,000,000
PT Aryamedika Teguh Tunggul	Tangerang	Health Center, Clinic, Polyclinic and Other related Services	--	70.82%	--	600,000,000	600,000,000
PT Mahkota Buana Selaras	Tangerang	Development, Trading, Printing, and Services	--	70.82%	--	38,441,091,453	37,690,051,627
PT Lintas Buana Jaya <sup>2)</sup>	Manggarai Barat	Health Center, Clinic, Polyclinic and Other Related Services	--	70.82%	--	23,801,037,043	9,886,018,026
PT Bina Bahtera Sejati <sup>2)</sup>	Bau Bau	Health Center, Clinic, Polyclinic and Other Related Services	--	70.82%	--	14,046,857,482	600,000,000
PT Lintang Laksana Utama <sup>2)</sup>	Lubuk Linggau	Health Center, Clinic, Polyclinic and Other Related Services	--	70.82%	--	600,000,000	600,000,000
PT Ciptakarya Tirta Cemerlang <sup>2)</sup>	Tangerang	Health Center, Clinic, Polyclinic and Other Related Services	--	70.82%	--	600,000,000	600,000,000
PT Eramulia Pratamajaya and subsidiaries	Jakarta	Healthcare Service	99.99%	0.01%	--	1,229,663,347,686	1,215,478,000,217
PT Pradamas Graha Indah	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	76,552,500	76,552,500
PT Siloam Karya Sejahtera	Jakarta	Trading and Services	--	100.00%	--	373,507,821,242	373,898,296,232
PT Sentra Tata Prima	Surabaya	Development, Transportation, Trading, and Services	--	100.00%	--	3,357,696,264	3,357,430,094
PT Sentra Sarana Karya (formerly PT Siloam Sarana Karya)	Makassar	Development, Transportation, Trading, and Services	--	100.00%	--	3,357,064,837	3,357,064,837
PT Sarana Dinamika Perkasa (formerly PT Siloam Dinamika Perkasa)	Jakarta	Development, Transportation, Trading, and Services	--	100.00%	--	133,833,329,993	133,833,329,993
PT Mahaduta Purnama	Jakarta	Development, Transportation, Trading, and Services	--	100.00%	--	7,397,737,370	7,397,737,370
PT Buana Mandiri Selaras	Jakarta	Development and Services	--	100.00%	--	474,923,754,974	472,605,668,559
PT Serasi Adikarsa	Jakarta	Trading, Industry, Development and Mining	0.01%	99.99%	--	3,613,672,920	3,613,672,920
PT Kalanusa Intan Cemerlang and subsidiary	Tangerang	Trading, Development, Printing and Services	--	100.00%	--	4,259,900,000	4,259,900,000
PT Garuda Asa Kencana	Tangerang	Development, Trading and Services	--	100.00%	--	100,000,000	100,000,000
PT Cahaya Jaya Raya	Tangerang	Trading and Services	--	100.00%	--	600,000,000	600,000,000
PT Waluya Graha Loka	Tangerang	Development, Printing and Services	--	100.00%	--	135,843,873,573	135,848,491,259
PT Nusantara Indah Semesta	Tangerang	Trading, Development, Printing and Services	--	100.00%	--	26,558,051,001	22,996,589,617
PT Magenta Sinar Abadi	Tangerang	Trading, Development, Printing and Services	--	100.00%	--	600,000,000	600,000,000
PT Pesona Puspita Gemilang	Tangerang	Trading, Development, Printing and Services	--	100.00%	--	600,000,000	600,000,000
PT Caraka Cipta Sejahtera	Tangerang	Trading, Development, Printing and Services	--	100.00%	--	600,000,000	600,000,000
PT Sentra Mutiara Timur	Tangerang	Trading, Development, Printing and Services	--	100.00%	--	600,000,000	600,000,000
PT Tiara Permata Gemilang	Tangerang	Trading, Development, Printing and Services	--	100.00%	--	600,000,000	600,000,000
PT Berkat Talenta Unggul <sup>1)</sup>	Tangerang	Trading, Development, Printing and Services	--	100.00%	--	600,000,000	600,000,000

These consolidated interim financial statements are originally issued in Indonesian language

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Subsidiary	Domicile	Main Business	Direct Ownership Percentage	Indirect Ownership Percentage	Year of Starting Operation	Total Assets	
						Mar 31, 2016 Rp	Dec 31, 2015 Rp
PT Laskar Unggulan Prima <sup>1)</sup>	Tangerang	Trading Development, Printing and Services	--	100.00%	--	600,000,000	600,000,000
PT Sentana Prima Jaya <sup>1)</sup>	Tangerang	Trading Development, Printing and Services	--	100.00%	--	600,000,000	600,000,000
PT Buana Digdaya Sejahtera <sup>1)</sup>	Tangerang	Trading Development, Printing and Services	--	100.00%	--	600,000,000	600,000,000
PT Abadi Jaya Sakti and subsidiaries	Tangerang	Investment, Trading and Services	100.00%	--	--	577,031,300	577,031,300
PT Tigamitra Ekamulia and subsidiaries	Jakarta	General Restaurant, Café and Catering	0.01%	99.99%	1998*	520,920	520,920
PT Shimatama Graha	Jakarta	Hotel Management	--	100.00%	1989	10,424,773,017	10,788,591,967
PT Aryaduta International Management and subsidiaries	Jakarta	Services	--	100.00%	1998	10,424,773,017	10,788,591,967
PT Aryaduta Surabaya Management	Surabaya	Services	--	100.00%	--	583,752,000	583,898,000
PT Aryaduta Medan Management	Medan	Services	--	100.00%	--	565,744,500	565,890,500
PT Aryaduta Karawaci Management	Tangerang	Services	--	100.00%	--	16,865,642,977	17,958,309,858
PT Aryaduta Makassar Management	Makassar	Services	--	100.00%	--	577,200,000	577,200,000
PT Aryaduta Residences	Jakarta	Services	--	100.00%	--	4,699,979,267	4,494,236,472
PT Aryaduta Hotels & Resorts	Jakarta	Services	--	100.00%	--	580,506,500	580,506,500
PT Zodia Karya Indah	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	100,000,000	100,000,000
PT Lippo Hotel Indonesia and subsidiaries	Tangerang	Services	75.00%	25.00%	--	600,000,000	600,000,000
PT Aryaduta Kuta Bali	Badung	Tourism	--	100.00%	--	600,000,000	600,000,000
PT Cahaya Gemerlap Abadi	Tangerang	Development, Trading and Services	--	100.00%	--	600,000,000	600,000,000
PT Lippo Horesi Indonesia	Tangerang	Development, Trading, and Services	75.00%	25.00%	--	600,000,000	600,000,000
PT Mega Indah Gemilang and subsidiaries <sup>2)</sup>	Tangerang	Trading, Development, Industry, Printing and Services	99.99%	0.01%	--	83,562,750,840	20,000,000,000
PT Karyaindah Cipta Prima <sup>2)</sup>	Tangerang	Trading, Development, Industry, Printing and Services	0.01%	99.99%	--	2,357,219,079	600,000,000
PT Sunshine Prima Utama and subsidiary <sup>2)</sup>	Tangerang	Trading, Development, Industry, Printing and Services	--	100.00%	--	34,906,164,097	20,000,000,000
PT Sunshine Food International <sup>2)</sup>	Tangerang	Trading, Development, Industry, Printing and Services	--	100.00%	--	29,906,164,097	20,000,000,000
PT Kreasi Tunas Bangsa and subsidiary	Tangerang	Development, Trading and Services	--	100.00%	--	17,704,120,755	1,203,833,288
PT Prima Cipta Lestari <sup>1)</sup>	Tangerang	Trading, Agriculture Transportation and Mining	--	100.00%	--	17,109,435,255	--
PT Maxx Food Pasifik <sup>2)</sup>	Tangerang	Development, Trading and Services	--	100.00%	--	600,000,000	600,000,000
PT Graha Jaya Pratama and subsidiaries	Tangerang	Real Estate	100.00%	--	--	1,802,990,230,856	1,788,869,823,183
PT Tataguna Cemerlang	Jakarta	Trading Real Estate and Development	--	100.00%	--	100,000,000	100,000,000
PT Aresta Amanda Lestari (0.31% ownership in PT Gowa Makassar Tourism Development Tbk)	Jakarta	Trading	--	100.00%	--	1,849,020,822	1,777,668,968
PT Aresta Permata Utama (3.45% ownership in PT Gowa Makassar Tourism Development Tbk)	Jakarta	Trading	--	100.00%	--	20,245,686,477	19,461,698,851
PT Fajar Usaha Semesta (4.73% ownership in PT Gowa Makassar Tourism Development Tbk)	Jakarta	Trading	--	100.00%	--	27,766,030,903	26,690,706,052
PT Fajar Raya Cemerlang (4.58% ownership in PT Gowa Makassar Tourism Development Tbk)	Jakarta	Trading	--	100.00%	--	26,908,227,189	25,866,693,677
PT Fajar Abadi Aditama (3.45% ownership in PT Gowa Makassar Tourism Development Tbk)	Jakarta	Trading	--	100.00%	--	20,243,657,256	19,459,862,937
PT Nuansa Indah Lestari and subsidiaries	Jakarta	Trading	--	100.00%	--	225,202,789,553	217,811,741,232
PT Metropolitan Permaisemesta and subsidiaries	Jakarta	Trading	--	89.74%	--	228,869,000,653	221,477,872,332
PT Mulia Sarana Sakti	Makassar	Trading	--	89.74%	--	512,000,000	512,000,000
PT Makassar Permata Sulawesi (32.5% ownership in PT Gowa Makassar Tourism Development Tbk)	Jakarta	Trading	--	89.74%	--	224,199,690,275	216,808,561,954
PT Tribuana Jaya Raya	Tangerang	Development, Trading, Printing and Services	--	77.56%	--	714,784,223,931	680,755,162,289
PT Gowa Makassar Tourism Development Tbk and subsidiaries	Makassar	Real Estate	4.92%	49.05%	1997	1,253,750,118,754	1,273,990,253,786
PT Kenanga Elok Asri and subsidiaries	Tangerang	Development, Trading, Printing and Services	--	53.97%	--	251,877,606,850	252,178,148,189
PT Krisanta Esa Maju	Tangerang	Development, Trading, Printing and Services	--	53.97%	--	1,074,508,799	1,074,461,825
PT Griya Megah Sentosa	Makassar	Development, Trading, Printing and Services	--	53.97%	--	7,159,524,809	7,158,510,233
PT Griya Eksotika Utama	Tangerang	Development, Trading, Printing and Services	--	53.97%	--	178,570,748	178,369,707

\* Liquidated

\*\* Transferred

\*\*\* Functional Currency is USD

\*\*\*\* Functional Currency is SGD

<sup>1)</sup> Established in 2016

<sup>2)</sup> Established in 2015

On February 6, 2015, PT Safira Prima Utama and PT Kalimaya Pundi Bumi, subsidiaries, disposed 75,300,000 and 17,500,000, respectively, share ownership in SIH with the price Rp1,136,800,000,000. Upon the disposal, the Company recorded Difference in Transactions with Non-Controlling Interest amounted to Rp1,000,581,189,869 (see Note 31).

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On February 12, 2015, WJP, a subsidiary, acquired 25% share ownership in PT Wahana Usaha Makmur (WUM) from PT Mahanaim with acquisition cost of Rp15,334,000,000. WJP recorded Difference in Transactions with Non-Controlling Interest amounted to Rp43,851,181,695 (see Note 31).

On February 23, 2015, WJP, a subsidiary, acquired all ownership in PT Emas Makmur Cemerlang (EMC) (through 99.99% direct ownership and 0.01% indirect ownership of MS with acquisition cost of Rp11,000,000,000. At the acquisition date, EMC has not yet started operation and therefore, recorded as an asset acquisition.

On June 12, 2015, PT Kuta Beach Paragon (KBP) and PKP, subsidiaries, acquired 13.5% ownership in PT Graha Buana Utama (GBU) from PT Mahanaim with acquisition cost of Rp25,358,527,564 at the acquisition date, KBP and PKP recorded Difference in Transactions with Non-Controlling Interest amounted to Rp22,988,443,294 (see Note 31).

On June 29, 2015, PT Swadaya Teknopolis (ST), a subsidiary, acquired 100% ownership in Premium Venture International Ltd (PVIL), with acquisition cost of Rp170,100,000,000. This transaction is a business combination (see Note 47). PVIL is the parent entity of Intellitop Finance Ltd with the ownership of 51.72%.

On January 20, 2016, PT Kreasi Tunas Bangsa (KTB), a subsidiary, acquired all ownership in PT Prima Cipta Lestari (PCL) (through 75% direct ownership and 25% indirect ownership of PT Mega Indah Gemilang (MIG) with acquisition cost of Rp4,700,000,000. This transaction is a business combination (see Note 47).

**1.d. Board of Commissioners, Directors, Audit Committee and Employees**

Based on Partial Deeds of Annual General Meeting of Stockholders No. 55 dated March 24, 2016 and No. 30 dated July 3, 2015 which were made in the presence of Sriwi Bawana Nawaksari, S.H. M.Kn., a notary in Tangerang, the composition of the Board of Commissioners and Directors as of March 31, 2016 and December 31, 2015 are as follows:

	<b>March 31, 2016</b>	<b>December 31, 2015</b>
<b>Board of Commissioners:</b>		
President Commissioner :	Theo L. Sambuaga	Theo L. Sambuaga
Vice President Commissioner :	Surjadi Soedirdja*	Surjadi Soedirdja*
Independent Commissioner :	Agum Gumelar	Agum Gumelar
Independent Commissioner :	Farid Harianto	Farid Harianto
Independent Commissioner :	Muladi	Muladi
Independent Commissioner :	Sutiyoso	Sutiyoso
Commissioner :	Tanri Abeng	Tanri Abeng
Commissioner :	--	Viven Gouw Sitiabudi

\* also as Independent Commissioner

The composition of the Directors as of March 31, 2016 and December 31, 2015 are as follows:

	<b>March 31, 2016</b>	<b>December 31, 2015</b>
<b>Directors:</b>		
President Director :	Ketut Budi Wijaya	Ketut Budi Wijaya
Director :	Tjokro Libianto	Tjokro Libianto
Director :	Johanes Jany	Johanes Jany
Director :	Rahmawaty	Rahmawaty
Director :	Chan Chee Meng	Stephen Choo Kooi Yoon
Director :	Lee Heok Seng	Ninik Prajitno
Director :	Richard Setiadi	--
Independent Director :	Jenny Kuistono	Jenny Kuistono
Independent Director :	Alwi Rubidium Sjaaf	Alwi Rubidium Sjaaf

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The Audit Committee composition as of March 31, 2016 and December 31, 2015 are as follows:

**Audit Committee:**

Chairman	:	Muladi
Members	:	Herbudianto
	:	Achmad Kurniadi

The Company's Corporate Secretary as of March 31, 2016 and December 31, 2015 is Sri Mulyati Handoyo, respectively.

As of March 31, 2016 and December 31, 2015, the Group have 11,267 and 11,200 permanent employees, respectively (unaudited).

## **2. Summary of Significant Accounting Policies**

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### **2.a. Compliance with Financial Accounting Standards (SAK)**

The consolidated financial statements were prepared and presented in accordance with Indonesian Financial Accounting Standards which include the Statement of Financial Accounting Standards (SFAS) and Interpretation of Financial Accounting Standards (ISAK) issued by the Financial Accounting Standard Board – Indonesian Institute of Accountant (DSAK – IAI), and regulations in the Capital Market include Regulations of Financial Services Authority/Capital Market and Supervisory Board and Financial Institution (OJK/Bapepam-LK) No. VIII.G.7 regarding guidelines for the presentation of financial statements, decree of Chairman of Bapepam-LK No. KEP-347/BL/2012 regarding presentation and disclosure of financial statements of the issuer or public company.

### **2.b. Measurement and Preparation of Consolidated Interim Financial Statements**

The consolidated interim financial statements have been prepared and presented based on going concern assumption and accrual basis of accounting, except for the consolidated interim statements of cash flows. Basis of measurement in preparation of these consolidated interim financial statements is the historical costs concept, except for certain accounts which have been prepared on the basis of other measurements as described in their respective policies. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

The consolidated interim financial statements of cash flows are prepared using the direct method by classifying cash flows into operating, investing and financing activities.

The presentation currency used in the preparation of the consolidated interim financial statements is Indonesian Rupiah which is the functional currency of the Group. Each entity in the Group determines its own functional currency as disclosed in Note 1.c and items included in the financial statements of each entity are measured using that functional currency.

The following are new standards, amendments of standards and interpretation of standard issued by DSAK - IAI and effectively applied for the year starting on or after January 1, 2016, as follows:

Standard

SFAS 110 (Revised 2015): "Accounting for Sukuk"

Adjustment

- SFAS No.5 "Operating Segments"
- SFAS No.7 "Related Party Disclosures"
- SFAS No.13 "Investments Property"
- SFAS No.16 "Property and equipment"
- SFAS No.19 "Intangible Assets"
- SFAS No.22 "Business Combination"
- SFAS No.25 "Accounting Policies, Changes in Accounting Estimates and Errors"
- SFAS No.53 "Share-based Payments"
- SFAS No.68 "Fair Value Measurement"

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Amendments to standards and interpretation which are effective for periods beginning on or after January 1, 2016, with retrospective application are as follows:

- SFAS No.4 "Separate Financial Statements about Equity Method in Separate Financial Statements"
- SFAS No.15 "Investment in Associates and Joint Arrangement about Investment Entities: Applying the Consolidation Exception"
- SFAS No.24 "Employee Benefits about Defined Benefit Plans: Employee Contributions"
- SFAS No.65 "Consolidation Financial Statements about Investment Entities: Applying the Consolidation Exception"
- SFAS No.67 "Disclosures of Interest in Other Entities about Investment Entities: Applying the Consolidation Exception"
- IFAS No.30 "Levies"

Amendments to standards and interpretation which are effective for periods beginning on or after January 1, 2016, with prospective application are as follows:

- SFAS 16 No. "Property and equipment about Clarification of Acceptable Methods of Depreciation and Amortization"
- SFAS No.19 "Intangible Asset about Clarification of Acceptable Methods of Depreciation and Amortization"
- SFAS No.66 "Joint Arrangements about Accounting for Acquisitions of Interests in Joint Operation"

The following are new standards, amendments of standards and interpretation of standard issued by DSAK - IAI and effectively applied for the year starting on or after January 1, 2015, as follows:

- SFAS No. 1 (Revised 2013) "Presentation of Financial Statements"
- SFAS No. 4 (Revised 2013) "Separate Financial Statements"
- SFAS No. 15 (Revised 2013) "Investment in Associates and Joint Arrangements"
- SFAS No. 24 (Revised 2013) "Employee Benefits"
- SFAS No. 46 (Revised 2014) "Income Taxes"
- SFAS No. 48 (Revised 2014) "Impairment of Assets"
- SFAS No. 50 (Revised 2014) "Financial Instruments: Presentation"
- SFAS No. 55 (Revised 2014) "Financial Instruments: Recognition and Measurement"
- SFAS No. 60 (Revised 2014) "Financial Instruments: Disclosure"
- SFAS No. 65 "Consolidated Financial Statements"
- SFAS No. 66 "Joint Arrangements"
- SFAS No. 67 "Disclosure of Interests in Other Entities"
- SFAS No. 68 "Fair Value Measurement"
- IFAS No. 26 "Reassessment of Embedded Derivatives"

The following is the impact of the amendments in accounting standards that are relevant and significant to the consolidated financial statements of the Group among others:

- SFAS No. 1 (Revised 2013) "Presentation of Financial Statements"  
SFAS No. 1 (Revised 2013) sets changes in the format and revision of the title of the report. The significant impact of changes of this accounting standar to the Group, among others:
  - Change of report title which previously named "Statement of Comprehensive Income" become "Statement of Profit or Loss and Other Comprehensive Income";
  - Requirement for the presentation of other comprehensive income to be grouped into (a). items that will not be reclassified to profit or loss; and (b). items that will be reclassified to profit or loss.

This standard is applied retrospectively and therefore certain comparative information have been restated.

- SFAS No. 15 (Revised 2013) "Investment in Associates and Joint Arrangements"  
SFAS No. 15 (Revised 2009) "Investments in Associates" has been revised and re-titled into SFAS 15 (Revised 2013) "Investments in Associates and Joint Arrangements". This standard



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sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures.

It defines “significant influence”, provides guidance on how the equity method of accounting is to be applied and prescribes how investments in associates and joint ventures should be tested for impairment.

The Group had adopted these standards and had completed the requested requirements.

- **SFAS No. 24 (Revised 2013) “Employee Benefits”**

This SFAS amending some accounting provisions related to defined benefit plans. The key amendments include elimination of the “corridor approach”, modification of accounting for termination benefits and improvement of the recognition, presentation and disclosure requirements for defined benefit plans.

Amended provisions that impacting the Group's consolidated interim financial statements are as follows:

- a. the recognition of actuarial gains (losses) through other comprehensive income;
- b. all past service cost is recognized as an expense at the earlier of the date when the amendment/curtailment occurs or the date when the entity recognizes related restructuring costs or termination benefits. Therefore the unvested past service cost is no longer be deferred and recognized over the vesting year; and
- c. interest expense and returns on plan assets used in the previous SFAS No. 24 is replaced by the concept of net interest, which is calculated using a discount rate liabilities (assets) net defined benefit as determined at the beginning of each annual reporting year.

- **SFAS No. 46 (Revised 2014) “Income Taxes”**

The revision in this SFAS emphasize on measurement of deferred tax on assets measured at fair value, assuming that the carrying amount of the assets will be recovered through sales. In addition, this standard also removes provision on final tax.

The adoption of the revised standard had no material effect to the consolidated interim financial statements.

- **SFAS No. 48 (Revised 2014) “Impairment of Assets”**

Changes in SFAS No. 48 (Revised 2014), mainly to incorporate the changes in definition and requirements of fair value as governed in SFAS No. 68.

The adoption of the revised standard had no material effect to the consolidated interim financial statements.

- **SFAS No. 50 (Revised 2014) “Financial Instrument: Presentation”, SFAS No. 55 (Revised 2014) “Financial Instrument: Recognition and Measurement”, and SFAS No. 60 (Revised 2014) “Financial Instrument: Disclosures.”**

The amendment of these standards mainly related to the changes as an impact the issuance of SFAS No. 68 concerning fair value.

SFAS No. 50 (Revised 2014) removing arrangement of income tax related to dividend and will refer to SFAS No. 46. Furthermore, SFAS No. 50 (Revised 2014) provides more specific arrangement (application guidelines) related to the criteria for offsetting and net settlement of financial asset and financial liability.

The changes in SFAS No. 55 (Revised 2014) deals with measurement and reclassification of embedded derivative, arrangement of criteria and derecognition of hedging instrument, and arrangement of date of recording financial instrument.

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SFAS No. 60 (Revised 2014) deals with additional disclosures relates to the fair value, offsetting financial asset and liability, and transfers of financial assets.

The Group had adopting these standards and had completed the required disclosures requirements.

- **SFAS No. 65 “Consolidated financial statements”**

This standard replaces all of the guidance on control and consolidation in SFAS No. 4 (Revised 2009) and IFAS No.7. The core principle that a consolidated entity presents a parent and its subsidiaries as if they are a single economic entity remains unchanged, as do the consolidation procedures.

SFAS No. 65 introduces a single consolidation model that identifies control as the basis for consolidation for all types of entities, where control is based on whether an investor has power over the investee, exposure / rights to variable returns from its involvement with the investee and the ability to use its power over the investee to affect the amount of the returns.

The new standard also includes guidance on participating and protective rights and on agent - principal relationships.

The adoption of the SFAS No. 65 has no impact to the consolidated interim financial statements upon initial adoption, as its scope of consolidation remains unchanged.

- **SFAS No. 66 “Joint Arrangement”**

This standard (that replaces SFAS No 12 (revised 2009) and ISAK No. 12) introduces terminology “joint arrangement”. This standard requires a party to a joint arrangement to determine the type of joint arrangement in which it is involved by assessing its rights and obligations, and then account for those rights and obligations in accordance with that type of joint arrangement. Joint arrangements are either joint operations or joint ventures. This standard also remove selection of proportionate consolidation method.

- **SFAS No. 67 “Disclosure of Interests in Other Entities”**

SFAS No. 67 combines, enhances, and replaces the disclosure requirements for subsidiaries, joint arrangements, associates, and unconsolidated structured entities. This standard requires the Group to disclose information that enables users of financial statements to evaluate the nature of, and risks associated with, its interests in other entities and the effects of those interests on Group’s consolidated interim financial statements.

The application of this standard has resulted in more extensive disclosures in the Group’s consolidated interim financial statements.

- **SFAS No. 68 “Fair Value Measurement”**

SFAS No. 68 defines fair value, sets out a single framework for measuring fair value and requires disclosures about fair value measurements. SFAS No.68 applies when other FAS require or permit fair value measurements.

The Group has completed the disclosures requirement as required under this standard.

## **2.c. Principles of Consolidation**

The consolidated interim financial statements include financial statement of the Company and subsidiaries as stated in Note 1.c.

A subsidiary is an entity controlled by the Group, i.e., the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its current ability to direct the entity’s relevant activities (power over the investee).

The existence and effect of substantive potential voting rights that the Group has the practical ability to exercise (i.e., substantive rights) are considered when assessing whether the Group controls another entity.

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The Group's consolidated interim financial statements incorporate the results, cash flows, assets and liabilities of the Company and all of its directly and indirectly controlled subsidiaries. Subsidiaries are consolidated from the effective date of acquisition, which is the date on which the Group effectively obtains control of the acquired business, until that control ceases.

A parent prepares consolidated interim financial statements using uniform accounting policies for like transactions and other events in similar circumstances. All intragroup transactions, balances, income, expenses and cash flows are eliminated in full on consolidation to reflect the financial position as a single business entity.

The Group attributed the profit and loss and each component of other comprehensive income to the owners of the parent and non-controlling interest even though this results in the non-controlling interests having a deficit balance. The Group presents non-controlling interest in equity in the consolidated interim statement of financial position, separately from the equity owners of the parent.

Changes in the parent's ownership interest in a subsidiary that do not result in loss of control are equity transactions (i.e., transactions with owners in their capacity as owners). When the proportion of equity held by non-controlling interest change, the Group adjusted the carrying amounts of the controlling interest and non-controlling interest to reflect the changes in their relative interest in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the parent.

If the Group loses control, the Group:

- (a) Derecognizes the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;
- (b) Derecognizes the carrying amount of any non-controlling interests in the former subsidiary at the date when control is lost (including any components of other comprehensive income attributable to them);
- (c) Recognizes the fair value of the consideration received, if any, from the transaction, event or circumstances that resulted in the loss of control;
- (d) Recognizes any investment retained in the former subsidiary at fair value at the date when control is lost;
- (e) Reclassify to profit or loss, or transfer directly to retained earnings if required by other SAKs, the amount recognized in other comprehensive income in relation to the subsidiary;
- (f) Recognizes any resulting difference as a gain or loss attributable to the parent.

**2.d. Transaction and Balances in Foreign Currency**

In preparing financial statements, each of the entities within the Group record by using the currency of the primary economic environment in which the entity operates ("the functional currency"). The functional currency of the Company and most of the subsidiaries is Rupiah.

The functional currency of Subsidiaries in foreign currency (see Note 1.c). For presentation purposes of consolidated interim financial statements, assets and liabilities of Subsidiary Pte. Ltd at reporting date are translated at the closing rate at statement of financial position date, while revenues and expenses are translated using average rate for the period. All resulting exchange differences shall be recognized in other comprehensive income.

Transactions during the period in foreign currencies are recorded in Rupiah by applying to the foreign currency amount the spot exchange rate between Rupiah and the foreign currency at the date of transactions. At the end of reporting period, foreign currency monetary items are translated to Rupiah using the closing rate, i.e., middle rate of Bank of Indonesia at March 31, 2016 and December 31, 2015 as follows:

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	March 31, 2016 Rp	December 31, 2015 Rp
1 USD	13,276	13,795
1 SGD	9,830	9,751
1 EUR	15,030	15,070
100 JPY	11,756	11,452
1 AUD	10,162	10,064

Exchange differences arising on the settlement of monetary items or on translating monetary items in foreign currencies are recognized in profit or loss.

**2.e. Cash and Cash Equivalents**

Cash and cash equivalents are cash on hand, cash in banks (demand deposits) and time deposits with maturity period of three months or less at the time of placement that are not used as collateral or are not restricted.

**2.f. Investment in Associates**

Associates are entities which the Group has the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies (significant influence).

Investment in associates accounted for using the equity method. Under the equity method, the investment in an associate is initially recognized at cost and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the date of acquisition. The investor's share of the profit or loss of the investee is recognized in profit or loss. Distributions received from an investee reduce the carrying amount of the investment. Adjustments to the carrying amount may also be necessary for changes in the investor's proportionate interest in the investee arising from changes in the investee's other comprehensive income, including those arising from the revaluation of property and equipment and from foreign exchange translation differences. The investor's share of those changes is recognized in other comprehensive income.

The Group discontinues the use of the equity method from the date when its investment ceases to be an associate as follows:

- (a) if the investment becomes a subsidiary.
- (b) If the retained interest in the former associate is a financial asset, the Group measure the retained interest at fair value.
- (c) When the Group discontinue the use of the equity method, the Group account for all amounts previously recognized in other comprehensive income in relation to that investment on the same basis as would have been required if the investee had directly disposed of the related assets or liabilities.

**2.g. Joint Arrangement**

Joint arrangement is an arrangement of which two or more parties have joint control, i.e., the contractually agreed sharing of control of an arrangement, which exist only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group classified joint arrangement as:

**(1) Joint Operation**

Represents joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Those parties are called joint operator.

A joint operator recognize in relation to its interest in a joint operation:

- (a) Its assets, including its share of any assets held jointly;
- (b) Its liabilities, including its share of any liabilities incurred jointly;
- (c) Its revenue from the sale of its share of the output arising from the joint operation;
- (d) Its share of the revenue from the sale of the output by the joint operation; and
- (e) Its expenses, including its share of any expenses incurred jointly.

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(2) Joint Venture

Represents joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Those parties are called joint venturers.

A joint venturer recognize its interest in a joint venture as an investment and account for that investment using the equity method.

**2.h. Transaction and Balances with Related Parties**

A related party is a person or an entity that is related to the reporting entity:

(a) A person or a close member of that person's family is related to a reporting entity if that person:

- (i) has control or joint control over the reporting entity;
- (ii) has significant influence over the reporting entity; or
- (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

(b) An entity is related to the reporting entity if any of following conditions applies:

- (i) 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);
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
- (iii) Both entities are joint ventures of the same third party;
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity in itself such a plan, the sponsoring employers are also related to the reporting entity;
- (vi) The entity is controlled or jointly controlled by a person identified in (a); or
- (vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or a parent of the entity).

All transactions and significant balances with related parties are disclosed in relevant Note.

**2.i. Inventories and Land for Development**

Real estate inventories, which mainly consist of acquisition cost of land under development, shopping center, residential houses, shophouses, office buildings, apartments and buildings (houses) under construction, are carried at the lower of cost and net realizable value (NRV). Cost is determined by using the average method. Cost of land under development includes cost of land improvement and development, capitalized interest obtained to finance the acquisition and development of land until completed. The cost of residential houses and shophouses consist of actual construction cost.

Land for future development of the Group is classified as "Land for Development". Upon the commencement of development and construction of infrastructure, the carrying costs of land will be reclassified to the respective inventory real estate, investment property or property and equipment accounts, whichever is appropriate.

The excess of carrying value of inventories over their estimated recoverable value is recognized as impairment loss under "Provision for Decline in Value of Inventories" in profit or loss.

Inventories of healthcare business (e.g., medicines, medical supplies and others) are carried at the lower of cost and NRV. Cost is determined by using the average method.

Inventories of hospitality business (e.g., food, beverages and others) are carried at the lower of cost and NRV. Cost is determined by using the first-in-first-out method. Allowance for decline in inventory value is provided based on a review of inventory status at the end of period.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and selling costs. The amount of any write-down of inventories to NRV and all losses of inventories shall be recognized as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in

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NRV, is recognized as a reduction in the amount of inventories recognized as an expense in the period in which the reversal occurs.

**2.j. Prepaid Expenses**

Prepaid expenses are amortized over the period benefitted using straight line method.

**2.k. Investment Property**

Investment properties are properties (land or a building or part of a building or both) held by the owner or the lessee under a finance lease to earn rentals or for capital appreciation or both, rather than for use in the production or supply of goods or services or for administrative purposes; or sale in the daily business activities.

Investment property is recognized as an asset if, and only if it is probable that the future economic benefits that are associated with the investment property will flow to the entity; and the cost of the investment property can be measured reliably.

An investment property shall be measured initially at its cost, comprises its purchase price and any directly attributable expenditure (professional fees for legal services, property transfer taxes and other transaction costs). Transaction costs are included in the initial measurement.

After initial recognition, the Group choose to use cost model and measure its investment property at acquisition cost less accumulated depreciation and accumulated impairment losses if any.

Landrights are not depreciated and are carried at costs.

The cost of repairs and maintenance is charged to profit or loss as incurred while significant renovations and additions are capitalized.

Transfer to investment properties if, and only if, there is a change in use, evidenced by the end of the use by the owner, commencement of an operating lease to another party or completion of construction or development.

Transfer from investment properties if, and only if, there is a change in use, evidenced by commencement of owner occupation or commencement of development for sale.

Investment property is derecognized in, or disposed from the statement of financial position when it is permanently derecognized or retired and does not have any future economic benefit in which can be expected at its disposal. Gains or losses on derecognition or disposal of investment property is recognized in operation in the period derecognition or disposal.

**2.l. Property and Equipment**

Property and equipment are initially recognized at cost, which comprises its purchase price and any cost directly attributable in bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management.

When applicable, the cost may also comprises the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

After initial recognition, property and equipment, except land, are carried at its cost less any accumulated depreciation, and any accumulated impairment losses, if any.

Lands are recognized at its cost and are not depreciated.

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Depreciation of property and equipment starts when its available for use and its computed by using straight line method based on the estimated useful lives of assets as follows:

	<b>Year</b>
Building, Infrastructure, and Renovations	4 - 40
Parks and Interiors	5
Golf Course and Club House	20
Transportation Equipment and Vehicles	4 - 8
Furniture, Fixtures and Office Equipment	3 - 10
Tools and Medical Equipment	3 - 10
Machinery and Project Equipment	3 - 10
Bowling Machinery	10
Playground Areas	5

The cost of repairs and maintenance is charged to operation as incurred while significant renovations and additions are capitalized. The carrying value of the part replaced was written-off.

Own built property and equipment is presented as part of property and equipment as "Construction in Progress" and is stated at cost. All cost incurred related to the construction of such assets is capitalized as part of cost of construction in progress.

The accumulated costs will be transferred to the respective property and equipment items at the time the asset is completed or ready for use and are depreciated since the operation.

The carrying amount of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds, if any, and the carrying amount of the asset) is credited or charged to operations in the asset is derecognized. At the end of each financial period, the Group reviews useful life residual values, and methods of depreciation, and the remaining useful life based on technical condition.

## **2.m. Leases**

Determination of whether a lease agreement or an agreement containing with a lease is a finance lease or an operating lease depends on the substance of transaction rather than the form of the contract at the inception date.

A lease is classified as finance operating leases if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

### The Group as lessees:

At the commencement of the lease term under finance lease, the Group recognized assets and liabilities in their statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. Each determined at the inception of the lease. The discount rate used in calculating the present value of the minimum lease payments is the rate implicit in the lease, if this is practical to determine, if not, the lessee's incremental borrowing rate is used. Initial direct cost of the lessee are added to the amount recognized as an asset. The depreciation policy of leased asset is consistent with depreciable assets that are owned.

Under an operating lease, the Group recognizes lease payments as an expense on a straight line basis over the lease term.

### The Group as lessors:

Group recognizes assets under a finance lease as a receivable in the statement of financial position at an amount equal to the net investment in the lease. Collection of lease receivable is treated as principal payments and finance income. The recognition of finance income is based on a pattern reflecting a constant yearic rate of return on Group's net investment in the finance lease as lessor.

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Group presents assets subject to operating leases in the statement of financial position according to the nature of the asset. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized as an expense over the lease term on the same basis as the lease income. Contingent rents, if any, be recognized as income in the period incurred. Lease income from operating leases is recognized as revenue on a straight line basis over the lease term.

Sale and Leaseback:

Assets sold under a sale and leaseback transaction are accounted for as follows:

- If the sale and leaseback transaction results in a finance lease, any excess of sales proceeds over the carrying amount of the asset is deferred and amortized over the lease term.
- If the sale and leaseback transaction result in an operating lease and the transaction is established at fair value, any profit or loss is recognized immediately. If the sale price is below fair value, any profit or loss is recognized immediately except that, if the loss is compensated by future lease payments at below market price, it is deferred and amortized in proportion to the lease payments over the period for which the asset is expected to be used. If the sale price is above fair value, the excess over fair value is deferred and amortized over the period for which the asset is expected to be used.

**2.n. Borrowing Cost**

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense when incurred. Borrowing costs may include interest expense, finance charges in respect of finance leases, or exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Capitalization of borrowing costs commences when the Group undertakes activities necessary to prepare the asset for its intended use or sale and expenditures for the asset and its borrowing costs has been incurred. Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for its intended use or sale are complete.

**2.o. Impairment of Assets**

At the end of each reporting period, the Group assess whether there is any indication that an asset may be impaired. If any such indication exists, the Group shall estimate the recoverable amount of the asset. Recoverable amount is determined for an individual asset, if it is not possible, the Group determines the recoverable amount of the asset's cash-generating unit.

The recoverable amount is the higher of fair value less costs to sell and its value in use. Value in use is the present value of the estimated future cash flows of the asset or cash generating unit. Present values are computed using pre-tax discount rates that reflect the time value of money and the risks specific to the asset or unit whose impairment is being measured.

If, and only if, the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset shall be reduced to its recoverable amount. The reduction is an impairment loss and is recognized immediately in profit or loss.

An impairment loss recognized in prior period for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If this is the case, the carrying amount of the asset shall be increased to its recoverable amount. That increase is a reversal of an impairment loss.

Impairment of goodwill

Irrespective of whether there is any indication of impairment, goodwill is tested for impairment annually.

For the purpose of impairment testing, goodwill is allocated to each cash-generating unit, or groups of cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree were assigned to those units or groups of units. Each unit or group of units to which the goodwill is so allocated represent the lowest



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level within the entity at which the goodwill is monitored for internal management purposes and is not larger than an operating segment.

**2.p. Business Combination**

Business combination is a transaction or other event in which an acquirer obtains control of one or more businesses. Business combination is accounted for by applying the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to former owners of the acquiree, and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognized as expenses in the periods in which the costs are incurred and the services are received.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value except for certain assets and liabilities that are measured in accordance with the relevant standards.

Component of non-controlling interests are measured either at fair value or at the present ownership instruments' proportionate share in the recognized amounts of the acquiree's identifiable net assets.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date and the resulting gain or loss, if any, is recognized in profit or loss. When in prior periods, a change in the value of its equity interest in the acquiree prior to the acquisition date had been recognized in other comprehensive income, that amount shall be recognized on the same basis as would be required if the Group had disposed directly of the previously held equity interest.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have resulted in the recognition of those assets and liabilities as of that date.

At acquisition date, goodwill is measured at its cost being the excess of (a) the aggregate of the consideration transferred and the amount of any non-controlling interest, over (b) the net of identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognized in profit or loss as gain on bargain purchase after previously the management reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognize any additional assets or liabilities that are identified in that review.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination, from the acquisition date, be allocated to each of the Group's Cash Generating Units that is expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those Cash Generating Units.

If goodwill has been allocated to Cash Generating Units and certain operations on the Cash Generating Units is disposed, the goodwill associated with the operation disposed is included in the carrying amount of the operation when determining the gain or losses on disposal. Disposed goodwill is measured on the basis of relative values of the operation disposed of and the portion of the Cash Generating Units retained.

**2.q. Intangible Assets**

Intangible asset is measured on initial recognition at cost. After initial recognition, intangible asset is carried at cost less any accumulated amortization and any accumulated impairment loss. The useful life of intangible asset is assessed to be either finite or indefinite.

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Intangible asset with indefinite useful life

Intangible asset with indefinite life is not amortized. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether events and circumstances continue to support an indefinite useful life assessment for that asset. If they do not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis.

Intangible asset with indefinite life is tested for impairment annually and whenever there is an indication that the intangible asset may be impaired.

Goodwill

Goodwill arising in a business combination is initially measured at its cost, being the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

After initial recognition, goodwill acquired in a business combination is measured at cost less any accumulated impairment losses. Goodwill is not amortised.

Intangible asset with definite useful life

Intangible asset with finite life is amortized over the economic useful life by using a straight-line method (or other method as it reflects the pattern in which the asset's future economic benefits are expected to be consumed by the entity).

Software is amortized over the economic useful life with the straight line method based on the estimated useful life for 5 (five) years.

Amortisation is calculated so as to write-off the cost of the asset, less its estimated residual value.

**2.r. Employee Benefits**

Short-term Employee Benefits

Short-term employee benefits are recognized when an employee has rendered service during accounting period, at the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service.

Short term employee benefits include such as wages, salaries, bonus and incentive.

Post-employment Benefits

Post-employment benefits such as retirement, severance and service payments are calculated based on Labor Law No. 13/2003 ("Law 13/2003").

The Group recognizes the amount of the net defined benefit liability at the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets which calculated by independent actuaries using the Projected Unit Credit method. Present value benefit obligation is determined by discounting the benefit.

The Group accounts not only for its legal obligation under the formal terms of a defined benefit plan, but also for any constructive obligation that arises from the entity's informal practices.

Current service cost, past service cost and gain or loss on settlement, and net interests on the net defined benefit liability (asset) are recognized in profit and loss.

The remeasurement of the net defined benefit liability (assets) comprises actuarial gains and losses, the return on plan assets, and any change in effect of the asset ceiling are recognized in other comprehensive income.

Group recognizes an expense and a liability for contribution payable to a defined contribution plan, when an employee has rendered service to the entity during a period.

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Termination Benefits

The Group recognizes a liability and expense for termination benefits at the earlier of the following dates:

- (a) When the Group can no longer withdraw the offer of those benefits; and
- (b) When the Group recognizes costs for a restructuring that is within the scope of SFAS No. 57 and involves payment of termination benefits.

The Group measures termination benefits on initial recognition, and measures and recognizes subsequent changes, in accordance with the nature of the employee benefits.

**2.s. Business Combination between Entities Under Common Control**

Business combination of entities under common control transactions, such as transfers of business conducted within the framework of the reorganization of the entities that are in the same group, not a change of ownership in terms of economic substance, so that the transaction can not result in a gain or loss for the Group as a whole or the individual entity within the Group.

Due to business combination transactions of entities under common control does not lead to change in economic substance of ownership on the exchanged asset, liability, shares or other ownership instrument, then the transferred asset or liability (in its legal form) is recorded at its carrying amount as well as a business combination under the pooling of interest method.

An entity that receives the business, in a business combination of entities under common control, recognizes the difference between the amount of the consideration transferred and the carrying amount of each transaction is a business combination of entities under common control in equity under additional paid in capital.

If the entity that received the business, subsequently dispose the business entity acquired previously, the additional paid-in capital recorded before, can not be recognized as a realized gain or loss nor reclassified to retain earning.

**2.t. Revenue and Expense Recognition**

The Group recognizes revenue from the sale of real estate based on SFAS No. 44 "Accounting for Real Estate Development Activities" as follows:

- (i) Revenues from sales of lots that do not require the seller to construct building are recognized under the full accrual method if all of the following conditions are met:
  - a. total payments by the buyer are at least 20% of the agreed selling price and the amount is not refundable;
  - b. the selling price is collectible;
  - c. the receivable is not subordinated to other loans in the future;
  - d. The land development process is complete so that the seller has no further obligations related to the lots sold, such as obligation to construct amenities or obligation to build other facilities applicable to the lots sold as provided in the agreement between the seller and the buyer or regulated by law; and
  - e. Only the lots are sold, without any requirement of the seller's involvement in the construction of building on the lots.
- (ii) Revenues from sales of houses, shop houses, and other similar property and related land are recognized under the full accrual method if all of the following conditions are met:
  - a. a sale is consummated;
  - b. the selling price is collectible;
  - c. the seller's receivable is not subject to future subordination against other loans which will be obtained by the buyer; and
  - d. The seller has transferred the risks and rewards of ownership to the buyer through a transaction that is in substance a sale and does not have substantial continuing involvement with the property.

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- (iii) Revenues from sales shopping center and, apartments are recognized using the percentage-of-completion method if all of the following conditions are met:
  - a. the construction process has already commenced, i.e., the building foundation has been completed and all of the requirements to commence construction have been fulfilled;
  - b. total payments by the buyer are at least 20% of the agreed selling price and the amount is not refundable; and
  - c. the amount of revenue and the cost of the property can be reliably estimated.

The method used to determine the level of development activity completion is based on a percentage of actual activities accomplished to total development activities that need to be accomplished.

If a real estate sale fails to meet all the criteria of full accrual method, revenue recognition is deferred and the transaction is recognized using the deposit method until all of the conditions of full accrual method are fulfilled.

Cost of land lots sold is determined based on the estimated acquisition cost of the land plus other estimated expenditures for its improvements and developments. The cost of residential houses and shophouses sold is determined based on actual cost incurred and estimated cost to complete the work. The estimated cost to complete is included in the "Accrued Expenses" account which is presented in the consolidated interim statements of financial position. The difference between the estimated cost and the actual cost of construction or development is charged to "Cost of Sales" in the current period.

Revenues from medical services are recognized when medical services are rendered or when medical supplies are delivered to patients.

Rental revenue and other services is recognized based on their respective rental periods and when the services are rendered to the customers. Rental and membership paid in advance are presented as deferred income and recognized as revenue over the period benefit.

Hotel and restaurant revenues are recognized when the goods or services provided to hotel guests or restaurant visitors. Revenue tuition and membership fees are deferred (presented under Deferred Income) and recognized as income over the period of its membership.

Expenses are recognized as incurred on an accruals basis.

**2.u. Income Tax**

Tax expense is the aggregate amount included in the determination of profit or loss for the period. Current tax and deferred tax is recognized in profit or loss, except for income tax arising from transactions or events that are recognized in other comprehensive income or directly in equity. In this case, the tax is recognized in other comprehensive income or equity, respectively.

Current tax for current and prior periods shall, to the extent unpaid, be recognized as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess shall be recognized as an asset. Current tax liabilities (assets) for the current and prior periods shall be measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Tax benefits relating to tax loss that can be carried back to recover current tax of a previous periods is recognized as an asset. Deferred tax asset is recognized for the carry forward of unused tax losses and unused tax credit to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilized.

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A deferred tax liability shall be recognized for all taxable temporary differences, except to the extent that the deferred tax liability arises from:

- a) the initial recognition of goodwill; or
- b) the initial recognition of an asset or liability in a transaction which is
  - (i) not a business combination and
  - (ii) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

Deferred tax asset shall be recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that is :

- a. not a business combination and
- b. at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and deferred tax assets shall reflect the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

The carrying amount of a deferred tax asset reviewed at the end of each reporting period. The Group shall reduce the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised. Any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available.

The offset deferred tax assets and deferred tax liabilities if, and only if:

- 1) the Group has a legally enforceable right to set off current tax assets against current tax liabilities; and
- 2) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:
  - i. the same taxable entity; or
  - ii. different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future year in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

The offset current tax assets and current tax liabilities if, and only if, the entity:

- 1) has legally enforceable right to set off the recognized amounts, and
- 2) intends either to settle on a net basis, or to realize the assets and settle liabilities simultaneously.

**2.v. Earnings per Share**

Basic earnings per share is computed by dividing the profit or loss attributable to ordinary equity holders of the parent entity by the weighted average number of ordinary shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the Group shall adjust profit or loss attributable to ordinary equity holders of the parent entity, and the weighted average number of shares outstanding, for the effect of all dilutive potential ordinary shares.

**2.w. Treasury Stock**

Treasury stock is recorded at its acquisition cost and presented as a deduction from capital stock under equity section of consolidated interim statements of financial position. The excess of proceed from future re-sale of treasury stock over the related acquisition cost or vice-versa shall be accounted for as an addition to or deduction from additional paid-in capital.

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**2.x. Operating Segment**

Group presented operating segments based on the financial information used by the chief operating decision maker in assessing the performance of segments and in the allocation of resources. The segments are based on the activities of each of the operating legal entities within the Group.

An operating segment is a component of the entity:

- that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to the transactions with other components of the same entity);
- whose operating results are regularly reviewed by chief operating decision maker to make decisions about resources to be allocated to the segment and assesses its performance; and
- for which separate financial information is available.

**2.y. Financial Instruments**

**Initial Recognition and Measurement**

The Group recognizes a financial assets or a financial liabilities in the consolidated interim statement of financial position when, and only when, it becomes a party to the contractual provisions of the instrument. At initial recognition, the Group measures all financial assets and financial liabilities at its fair value. In the case of a financial asset or financial liability is not measured at fair value through profit or loss, fair value is added or reduced with the transaction costs that are directly attributable to the acquisition or issuance of the financial asset or financial liability. Transaction costs incurred on acquisition of a financial asset and issuance of a financial liability classified at fair value through profit or loss are expensed immediately.

**Subsequent Measurement of Financial Assets**

Subsequent measurement of financial assets depends on their classification on initial recognition.

The Group classifies financial assets in one of the following four categories:

(i) Financial Assets at Fair Value Through Profit or Loss (FVTPL)

Financial assets at FVTPL are financial assets held for trading or upon initial recognition it is designated as at fair value through profit or loss. Financial asset classified as held for trading if it is acquired or incurred principally for the purpose of selling and repurchasing it in the near term, or it is a part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit taking, or it is a derivative, except for a derivative that is a designated and effective hedging instrument.

After initial recognition, financial assets at FVTPL are measured at its fair value. Gains or losses arising from a change in the fair value of financial assets are recognized in profit or loss.

(ii) Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than:

- (a) those that intends to sell immediately or in the near term and upon initial recognition designated as at fair value through profit or loss;
- (b) those that upon initial recognition designated as available for sale; or
- (c) those for which the holder may not recover substantially all of its initial investment, other than because of credit deterioration.

After initial recognition, loans and receivable are measured at amortized cost using the effective interest method.

(iii) Held-to-Maturity (HTM) Investments

HTM investments are non-derivative financial assets with fixed or determinable payments and fixed maturity that the Group has the positive intention and ability to hold to maturity.

After initial recognition, HTM investments are measured at amortized cost using the effective interest method.

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(iv) Available-for-Sale (AFS) Financial Assets

AFS financial assets are non-derivative financial assets that are designated as available for sale on initial recognition or are not classified as (a) loans and receivable, (b) held-to-maturity investment, or (c) financial assets at fair value through profit or loss.

After initial recognition, AFS financial assets are measured at its fair value. Gains or losses arising from a change in the fair value is recognized on other comprehensive income, except for impairment losses and foreign exchange gains and losses, until the financial assets is derecognized. At that time, the cumulative gains losses previously recognized in other comprehensive income shall be reclassified from equity to profit or loss as a reclassification adjustment.

Investment in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost.

**Subsequent Measurement of Financial Liabilities**

Subsequent measurement of financial liabilities depends on their classification on initial recognition. The Group classifies financial liabilities into one of the following categories:

(i) Financial Liabilities at Fair Value Through Profit or Loss (FVTPL)

Financial liabilities at FVTPL are financial liabilities held for trading or upon initial recognition it is designated as at fair value through profit or loss. Financial liabilities classified as held for trading if it is acquired or incurred principally for the purpose of selling and repurchasing it in the near term, or it is a part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit taking, or it is a derivative, except for a derivative that is a designated and effective hedging instrument.

After initial recognition, financial liabilities at FVTPL are measured at its fair value. Gains or losses arising from a change in the fair value are recognized in profit or loss.

(ii) Other Financial Liabilities

Financial liabilities that are not classified as financial liabilities at FVTPL are grouped in this category and are measured at amortized cost using the effective interest method.

**Derecognition of Financial Assets and Liabilities**

The Group derecognizes a financial asset when, and only when the contractual rights to the cash flows from the financial asset expire or the Group transfers the contractual rights to receive the cash flows of the financial asset or retains the contractual rights to receive the cash flows but assumes a contractual obligation to pay the cash flows to one or more recipients in an arrangement. If the Group transfers substantially all the risks and rewards of ownership of the financial asset, the Group derecognizes the financial asset and recognize separately as asset or liabilities any rights and obligation created or retained in the transfer. If the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset and has retained control, the Group continues to recognizes the financial asset to the extent of its continuing involvement in the financial asset. If the Group retains substantially all the risks and rewards of ownership of the financial asset, the Group continues to recognize the financial asset.

The Group removes a financial liability from its statement of financial position when, and only when, it is extinguished, ie when the obligation specified in the contract is discharged or cancelled or expires.

**Impairment of Financial Assets**

At the end of each reporting period, the Group assess whether there is any objective evidence that a financial asset or group of financial assets is impaired. A financial asset or group of financial assets is impaired and impairment lossess are incurred, if and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (loss event), and that loss event has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

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The following are objective evidence that a financial asset or group of financial assets is impaired:

- (a) Significant financial difficulty of the issuer or obligor;
- (b) A breach of contract, such as default or delinquency in interest or principal payments;
- (c) It becoming probable that the borrower will enter bankruptcy or other financial reorganization;
- (d) Observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition, such as adverse changes in the payment status of borrowers or economic condition that correlate with defaults.

For investment in equity instrument, a significant and prolonged decline in the fair value of the equity instrument below its cost is an objective evidence of impairment.

If there is objective evidence that an impairment loss has been incurred on loans and receivable or held-to-maturity investments carried at amortized cost, the amount of impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate and recognized in profit or loss.

When a decline in the fair value of an available-for-sale financial asset has been recognized in other comprehensive income and there is objective evidence that the asset is impaired, the cumulative loss that had been recognized in other comprehensive income shall be reclassified from equity to profit or loss as a reclassification adjustment even though the financial assets has not been derecognized. The amount of the cumulative loss that is reclassified are the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss on that financial asset previously recognized in profit or loss.

**The Effective Interest Method**

The effective interest method is a method of calculating the amortized cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discount estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Group estimates cash flows considering all contractual terms of the financial instrument, for example, prepayment, call and similar option, but shall not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

**Reclassification**

The Group shall not reclassify a derivative out of the fair value through profit or loss category while it is held or issued and not reclassify any financial instrument out of the fair value through profit or loss category if upon initial recognition it was designated by the Group as at fair value through profit or loss. The Group may reclassify that financial asset out of the fair value through profit or loss category if a financial asset is no longer held for the purpose of selling or repurchasing it in the near term. The Group shall not reclassify any financial instrument into the fair value through profit or loss category after initial recognition.

If, as a result of a change in Group's intention or ability, it is no longer appropriate to classify an investment as held to maturity, it shall be reclassified as available for sale and remeasured at fair value. Whenever sales or reclassification of more than an insignificant amount of held-to-maturity investments, any remaining held-to-maturity investments shall be reclassified as available for sale, other than sales or reclassification that are so close to maturity or the financial asset's call date, occur after all the financial asset's original principal has been collected substantially through scheduled payments or prepayments, or are attributable to an isolated event that is beyond control, non-recurring, and could not have been reasonably anticipated.



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**Offsetting a Financial Asset and Financial Liability**

A financial asset and financial liability shall be offset when and only when, the Group currently has a legally enforceable right to set off the recognized amount; and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

**Fair Value Measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

Fair values are categorized into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety:

- (i) Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed at the measurement date (Level 1);
- (ii) Inputs other than quoted prices included in Level 1 that are observable for the assets or liabilities, either directly or indirectly (Level 2); and
- (iii) Unobservable inputs for the assets or liabilities (Level 3).

When measuring the fair value of an asset or a liability, the Group uses market observable data to the extent possible. If the fair value of an asset or a liability is not directly observable, the Group uses valuation techniques that appropriate in the circumstances and maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs.

Transfers between levels of the fair value hierarchy are recognized by the Group at the end of the reporting period during which the change occurred.

**Hedging**

The normal course of the Group's business exposes it to currency and interest rate risks. In order to hedge these risks in accordance with the management's written treasury policies, the Group uses derivatives and other hedging instruments. SFAS No. 55 allows 3 types of hedging relationships:

- Fair value hedge;
- Cash flow hedge;
- Hedge of a net investment in a foreign operation.

The Group uses hedge accounting only when the following conditions at the inception of the hedge are satisfied:

- The hedging instrument and the hedged item are clearly identified;
- Formal designation and documentation of the hedging relationship is in place. Such hedge documentation includes the hedge strategy and the method used to assess the hedge's effectiveness; and
- The hedge relationship is expected to be highly effective throughout the life of the hedge.

The above documentation is subsequently updated at each reporting date in order to assess whether the hedge is still expected to be highly effective over its remaining life.

Cash flow hedge the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognized (net of tax) in other comprehensive income and accumulated under hedging reserve, and the ineffective portion of the gain or loss on the hedging instrument is recognized in profit or loss.

No adjustment is made to the hedged item.

If a hedge of a forecast transaction subsequently results in the recognition of a financial asset or liability, the related gain or loss previously recognized in other comprehensive income shall be

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reclassified from equity to profit or loss as a reclassification adjustment in the same period when hedging on forecasted cash flow affect earnings.

If a hedge of a forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability, or a forecast transaction for a non-financial asset or non-financial liability becomes a firm commitment for which fair value hedge accounting is applied, then the Group reclassifies the associated gains and losses that were recognized in other comprehensive income to profit or loss as a reclassification adjustment.

**Derivatives**

All derivatives are initially recognized and subsequently carried at fair value. The Group policy is to use derivatives only for hedging purposes. Accounting for derivatives engaged in hedging relationships is described in the above section.

Sometimes, the Group enters into certain derivatives in order to hedge some transactions but the strict hedging criteria prescribed by SFAS No. 55 are not met. In those cases, even though the transaction has its economic and business rationale, hedge accounting cannot be applied. As a result, changes in the fair value of those derivatives are recognized in profit or loss and accounting for the hedged item follows the Group's policies for that item.

**2.z. Important Estimated Source of Uncertainty and Accounting Considerations**

The preparation of financial statements in accordance with the Indonesian Financial Accounting Standards requires the management to make assumptions and estimates that could affect the carrying amounts of certain assets and liabilities at end of reporting period.

In the preparation of these consolidated interim financial statements, accounting assumptions have been made in the process of applying accounting policies that may affect the carrying amounts of assets and liabilities in financial statements. In addition, there are accounting assumptions on the sources of estimation uncertainty at end of reporting period that could materially affect the carrying amounts of assets and liabilities in the subsequent reporting period.

The management periodically reviews them to ensure that the assumptions and estimates have been made based on all relevant information available on the date in which the consolidated interim financial statements have been prepared. Because there is inherent uncertainty in making estimates, the value of assets and liabilities to be reported in the future might differ from those estimates.

**i. Source of Uncertainty of Critical Accounting Estimates and Assumptions**

At the reporting date, the management has made significant assumptions and estimates which have the most significant impact to the carrying amount recognized in the consolidated interim financial statements, as follows:

**Allowance for Impairment of Receivable**

In general, the management analyzes the adequacy of the allowance for impairment of receivable based on several data, which include analyzing historical bad debts, the concentration of each customer's accounts receivable, credit worthiness and changes in a given period of repayment. The analysis is carried out individually on a significant amount of accounts receivable, while the insignificant group of accounts receivable is carried on the collective basis. At the reporting date, the carrying amount of accounts receivable has been reflected at fair value and the carrying value may change materially in the subsequent reporting period, but the change, however, will not be attributable to the assumptions and estimates made as of this reporting date (see Notes 4 and 6).

**Impairment of Goodwill**

In estimating the impairment of goodwill, the Group's management performs analysis and assessment of the ability of the cash generating unit, the change of the operating conditions of acquired entity and transfer of goodwill generating unit. If there are indications of a decrease in the ability of the cash generating unit in generating cash and management believes that the cash generating unit decrease the ability to generate cash, then the management will do the impairment of goodwill. If there is a change in the operational business units and/ or cash-generating unit has been

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transferred, the entire value of goodwill previously recorded will be impaired. The carrying value of goodwill is presented in Note 15.

**Deferred Tax Assets Estimation**

Deferred tax assets recognition is performed only if it is probable that the asset will be recovered in the form of economic benefits to be received in future periods, in which the temporary differences and tax losses can still be used. Management also considers the future estimated taxable income and strategic tax planning in order to evaluate its deferred tax assets in accordance with applicable tax laws and its updates. As a result, related to its inherent nature, it is likely that the calculation of deferred taxes is related to a complex pattern where assessment requires a judgment and is not expected to provide an accurate calculation (see Note 19.b).

**Useful Lives of Property and Equipment and Investment Property Estimation**

Management makes a yearly review of the useful lives of property and equipment and investment property based on several factors such as physical and technical conditions and development of medical equipment technology in the future. The results of future operations will be materially influenced by the change in estimate as caused by changes in the factors mentioned above. Changes in estimated useful life of property and equipment and investment property, if any, are prospectively treated in accordance with SFAS No. 25 (Revised 2010), "Accounting Policies, Changes in Accounting Estimates and Errors" (see Notes 13 and 14).

**Post-employment Benefits**

The present value of post-employment benefits liability depends on several factors that are determined by actuarial basis based on several assumptions. Assumptions used to determine the cost (income) include the discount rate and the salary increase projection rate. Changes in these assumptions will affect the carrying amount of post-employment benefits (see Note 25).

The Group determines the appropriate discount rate at end of reporting period by the interest rate used to determine the present value of future cash outflows expected to settle this obligation. In determining the appropriate level of interest rates, the Company considers the interest rate of government bonds denominated in Rupiah that has a similar period to the corresponding period of obligation.

Other key assumption is partly determined by current market conditions, during the period in which the post-employment benefits liability is resolved. Changes in the employee benefits assumption will impact on recognition of actuarial gains or losses at the end of the period.

**Fair Value of Financial Instruments**

If the fair value of financial assets and liabilities recorded in the statement of financial position is not available in active market, it is determined using valuation techniques including the use of mathematical model. Input for this model derived from observable market data throughout the available data. When observable market data is not available, management judgment is required to determine the fair value. The considerations include liquidity and input models such as volatility for long-term derivative transactions and discount rates, prepayments, and default rate assumptions.

**ii. Important Consideration in the Determination of Accounting Policies**

The following judgment made by management in the application of the Group's accounting policies that have significant effect on the amounts presented in the consolidated interim financial statements:

**Revenue Recognition - Percentage of Completion Method**

Revenue from the sale of shopping centers and apartment units are recognized using the percentage of completion method. By this method, revenue is recognized proportionately with the cost that generates revenue. As a consequence, the sales proceeds that can not be recognized as revenue are recognized as a liability until the sale have met the criteria for revenue recognition.

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To determine the percentage of completion of the development activities of shopping centers and apartment units, the management uses physical progress approach that is determined based on the survey report for each project or the part of project (e.g., for each tower of apartment). The management conducted a review of determination of the estimated percentage of completion and it realized that a negligence in determining the percentage of completion at the reporting date can result in revenue recognition errors for the subsequent reporting period, in which the material error correction will be carried out retrospectively (see Note 36).

**Revenue Recognition – Professional Fees**

Policy and billing system to the patient is an integral of over all charges consisted of consulting with the doctor, use of drugs and other medical procedures. Above the cost of consulting a doctor, the Hospital performs specific calculations for each doctor, make payments and taxed accordingly every month to the doctor, although a bill to the patient is not fully collectible. Management of the Group considered that there was no agency relationship between the hospital and its doctors, with consideration to the impact of the significant benefits and risks related to the provision of medical services by the doctors to patients. Bills for medical services are recognized as revenue when the recognition criteria are met (see Note 36).

**3. Cash and Cash Equivalents**

	<b>March 31, 2016 Rp</b>	<b>December 31, 2015 Rp</b>
<b>Cash</b>		
(include 2016: USD 26,984, SGD 5,262, EUR 5,344, JPY 9,739, AUD 12,447; 2015: USD 26,984, SGD 5,262, EUR 5,344, JPY 9,739, AUD 12,447)	10,712,846,313	8,556,332,898
<b>Bank</b>		
<b>Third Parties</b>		
<u>Rupiah</u>		
PT Bank CIMB Niaga Tbk	151,977,911,764	158,290,657,963
PT Bank Negara Indonesia (Persero) Tbk	108,174,056,604	88,774,300,403
PT Bank Maybank Indonesia Tbk		
(formerly PT Bank Internasional Indonesia Tbk)	39,229,455,637	3,787,230,456
PT Bank Central Asia Tbk	33,689,284,758	42,822,483,055
PT Bank Permata Tbk	29,713,940,470	27,899,048,428
PT Bank Mandiri (Persero) Tbk	21,267,784,281	14,751,455,330
PT Bank Mega Tbk	18,064,974,150	10,933,046,807
PT Bank Rakyat Indonesia (Persero) Tbk	14,048,655,127	25,482,320,958
PT Bank OCBC NISP Tbk	9,421,804,732	3,892,240,627
PT Bank Danamon Indonesia Tbk	2,415,372,831	10,074,461,690
PT Bank Tabungan Negara (Persero) Tbk	1,861,051,821	1,946,972,893
Others (each bellow Rp1 billion)	14,456,623,255	5,272,367,986
<u>Foreign Currencies</u>		
BNP Paribas, Singapore		
USD	156,667,271,976	202,215,222,426
SGD	8,251,629,275	11,932,459,599
Credit Suisse, Singapore		
USD	5,017,321,125	5,241,190,472
SGD	97,372,549,822	7,648,698,051
OCBC Bank, Singapore - SGD	73,609,102,924	69,857,090,150
PT Bank Negara Indonesia (Persero) Tbk		
USD	6,992,065,774	5,673,018,713
SGD	14,285,449,761	14,170,668,870

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PT Bank ANZ Indonesia		
USD	4,613,096,023	5,690,910,669
SGD	3,246,912,954	3,586,077,645
EUR	4,322,256,218	2,785,627,924
AUD	--	3,586,077,645
PT Bank CIMB Niaga Tbk		
USD	5,477,126,131	5,171,123,626
SGD	2,602,471,969	11,873,673,033
PT Bank Mega Tbk		
USD	1,153,172,809	1,198,316,194
SGD	2,305,122,614	2,286,079,338
PT Bank Maybank Indonesia Tbk (formerly PT Bank Internasional Indonesia Tbk) - SGD	3,417,485,009	3,378,228,380
PT Bank OCBC NISP Tbk		
USD	708,562,822	6,759,802,937
SGD	1,097,747,654	736,465,250
EUR	35,742,843	93,782,117
DBS Bank, Singapore		
USD	743,168,973	--
SGD	526,139,937	--
PT Bank Permata Tbk		
USD	--	2,496,802,574
SGD	--	250,493,146
Others (each bellow Rp1 billion)	1,512,921,431	1,604,842,259
<b>Related Party</b>		
<u>Rupiah</u>		
PT Bank Nationalnobu Tbk	292,126,916,616	271,965,255,233
	<u>1,130,405,150,090</u>	<u>1,034,128,492,847</u>
<b>Time Deposits</b>		
<b>Third Parties</b>		
<u>Rupiah</u>		
PT Bank CIMB Niaga Tbk	756,631,567,463	597,053,819,549
PT Bank Negara Indonesia (Persero) Tbk	4,050,000,000	128,250,300,000
PT Bank Mega Tbk	--	3,000,000,000
<u>Foreign Currencies</u>		
OCBC Bank, Singapore - SGD	68,810,000,098	68,257,000,098
PT Bank CIMB Niaga Tbk - USD	108,264,766	120,057,885
	<u>829,599,832,327</u>	<u>796,681,177,532</u>
<b>Total</b>	<u><b>1,970,717,828,730</b></u>	<u><b>1,839,366,003,277</b></u>

Contractual interest rates and maturity period of the time deposits are as follows:

	March 31, 2016	December 31, 2015
Interest Rate		
Rupiah	3,00% - 6,50%	3,00% - 10,00%
Foreign Currencies	0,50% - 3,00%	0,50% - 3,00%
Maturity Period	0 - 3 months	0 - 3 months

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**4. Trade Accounts Receivable**

	March 31, 2016 Rp	December 31, 2015 Rp
<b>Third Parties</b>		
Urban Development:		
Consumers Financing	296,244,903,642	261,011,608,016
Land Lots	251,710,738,838	162,911,845,467
Residential Houses and Shophouses	57,866,704,011	47,902,306,527
Asset Enhancements	27,320,689,160	26,434,773,131
Memorial Park	23,398,372,511	23,702,794,029
Others	15,817,747,191	18,556,390,817
Subtotal	<u>672,359,155,353</u>	<u>540,519,717,987</u>
Large Scale Integrated Development:		
Apartments	29,633,134,890	4,339,239,387
Asset Enhancements	4,339,239,387	2,672,299,686
Subtotal	<u>33,972,374,277</u>	<u>7,011,539,073</u>
Retail Malls:		
Asset Enhancements	137,056,935,960	123,819,136,187
Shopping Centers	20,077,827,289	20,068,291,250
Subtotal	<u>157,134,763,249</u>	<u>143,887,427,437</u>
Healthcare:		
Inpatient and Outpatient	700,379,799,035	596,132,428,238
Hospitality and Infrastructure:		
Town Management and Water Treatment	150,131,172,358	137,217,716,016
Hotels and Restaurants	17,474,442,194	16,897,138,911
Recreations and Sports	2,259,476,426	--
Others	4,108,641,787	5,523,680,550
Subtotal	<u>173,973,732,765</u>	<u>159,638,535,477</u>
Property and Portfolio Management:		
Management Fees	74,796,076,359	68,496,531,253
Subtotal Trade Accounts Receivable from Third Parties	1,812,615,901,038	1,515,686,179,465
Less: Allowance for Impairment in Value	(79,482,383,554)	(91,468,709,993)
Total Trade Accounts Receivable from Third Parties - Net	<u>1,733,133,517,484</u>	<u>1,424,217,469,472</u>
<b>Related Parties</b>		
Healthcare:		
Inpatient and Outpatient	11,120,065,010	10,130,038,169
<b>Total</b>	<u><b>1,744,253,582,494</b></u>	<u><b>1,434,347,507,641</b></u>

Analysis of trade receivables by maturity is presented in Note 46.

The movements in allowances for impairment in value of receivables are as follows:

	March 31, 2016 Rp	December 31, 2015 Rp
<b>Third Parties</b>		
Beginning Balance	91,468,709,993	64,936,716,285
Addition	--	26,531,993,708
Reversal	(11,986,326,439)	--
<b>Ending Balance</b>	<u><b>79,482,383,554</b></u>	<u><b>91,468,709,993</b></u>

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Additional (reversal) of allowance for impairment in value of trade accounts receivable is based on the review of the status of debtors at the end of the period.

Management made allowances for impairment in value of trade accounts receivables because management believes that these receivables are uncollectible.

Management believes that the allowance for impairment in value is adequate to cover the possibility of uncollectible trade accounts receivable.

Consumers financing receivables represent trade receivables of PT Asiatic Sejahtera Finance, a subsidiary, in connection with the financing of property unit ownership to the customers. Such receivables are used as collateral of loan obtained from PT Bank J Trust Indonesia Tbk (see Note 23).

Trade accounts receivable of PT Golden First Atlanta, a subsidiary, are pledged as collateral for the loans obtained from PT Bank Central Asia Tbk (see Note 23).

Trade accounts receivable denominated in Rupiah and foreign currencies. Trade accounts receivable in foreign currencies are presented in Notes 44 and 46.

**5. Available-for-Sale Financial Assets**

	March 31, 2016 Rp	December 31, 2015 Rp
At Cost		
Lippo Malls Indonesia Retail Trust (LMIR Trust) (2016: 822,061,761 units; 2015: 816,883,084 units)	3,390,717,794,753	3,288,543,737,433
First REIT (2016: 253,366,265 units; 2015: 251,828,857 units)	2,084,807,878,983	2,021,847,535,149
PT Kawasan Industri Jababeka Tbk (KIJA) (2016 and 2015: 1,511,850,179 shares)	338,938,289,009	338,938,289,009
Foreign Exchange Translation	285,282,186,256	369,694,975,330
Accumulated Unrealized Gain (Loss):		
Charged to Consolidated Profit or Loss	(17,387,163,577)	(17,387,163,577)
Charged to Other Comprehensive Income	430,044,346	(132,573,932,936)
	<u>(16,957,119,231)</u>	<u>(149,961,096,513)</u>
<b>Total</b>	<b><u>6,082,789,029,770</u></b>	<b><u>5,869,063,440,408</u></b>

Available-for-Sale Financial Assets are investments in REIT units which are listed on the Singapore Stock Exchange and KIJA shares listed in Indonesia Stock Exchange. The quoted market price of REIT units as of March 31, 2016 and December 31, 2015 are SGD1.23 and SGD1.20, for First REIT units, respectively, and SGD0.325 and SGD0.320 for LMIR Trust units, respectively. The quoted market price of KIJA as of March 31, 2016 and December 31, 2015 are Rp260 and Rp247, respectively.

In 2015, Bridgewater International Ltd and LMIRT Management Ltd, subsidiaries, disposed 9,000,000 units and 10,000,000 units of LMIR Trust at the price per unit of SGD0.345 (equivalent Rp3,270) and SGD0.345 (equivalent Rp3,270), respectively. Loss on disposal from these transactions amounted to Rp15,437,851,660 and recorded as other income in the profit or loss. Informations of additional investment units as of March 31, 2016 and 2015 are disclosed in Note 48.

Addition of available for sale financial asset in KIJA includes 1,480,613,606 shares from aquired entity of Rp387,920,764,772 (included in other comprehensive income amounted to Rp58,546,531,498) (see Note 47).

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**6. Other Current Financial Assets**

	<b>March 31 2016 Rp</b>	<b>December 31 2015 Rp</b>
<b>Third Parties</b>		
Call Spread Option (See Note 42.d)	1,791,724,685,509	2,015,953,790,020
Other Accounts Receivable	338,418,358,895	695,184,124,483
Dividend Receivable	103,726,629,858	157,159,942,187
Investments in Mutual Fund	49,882,350,954	49,008,885,877
Promisorry Note (2016 dan 2015: USD 781,600)	10,376,521,600	10,782,172,000
<b>Total</b>	<b>2,294,128,546,816</b>	<b>2,928,088,914,567</b>

**Other Accounts Receivable**

	<b>March 31, 2016 Rp</b>	<b>December 31, 2015 Rp</b>
<b>Third Parties</b>		
Billing of Joint Operation	46,664,899,527	46,664,899,527
Receivables from Operator and Tenant Association of Mall	36,917,811,640	36,917,811,640
Receivables from Transfer of Land and Building Right	--	328,223,711,241
Hospital and Hotel Performance Guarantee Receivables	--	18,000,000,000
Others	264,086,874,850	274,628,929,197
Subtotal	347,669,586,017	704,435,351,605
Less: Allowance for Impairment in value	(9,251,227,122)	(9,251,227,122)
<b>Net</b>	<b>338,418,358,895</b>	<b>695,184,124,483</b>

The movements in allowances for impairment in value of other account receivables are as follows:

	<b>March 31, 2016 Rp</b>	<b>December 31, 2015 Rp</b>
<b>Third Parties</b>		
Beginning Balance	9,251,227,122	7,299,710,183
Addition	--	1,951,516,939
<b>Ending Balances</b>	<b>9,251,227,122</b>	<b>9,251,227,122</b>

Receivables from transfer of land and building right are receivables resulted from payments of tax on the transfer of land and buildings of Kemang Mall, Siloam Hospitals Makassar and Siloam Hospitals Bali.

Billing of Joint Operation represents receivables from PT Kawasan Industri Jababeka Tbk (KIJA). PT Lippo Cikarang Tbk, a subsidiary, cooperate with KIJA to build highway access Japek of KM 34+700. The cooperation includes the exchange of land and share the project cost of 50%, respectively.

Receivables from operator and tenant association of mall represents receivables resulted from payment of service charge, repair and maintenance units of malls that have been transferred to another parties.

Hospital and Hotel performance guarantees receivables are receivables arising from unachievement of EBITDA of hospitals and hotels acquired from third parties, as part of the deal in the sale and purchase agreement.



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Dividend receivables represents dividend receivable of Bridgewater International Ltd., PT Menara Tirta Indah, Bowsprit Capital Corporation Ltd. and LMIRT Management Ltd, subsidiaries, from their investments in First REIT and LMIR Trust, respectively.

Management made allowances for impairment in value of trade accounts receivables based on collectability of receivable.

The Group's management believes that allowance for impairment is adequate to cover the possibility of uncollectible other accounts receivable.

**Investments in Mutual Fund**

Investments in mutual fund are ownership of mutual fund units managed by an Investment Manager PT Lippo Securities Tbk, a related party, through RDPT Lippo Terproteksi I and II and PT Bowsprit Asset Management, a subsidiary, through RDPT Infrastructure Fund I. The fair value of mutual fund units are determined based on net asset value as at reporting date.

Unrealized gains on the increase in value of mutual fund units held by the Group for the 3 (three) months period ended March 31, 2016 amounted to Rp869,163,996 recorded as other income (expense).

**7. Inventories**

	<b>March 31 2016 Rp</b>	<b>December 31, 2015 Rp</b>
Urban Development:		
Land under Development	10,894,634,556,012	10,498,080,080,427
Residential Houses and Shophouses	2,138,411,342,048	2,068,995,059,985
Apartments	342,743,789,999	299,698,103,057
Others	8,962,350,565	8,725,777,948
Subtotal	<u>13,384,752,038,624</u>	<u>12,875,499,021,417</u>
Large Scale Integrated Development:		
Land under Development	1,981,384,543,669	1,941,650,461,656
Apartments	1,831,873,291,181	1,839,198,442,789
Shopping Centers	1,691,356,900,217	1,664,488,022,605
Subtotal	<u>5,504,614,735,067</u>	<u>5,445,336,927,050</u>
Retail Malls:		
Shopping Centers	1,561,209,740,777	1,641,187,663,624
Land under Development	391,839,226,381	349,500,614,513
Subtotal	<u>1,953,048,967,158</u>	<u>1,990,688,278,137</u>
Healthcare:		
Medical and Non Medical Supplies	139,504,088,803	140,434,193,057
Hospitality and Infrastructure:		
Hotels and Restaurants	4,872,937,580	6,145,465,883
Recreation and Sports	749,333,991	856,190,099
Others	69,306,068	69,747,026
Less: Allowances Decline in Inventories Value	<u>(39,505,683)</u>	<u>(39,505,683)</u>
Subtotal	<u>5,652,071,956</u>	<u>7,031,897,325</u>
<b>Net</b>	<b><u>20,987,571,901,608</u></b>	<b><u>20,458,990,316,986</u></b>

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In 2015, the Group reclassified inventory to investment property amounting to Rp66,455,920,125 (see Note 13).

As of December 31, 2015 property and equipment was reclassified to inventory amounted Rp461,342,063,858 (see Note 14).

Land owned by Company for an area of 21,940 sqm were pledged as a collateral for a loan from PT Bank Negara Indonesia (Persero) Tbk (see Note 21).

Land owned by PT Waska Sentana, a subsidiary, for an area of 38,901 sqm were pledged as a collateral for a loan from PT Bank ICBC Indonesia (see Note 21).

Land owned by PT Pamor Paramita Utama, a subsidiary, for an area of 21,150 sqm were pledged as a collateral for a loan from PT Bank CIMB Niaga Tbk (see Note 23).

Land owned by PT Mandiri Cipta Gemilang, a subsidiary, for an area of 73,716 sqm were pledged as a collateral for a loan from PT Bank Mega Tbk (see Note 21).

Borrowing costs capitalized into land under development for the 3 (three) months period ended March 31, 2016 and for the year ended December 31, 2015 amounting to Rp182,568,551,293 (include bond interest amounted to Rp173,560,071,849) and Rp Rp1,696,443,015,384 (include bond interest amounted to Rp853,470,852,432), respectively (see Notes 21 and 24).

As of March 31, 2016, land under development consisted of land covering a net area of approximately 31 hectares in Kelapa Dua and Bencongan Village, 11 hectares in Jalan Lingkar Luar Barat - Puri Kembangan, 6 hectares in Mampang Prapatan District, 20 hectares in Panunggangan Barat Village, 23 hectares in Binong Village, 2 hectares in Kelapa Indah Village, 9 hectares in Bonang Village, 20 hectares in Sukanagalih Village, 92 hectares in Margakaya Village, Telukjambe, Karawang, 158 hectares in Cibatu Village, 22 hectares in Serang Village, 23 hectares in Sukaresmi Village, 22 hectares in Cicau Village, 2 hectares in Kuta, Bali, 21 hectares in Jaya Mukti Village, 11 hectares in Tanjung Merdeka Village, 23 hectares in Macini Sombala Village, 13 hectares in Tamanyeleng Village, 31 hectares in Barombong Village and 14 hectares in Mariso District, 3 hectares in Panakukang Village, 1 hectare in Warung Buncit district, 4 hectares in Cempaka Putih District, 11 hectares in Wenang District, North Sulawesi, 3 hectares in Alak District, East Nusa Tenggara, 1 hectare in Medan Ringroad, 3 hectares in Komodo District, Nusa Tenggara Timur, 2 hectares in Rajabasa district, Lampung, 1 hectare in Kalimalang, West Cikarang, 1 hectare in Cipanas District, 11 hectares in Paniki Village, Manado and 1 hectare in Serengan District, Surakarta.

Medical supplies and consumables of PT Golden First Atlanta, a subsidiary, are pledged as collateral for the loan obtained from PT Bank Central Asia Tbk (see Note 23).

The amount of inventory charged to cost of sales amounted to Rp729,893,733,316 and Rp712,629,616,486, respectively, for the 3 (three) months periods ended March 31, 2016 and 2015.

Management believes that there is no indication of change in circumstances that causes a decrease in the value of inventories at March 31, 2016.

The Group's inventories, property investment, and property and equipment have been insured against all risks, with sum insured of Rp5,077,273,883,000 and USD7,000,000 as of March 31, 2016 and Rp5,077,273,883,000 and USD7,000,000 as of December 31, 2015, respectively.

The Company and subsidiaries' management believe that the insured amount is adequate to cover any possible losses.

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**8. Prepaid Expenses**

	<b>March 31, 2016</b>	<b>December 31, 2015</b>
	<b>Rp</b>	<b>Rp</b>
Rental	139,649,716,335	139,101,322,739
Insurances	7,956,368,581	2,678,692,276
Others	94,564,749,386	87,885,650,142
<b>Total</b>	<b>242,170,834,302</b>	<b>229,665,665,157</b>

Prepaid expenses mainly represent rental of hospital and hotel properties leased from First REIT (see Note 42.b).

**9. Other Non-Current Financial Assets**

	<b>March 31, 2016</b>	<b>December 31, 2015</b>
	<b>Rp</b>	<b>Rp</b>
Restricted Funds	749,011,445,070	685,854,507,978
Investments in Bond	10,000,000,000	10,000,000,000
Other Investments	58,329,023,011	58,329,023,011
<b>Total</b>	<b>817,340,468,081</b>	<b>754,183,530,989</b>

**Restricted Funds**

Restricted fund represents time deposits placements as required in property rental agreements with First REIT in PT Bank Maybank Tbk (formerly PT Bank Internasional Indonesia Tbk ) (BM), PT Bank Central Asia Tbk (BCA), PT Bank Permata Tbk (BPe), BNP Paribas (BNP) and as required in mortgages for houses and apartments (KPR and KPA) entered by the Group with PT Bank Mandiri (Persero) Tbk, PT Bank Rakyat Indonesia (Persero) Tbk, BNP, PT Bank OCBC NISP Tbk (OCBC), PT Bank CIMB Niaga Tbk (CIMB), PT Bank Mega Tbk (BMe), BM, PT Bank Danamon Indonesia Tbk, PT Bank Panin Tbk. Contractual interests of those time deposits are 0.5% - 7.5%.

**Investments in Bonds**

These investments represent placement of investments in bond by PT Sandiego Hills Memorial Park, a subsidiary. The followings are the information of investments in bond as of March 31, 2016:

	<b>Par Value Rp</b>	<b>Maturity</b>	<b>Coupon Rate</b>
Obligasi Penawaran Umum Berkelanjutan II PT BCA Finance Tahap I Seri C	2,000,000,000	March 20, 2018	9.00%
Obligasi Garuda Indonesia Obligasi Berkelanjutan I PT Bumi Serpong Damai Tbk Tahap II	2,000,000,000	July 5, 2018	9.25%
Obligasi PT Semberdaya Sewatama I Tahun 2012 Seri B	2,000,000,000	June 5, 2018	8.38%
Obligasi Berkelanjutan I ADHI Tahap II Seri B	1,000,000,000	November 30, 2017	9.56%
Obligasi Penawaran Umum Berkelanjutan I PT Permodalan Nasional Madani (Persero)	1,000,000,000	March 15, 2012	8.50%
Obligasi Penawaran Umum Berkelanjutan I PT Pembangunan Perumahan (Persero)	1,000,000,000	October 12, 2017	9.56%
	1,000,000,000	March 19, 2018	8.38%
	<b>10,000,000,000</b>		

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**Other Investments**

	<b>Domicile</b>	<b>March 31, 2016 Rp</b>	<b>December 31, 2015 Rp</b>
PT Supermal Karawaci	Tangerang	57,372,704,000	57,372,704,000
PT East Jakarta Industrial Park	Jakarta	766,935,000	766,935,000
PT Spinindo Mitrada	Jakarta	160,000,000	160,000,000
Lain-lain	--	29,384,011	29,384,011
<b>Total</b>		<b>58,329,023,011</b>	<b>58,329,023,011</b>

This account represents investment in shares below 20% of ownership in some companies which do not have quoted stock market prices.

**10. Transactions and Balances with Related Parties**

The details of the account balances with related parties are as follows:

	<b>March 31, 2016 Rp</b>	<b>December 31, 2015 Rp</b>	<b>Percentage to Total Assets / Liabilities</b>	
	<b>March 31, 2016 %</b>	<b>December 31, 2015 %</b>		
<b>Cash and Cash Equivalents</b>				
PT Bank Nationalnobu Tbk				
Bank	292,126,916,616	271,965,255,233	0.69	0.66
<b>Total Cash and Cash Equivalents</b>	<b>292,126,916,616</b>	<b>271,965,255,233</b>	<b>0.69</b>	<b>0.66</b>
<b>Trade Accounts Receivable</b>				
PT Lippo General Insurance Tbk	4,910,670,556	4,378,335,377	0.01	0.01
Others (each below Rp1 billion)	6,209,394,454	5,751,702,792	0.01	0.01
<b>Total</b>	<b>11,120,065,010</b>	<b>10,130,038,169</b>	<b>0.03</b>	<b>0.02</b>
<b>Investments in Joint Venture</b>				
Yoma Siloam Hospital Pun Hlaing Ltd	132,594,167,310	132,594,167,310	0.32	0.32
PT Lippo Diamond Development	98,762,537,985	98,833,151,586	0.23	0.24
<b>Total</b>	<b>231,356,705,295</b>	<b>231,427,318,896</b>	<b>0.55</b>	<b>0.56</b>
<b>Investments in Associates</b>				
PT Surya Citra Investama	71,052,002,794	71,052,002,794	0.17	0.17
PT TTL Residences	60,086,122,586	60,086,122,586	0.14	0.15
PT Hyundai Inti Development	12,946,286,874	11,902,864,415	0.03	0.03
PT Anho Biogenesis Prima Indah	1,533,695,368	1,533,695,368	0.00	0.00
Others (each below Rp1 billion)	9,268,729,654	9,268,729,654	0.02	0.02
<b>Total</b>	<b>154,886,837,276</b>	<b>153,843,414,817</b>	<b>0.37</b>	<b>0.37</b>
<b>Due from Related Parties Non-Trade</b>				
PT Bumi Lemahabang Permai	34,236,023,009	32,051,733,936	0.08	0.08
PT Duta Mas Kharisma Indah	4,891,935,451	4,891,935,451	0.01	0.01
Direksi dan Manajemen Kunci	4,656,816,377	4,708,912,430	0.01	0.01
Others (each below Rp1 billion)	4,758,904,919	11,023,654,919	0.01	0.03
<b>Total</b>	<b>48,543,679,756</b>	<b>52,676,236,736</b>	<b>0.12</b>	<b>0.13</b>
Less: Allowance for Impairment in Value	(15,582,751,676)	(15,582,751,676)	(0.04)	(0.04)
<b>Total</b>	<b>32,960,928,080</b>	<b>37,093,485,060</b>	<b>0.08</b>	<b>0.09</b>

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	March 31, 2016 Rp	December 31, 2015 Rp	Percentage to Total Assets / Liabilities	
			March 31, 2016 %	December 31, 2015 %
<b>Due to Related Parties Non-Trade</b>				
PT Tirta Graha Sentana	1,991,540,182	1,991,540,182	0.01	0.01
Others (each below Rp1 billion)	433,811,968	5,537,457,594	--	0.02
<b>Total</b>	<b>2,425,352,150</b>	<b>7,528,997,776</b>	<b>0.01</b>	<b>0.03</b>
<b>Deferred Income</b>				
PT Mulia Persada Pertiwi	295,211,344,160	299,264,589,161	1.31	1.34
PT Matahari Putra Prima Tbk	135,264,043,839	140,508,177,979	0.60	0.63
<b>Total</b>	<b>430,475,387,999</b>	<b>439,772,767,140</b>	<b>1.91</b>	<b>1.96</b>
<b>Long-Term Post-Employment Benefits Liability</b>				
Directors, Commisioners and Key Management	8,776,903,677	8,776,903,677	0.04	0.04
	2016 (3 Months) Rp	2015 (3 Months) Rp	Percentage to Total Revenue/ Operating Expenses	
			2016 (3 Months) %	2015 (3 Months) %
<b>Revenues</b>				
PT Matahari Putra Prima Tbk	4,866,237,414	3,904,361,956	0.19	0.16
PT Mulia Persada Pertiwi	4,053,245,001	4,053,245,003	0.16	0.17
<b>Total</b>	<b>8,919,482,415</b>	<b>7,957,606,959</b>	<b>0.34</b>	<b>0.33</b>
<b>Beban Usaha</b>				
PT Multipolar Technology Tbk	5,592,780,586	5,069,073,668	0.21	0.19
PT Air Pasific Utama	3,524,283,333	3,361,783,333	0.14	0.13
PT Matahari Pasific	849,117,501	1,633,782,249	0.03	0.06
PT Sharestar Indonesia	76,250,003	92,720,004	0.00	0.00
<b>Total</b>	<b>10,042,431,423</b>	<b>10,157,359,254</b>	<b>0.39</b>	<b>0.39</b>
<b>Short-Term Post-Employment Benefits Expenses</b>				
Directors, Commisioners and Key Management	7,919,628,437	6,845,356,673	0.30	0.28

Nature of transactions with related parties are as follows:

Related Parties	Relationship with the Company	Transactions
PT Matahari Putra Prima Tbk	Under Common Control	Deferred income and rental income
PT Mulia Persada Pertiwi	Under Common Control	Deferred income and rental income
PT Bumi Lemahabang Permai	Under Common Control	Non-interest bearing intercompany charges
PT Surya Cipta Investama	Associate	Investment in shares
PT Hyundai Inti Development	Associate	Investment in shares
PT TTL Residences	Associate	Investment in shares
Yoma Siloam Hospital Pun Hlaing Ltd	Joint Venture	Investment in joint venture
PT Lippo Diamond Development	Joint Venture	Investment in joint venture

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Related Parties	Relationship with the Company	Transactions
PT Anho Biogenesis Prima Indonesia	Associate	Investment in shares of stock
PT Bank Nationalnobu Tbk	Under Common Control	Placement of current accounts, deferred income and rental income
PT Duta Mas Kharisma Indah	Under Common Control	Non-interest bearing intercompany charges
PT Tirta Graha Sentana	Under Common Control	Non-interest bearing intercompany charges
PT Multipolar Technology Tbk	Under Common Control	Procurement hardware and software
PT Air Pasific Utama	Under Common Control	Non-interest bearing intercompany charges
PT Lippo General Insurance Tbk	Under Common Control	Trade Receivables
Directors, Commisioners and Key Management	Key Personel	Employee benefits, Non-interest bearing loan

In 2015, PT Villa Permata Cibodas, a subsidiary, has returned prepaid rental to PT Mulia Persada Pertiwi (MPPi) amounted to Rp63,416,672,650.

**11. Invesments in Associates**

March 31, 2016								
Domicile	Percentage of Ownership	Acquisition Cost	Accumulated Share in Profit (Loss) - Net	Accumulated Dividend Received	Accumulated Other Comprehensive Income	Additional (Deduction) of Investment	Correction	Carrying Value
	%	Rp	Rp	Rp	Rp	Rp	Rp	Rp
PT Surya Cipta Investama	Bekasi	49.81	32,964,983,496	42,009,247,383	--	(1,200,516,326)	--	71,052,002,794
PT Hyundai Inti Development	Bekasi	45.00	6,155,423,370	100,075,737,366	(93,284,873,862)	--	--	12,946,286,874
PT TTL Residences	Bekasi	25.00	28,031,250,000	(6,534,127,414)	--	38,589,000,000	--	60,086,122,586
PT Anho Biogenesis Prima Indonesia	Jakarta	42.50	4,250,000,000	(2,716,304,632)	--	--	--	1,533,695,368
Others (each below Rp5 billion)			25,143,494,000	(15,874,764,346)	--	--	--	9,268,729,654
<b>Total</b>			<b>96,545,150,866</b>	<b>116,959,788,357</b>	<b>(93,284,873,862)</b>	<b>(1,200,516,326)</b>	<b>(2,721,711,759)</b>	<b>154,886,837,276</b>

  

December 31, 2015								
Domicile	Percentage of Ownership	Acquisition Cost	Accumulated Share in Profit (Loss) - Net	Accumulated Dividend Received	Accumulated Other Comprehensive Income	Additional (Deduction) of Investment	Correction	Carrying Value
	%	Rp	Rp	Rp	Rp	Rp	Rp	Rp
PT Surya Cipta Investama	Bekasi	49.81	32,964,983,496	42,009,247,383	--	(1,200,516,326)	--	71,052,002,794
PT Hyundai Inti Development	Bekasi	45.00	6,155,423,370	99,032,314,907	(93,284,873,862)	--	--	11,902,864,415
PT TTL Residences	Bekasi	25.00	28,031,250,000	(6,534,127,414)	--	38,589,000,000	--	60,086,122,586
PT Anho Biogenesis Prima Indonesia	Jakarta	42.50	4,250,000,000	(2,716,304,632)	--	--	--	1,533,695,368
Others (each below Rp5 billion)			25,143,494,000	(15,874,764,346)	--	--	--	9,268,729,654
<b>Total</b>			<b>96,545,150,866</b>	<b>115,916,365,898</b>	<b>(93,284,873,862)</b>	<b>(1,200,516,326)</b>	<b>(2,721,711,759)</b>	<b>153,843,414,817</b>

The following are financial information of subsidiaries of associates as of March 31, 2016 and December 31, 2015:

Subsidiaries	Domicile	Main Business	Percentage of Ownership	Total Assets	
				March 31, 2016 Rp	December 31, 2015 Rp
PT Multifiling Mitra Indonesia Tbk	Bekasi	Services	65.98	188,554,483,195	184,786,688,849
PT Biogenesis Genome International	Jakarta	Healthcare Services	89.00	20,715,966,153	10,000,000,000

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The following is a summary of financial information of the associates as of March 31, 2016 and December 31, 2015:

	March 31, 2016 Rp	December 31, 2015 Rp
Total Agregate of Current Assets	159,693,445,853	144,132,664,218
Total Agregate of Non Current Assets	887,862,350,833	816,404,203,114
Total Agregate of Current Liabilities	72,347,432,404	57,149,924,487
Total Agregate of Non Current Liabilities	459,913,713,739	377,746,333,148
Total Agregate of Net Revenues for the Period/Year	41,449,560,434	130,212,272,005
Total Agregate of Profit After Tax for the Period/Year	325,005,019	28,773,912,805
Total Agregate of Comprehensive Income for the Period/Year	--	26,363,721,426
Total Agregate of Profit or Loss and Other Comprehensive Income for the Period/Year	325,005,019	14,772,074,844

There was no fair value information available based on quoted market prices of the above investments in associates.

Fair value of investment of PT Surya Cipta Investama in PT Multifilling Media Indonesia Tbk as of March 31, 2016 and December 31, 2015 based on quoted market price information amounted to Rp149,975,970,000 and Rp93,485,021,300, respectively.

**12. Investments in Joint Venture**

March 31, 2016						
Domicile	Percentage of Ownership	Acquisition Cost	Accumulated Share in Profit (Loss) - Net	Accumulated Dividend Received	Accumulated Other Comperhensive Income	Carrying Value
	%	Rp	Rp	Rp	Rp	Rp
Yoma Siloam Hospital Pun Hlaing Ltd	Myanmar	40.00	135,814,217,223	(3,220,049,913)	--	132,594,167,310
PT Lippo Diamond Development	Indonesia	51.00	102,000,000,000	(3,237,462,015)	--	98,762,537,985
<b>Total</b>			<u>237,814,217,223</u>	<u>(6,457,511,928)</u>	<u>--</u>	<u>231,356,705,295</u>

  

December 31, 2015						
Domicile	Percentage of Ownership	Acquisition Cost	Accumulated Share in Profit (Loss) - Net	Accumulated Dividend Received	Accumulated Other Comperhensive Income	Carrying Value
	%	Rp	Rp	Rp	Rp	Rp
Yoma Siloam Hospital Pun Hlaing Ltd	Myanmar	40.00	135,814,217,223	(3,220,049,913)	--	132,594,167,310
PT Lippo Diamond Development	Indonesia	51.00	102,000,000,000	(3,166,848,414)	--	98,833,151,586
<b>Total</b>			<u>237,814,217,223</u>	<u>(6,386,898,327)</u>	<u>--</u>	<u>231,427,318,896</u>

Yoma Siloam Hospital Pun Hlaing Ltd

In 2015, PT Waluya Graha Loka (WGL), a subsidiary, and First Myanmar Investment Co., LTD (FMI) entered into joint venture agreement through Yoma Siloam Hospital Pun Hlaing Ltd (YSHPH) with total capital amount of USD13,187,500 with the contribution of USD5,275,000 (equivalent to 40% of capital) and USD7,912,500 (equivalent to 60% of capital) for WGL and FMI, respectively.

Based on the said joint venture agreement, the venturers agree to increase the venture capital amounting to USD80,000,000, proportionately contributed by each venturer in seventh years since the joint venture establishment. The venturers also agree to provide funding to the joint venture proportionately.

PT Lippo Diamond Development

On October 28, 2015, PT Megakreasi Cikarang Permai (MCP), a subsidiary, and PT Diamond Realty Investment Indonesia (DRII), a subsidiary of Mitsubishi Corporation, entered into joint operation for developing of two towers of luxury residential in Orange Country, Lippo Cikarang, with total investment value of USD100,000,000. The contribution of this joint operation is 51% and 49% for MCP and DRII, respectively.

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Based on the said joint venture agreement, MCP and DRIL, the venturers agree to provide funding to the joint venture proportionately. If one of the venturer does not have sufficient fund for financing, the funding will be obtained from third party loan.

The following is a summary of financial information on joint venture as of March 31, 2016 and December 31, 2015:

	<b>March 31, 2016 Rp</b>	<b>December 31, 2015 Rp</b>
Total Agregate of Current Assets	373,086,658,851	370,495,019,453
Total Agregate of Non Current Assets	94,415,384,317	46,178,108,191
Total Agregate of Current Liabilities	16,033,595,769	16,758,539,343
Total Agregate of Non Current Liabilities	161,451,697,780	126,317,137,267
Total Agregate of Net Revenues for the Period/Year	130,830,756,603	65,011,757,298
Total Agregate of Profit After Tax for the Period/Year	8,232,047,887	(9,674,273,041)
Total Agregate of Comprehensive Income for the Period/Year	--	--
Total Agregate of Profit or Loss and Other Comprehensive Income for the Period/Year	8,232,047,887	(9,674,273,041)

There was no fair value information available based on quoted market price of the above investments in joint venture.

**13. Investment Property**

	<b>2016 (3 Months)</b>				
	<b>Beginning Balance Rp</b>	<b>Addition Rp</b>	<b>Deduction Rp</b>	<b>Reclassification Rp</b>	<b>Ending Balance Rp</b>
<b>Acquisition Cost</b>					
Land	82,226,593,131	--	--	--	82,226,593,131
Building	447,322,997,651	10,627,248,601	--	--	457,950,246,252
Total Acquisition Cost	<u>529,549,590,782</u>	<u>10,627,248,601</u>	<u>--</u>	<u>--</u>	<u>540,176,839,383</u>
<b>Accumulated Depreciation</b>					
Building	112,549,282,526	5,701,987,166	--	--	118,251,269,692
Total Accumulated Depreciation	<u>112,549,282,526</u>	<u>5,701,987,166</u>	<u>--</u>	<u>--</u>	<u>118,251,269,692</u>
<b>Carrying Value</b>	<u><b>417,000,308,256</b></u>				<u><b>421,925,569,691</b></u>
	<b>2015 (One Year)</b>				
	<b>Beginning Balance Rp</b>	<b>Addition Rp</b>	<b>Deduction Rp</b>	<b>Reclassification Rp</b>	<b>Ending Balance Rp</b>
<b>Acquisition Cost</b>					
Land	56,201,024,208	--	--	26,025,568,923	82,226,593,131
Building	343,752,721,523	8,304,892,095	--	95,265,384,033	447,322,997,651
Total Acquisition Cost	<u>399,953,745,731</u>	<u>8,304,892,095</u>	<u>--</u>	<u>121,290,952,956</u>	<u>529,549,590,782</u>
<b>Accumulated Depreciation</b>					
Building	89,648,991,228	22,900,291,298	--	--	112,549,282,526
Total Accumulated Depreciation	<u>89,648,991,228</u>	<u>22,900,291,298</u>	<u>--</u>	<u>--</u>	<u>112,549,282,526</u>
<b>Carrying Value</b>	<u><b>310,304,754,503</b></u>				<u><b>417,000,308,256</b></u>



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Rental revenue earned and direct operating expenses from investment property in the consolidated interim statements of profit or loss and other comprehensive income are as follows:

	<b>2016</b> <b>(3 Months)</b> <b>Rp</b>	<b>2015</b> <b>(3 Months)</b> <b>Rp</b>
Rental Income	14,449,672,185	13,886,868,159
Direct Operating Cost Arises from the Rental Generated Investment Properties	6,197,895,122	4,422,553,046

Depreciation charges that were allocated in the consolidated interim statements of profit or loss and other comprehensive income are as follows:

	<b>2016</b> <b>(3 Months)</b> <b>Rp</b>	<b>2015</b> <b>(3 Months)</b> <b>Rp</b>
Cost of Revenue	734,984,910	979,617,173
Selling Expense	4,967,002,256	3,100,685,351
<b>Total</b>	<b>5,701,987,166</b>	<b>4,080,302,524</b>

In 2015, the Group reclassified inventory to investment property amounting to Rp66,455,920,125 (see Notes 7 and 48).

In 2015, the Group reclassified property and equipment to investment property amounting to Rp54,835,032,831 (see Notes 14 and 48).

The fair value of all inventories (see Note 7), investment property, and property and equipment (see Notes 13 and 14) as of December 31, 2014, amounted to Rp87,115,444,804,000. Based on the valuation reports of Kantor Jasa Penilai Publik Rengganis Hamid and Rekan and Kantor Jasa Penilai Publik Ihot Dollar & Raymond, independent appraisers which are not related with the Company, dated June 1, 2015 and June 1, 2015, respectively. The appraisers are member of MAPPI and have appropriate qualifications and experience in the property valuation. The valuation is conducted using the market data approach and in accordance with the Indonesian Valuation Standard 2007 and the Code of Ethics of Indonesian valuation.

The approach used by the appraisers are:

1. For land appraisal, using the market value approach, and
2. For the building, using the cost approach.

Management believes that the fair value as of March 31, 2016 was not impaired as compared to December 31, 2015.

Based on the evaluation of the value of investment properties as of March 31, 2016, management believes that there are no changes in circumstances indicate an impairment of investment properties.

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**14. Property and Equipment**

	2016 (3 Months)				
	Beginning Balance	Addition	Deduction	Reclassification	Ending Balance
	Rp	Rp	Rp	Rp	Rp
<b>Acquisition Cost</b>					
<b>Direct Ownership</b>					
Land	484,265,615,283	81,829,650,000	--	--	566,095,265,283
Building, Infrastructure and Renovations	1,140,355,297,061	--	--	--	1,140,355,297,061
Parks and Interiors	29,233,217,587	--	--	--	29,233,217,587
Golf Course and Club House	176,064,347,330	110,765,000	--	--	176,175,112,330
Transportation Equipment and Vehicles	49,376,862,712	4,466,352,620	--	--	53,843,215,332
Furniture, Fixtures and Office Equipment	867,941,015,174	44,926,603,878	--	--	912,867,619,052
Tools and Medical Equipment	1,745,514,683,612	12,890,159,124	--	--	1,758,404,842,736
Machinery and Project Equipment	255,103,041,327	--	--	--	255,103,041,327
Bowling Machinery	14,397,991,861	--	--	--	14,397,991,861
Playground Areas	3,135,746,092	--	--	--	3,135,746,092
	4,765,387,818,039	144,223,530,622	--	--	4,909,611,348,661
<b>Construction in Progress</b>	286,673,865,084	60,123,610,940	--	--	346,797,476,024
Total Acquisition Cost	5,052,061,683,123	204,347,141,562	--	--	5,256,408,824,685
<b>Accumulated Depreciation</b>					
<b>Direct Ownership</b>					
Building, Infrastructure and Renovations	353,984,548,945	--	--	--	353,984,548,945
Parks and Interiors	22,552,149,333	248,821,188	--	--	22,800,970,521
Golf Course and Club House	163,153,510,599	1,642,418,338	--	--	164,795,928,937
Transportation Equipment and Vehicles	36,720,864,284	3,325,685,749	--	--	40,046,550,033
Furniture, Fixtures and Office Equipment	609,515,925,111	42,788,694,940	--	--	652,304,620,051
Tools and Medical Equipment	928,682,773,058	61,414,222,663	--	--	990,096,995,721
Machinery and Project Equipment	188,396,046,570	--	--	--	188,396,046,570
Bowling Machinery	14,387,595,253	3,781,557	--	--	14,391,376,810
Playground Areas	3,135,746,092	--	--	--	3,135,746,092
Total Accumulated Depreciation	2,320,529,159,245	109,423,624,435	--	--	2,429,952,783,680
<b>Carrying Value</b>	<b>2,731,532,523,878</b>				<b>2,826,456,041,005</b>
	2015 (One Year)				
	Beginning Balance	Addition	Deduction	Reclassification	Ending Balance
	Rp	Rp	Rp	Rp	Rp
<b>Acquisition Cost</b>					
<b>Direct Ownership</b>					
Land	477,801,430,283	7,000,000,000	--	(535,815,000)	484,265,615,283
Building, Infrastructure and Renovations	1,029,929,192,682	89,388,237,065	--	21,037,867,314	1,140,355,297,061
Parks and Interiors	24,576,600,379	4,656,617,208	--	--	29,233,217,587
Golf Course and Club House	175,604,708,730	512,210,600	52,572,000	--	176,064,347,330
Transportation Equipment and Vehicles	46,397,613,598	2,242,168,659	246,919,545	984,000,000	49,376,862,712
Furniture, Fixtures and Office Equipment	670,698,064,934	182,547,615,586	340,860,582	15,036,195,236	867,941,015,174
Tools and Medical Equipment	1,522,526,112,101	103,534,842,911	5,506,416,776	124,960,145,376	1,745,514,683,612
Machinery and Project Equipment	258,068,250,234	6,778,890,499	82,070,250	(9,662,029,156)	255,103,041,327
Bowling Machinery	14,397,991,861	--	--	--	14,397,991,861
Playground Areas	3,135,746,092	--	--	--	3,135,746,092
	4,223,135,710,894	396,660,582,528	6,228,839,153	151,820,363,770	4,765,387,818,039
<b>Construction in Progress</b>	837,191,957,954	117,479,367,589	--	(667,997,460,459)	286,673,865,084
Total Acquisition Cost	5,060,327,668,848	514,139,950,117	6,228,839,153	(516,177,096,689)	5,052,061,683,123
<b>Accumulated Depreciation</b>					
<b>Direct Ownership</b>					
Building, Infrastructure and Renovations	288,256,604,730	65,727,944,215	--	--	353,984,548,945
Parks and Interiors	21,520,178,822	1,031,970,511	--	--	22,552,149,333
Golf Course and Club House	153,419,085,781	9,786,996,818	52,572,000	--	163,153,510,599
Transportation Equipment and Vehicles	33,194,006,193	3,773,777,636	246,919,545	--	36,720,864,284
Furniture, Fixtures and Office Equipment	477,658,933,083	132,143,860,548	286,868,520	--	609,515,925,111
Tools and Medical Equipment	682,582,474,116	231,562,150,511	2,785,724,122	17,323,872,553	928,682,773,058
Machinery and Project Equipment	177,425,660,754	28,376,328,619	82,070,250	(17,323,872,553)	188,396,046,570
Bowling Machinery	14,372,469,025	15,126,228	--	--	14,387,595,253
Playground Areas	3,135,746,092	--	--	--	3,135,746,092
Total Accumulated Depreciation	1,851,565,158,596	472,418,155,086	3,454,154,437	--	2,320,529,159,245
<b>Carrying Value</b>	<b>3,208,762,510,252</b>				<b>2,731,532,523,878</b>

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In 2015, the Group reclassified property and equipment to inventory amounting to Rp461,342,063,858 (see Note 7).

In 2015, the Group reclassified property and equipment to investment property amounting to Rp54,835,032,831 (see Note 13).

The addition of the Group's property and equipment, including non-cash transactions from realization of property and equipment advances amounted to Rp8,252,405,787 and Rp20,303,311,070 as of March 31, 2016 and 2015, respectively (see Note 48).

Construction in progress represents hospitals and mall buildings. As of March 31, 2016, construction in progress has reached 15% - 97% and estimated the completion within June 2016 until September 2017. Management believes that there is no other matter which will hinder the completion.

Depreciation charges that were allocated in the consolidated interim statements of profit or loss and other comprehensive income are as follows:

	<b>2016 (3 Months) Rp</b>	<b>2015 (3 Months) Rp</b>
Cost of Revenue	63,599,233,787	56,229,255,941
General and Administrative Expenses	43,905,451,027	45,637,708,309
Selling Expenses	1,918,939,621	2,516,024,149
<b>Total</b>	<b>109,423,624,435</b>	<b>104,382,988,399</b>

Acquisition cost of property and equipment that have been fully depreciated and still in use as of March 31, 2016 and December 31, 2015 amounted Rp117,871,462,880, respectively.

Land and building, infrastructure, machinery and tools and medical equipment of PT Balikpapan Damai Husada, a subsidiary, were pledged as collateral for loan obtained from Bank Pembangunan Daerah Kalimantan Timur (see Note 23).

Land and building, vehicles, furniture, fixtures and office equipment and tools and medical equipment of PT Golden First Atlanta, a subsidiary, were pledged as collateral for loan obtained from PT Bank Central Asia Tbk (see Note 23).

There is no borrowing cost capitalized into property and equipment.

The Group's management is in the opinion that there is no impairment in the carrying value of property and equipment as of March 31, 2016.

**15. Intangible Assets**

Details of carrying value of intangible assets are as follows:

	<b>2016 (3 Months)</b>			
	<b>Beginning Balance Rp</b>	<b>Addition Rp</b>	<b>Deduction Rp</b>	<b>Ending Balance Rp</b>
<b>Acquisition Cost</b>				
Goodwill	512,723,760,675	--	--	512,723,760,675
Software	55,273,187,862	2,618,098,689	--	57,891,286,551
Total Acquisition Cost	567,996,948,537	2,618,098,689	--	570,615,047,226
<b>Accumulated Impairment and Amortization</b>				
Impairment of Goodwill	18,660,604,318	--	--	18,660,604,318
Amortization of Software	14,405,862,215	1,508,741,070	--	15,914,603,285
<b>Total Accumulated Impairment and Amortization</b>	33,066,466,533	1,508,741,070	--	34,575,207,603
<b>Carrying Value</b>	<b>534,930,482,004</b>			<b>536,039,839,623</b>

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	2015 (One Year)			
	Beginning Balance	Addition	Deduction	Ending Balance
	Rp	Rp	Rp	Rp
<b>Acquisition Cost</b>				
Goodwill	512,723,760,675	--	--	512,723,760,675
Software	42,594,192,168	12,678,995,694	--	55,273,187,862
Total Acquisition Cost	555,317,952,843	12,678,995,694	--	567,996,948,537
<b>Accumulated Impairment and Amortization</b>				
Impairment of Goodwill	18,660,604,318	--	--	18,660,604,318
Amortization of Software	8,370,897,937	6,034,964,278	--	14,405,862,215
<b>Total Accumulated Impairment and Amortization</b>	27,031,502,255	6,034,964,278	--	33,066,466,533
<b>Carrying Value</b>	<b>528,286,450,588</b>			<b>534,930,482,004</b>

Current period amortization expenses of software was recorded as amortization expenses in other expenses.

The details of goodwill are as follows:

Acquirer Entity	Share Acquisition in	Year of Acquisition	Net Value	
			March 31, 2016	December 31, 2015
			Rp	Rp
PT Tunggal Pilar Perkasa	PT Rashal Siar Cakra Medika	2014	101,776,732,211	101,776,732,211
PT Wisma Jatim Proptindo	PT Anugerah Bahagia Abadi	2014	5,791,607,560	5,791,607,560
PT Manunggal Bumi Sejahtera	PT Asiatic Sejahtera Finance	2014	64,794,498,390	64,794,498,390
PT Koridor Usaha Maju	PT Medika Sarana Traliansia	2013	132,006,537,817	132,006,537,817
PT Lippo Malls Indonesia	PT Mulia Citra Abadi	2012	20,247,679,428	20,247,679,428
PT Persada Mandiri Dunia Niaga	PT Ekaputra Kencana Abadi	2012	15,050,000,000	15,050,000,000
PT Primakreasi Proptindo	PT Bimasakti Jaya Abadi	2012	9,509,000,000	9,509,000,000
PT Pancawarna Semesta	PT Diagram Healthcare Indonesia	2012	9,251,046,030	9,251,046,030
PT Primakreasi Proptindo	PT Surya Megah Lestari	2012	5,680,000,000	5,680,000,000
PT Prawira Tata Semesta	PT Balikpapan Damai Husada	2011	27,480,578,103	27,480,578,103
PT Siloam International Hospitals	PT Prawira Tata Semesta	2011	14,146,465,217	14,146,465,217
PT Siloam International Hospitals	PT Guchi Kencana Emas	2011	3,540,326,235	3,540,326,235
PT Medika Sarana Traliansia	PT Trisaka Raksa Waluya	2011	75,119,377	75,119,377
PT Berkat Langgeng Jaya	PT Pamor Paramita Utama	2008	9,770,787,707	9,770,787,707
PT Wahana Usaha Makmur	PT Adhi Utama Dinamika	2008	8,774,146,934	8,774,146,934
PT Graha Jaya Pratama	PT Nuansa Indah Lestari	2004	38,110,462,048	38,110,462,048
PT Graha Jaya Pratama	PT Fajar Usaha Semesta	2004	8,186,375,658	8,186,375,658
PT Graha Jaya Pratama	PT Fajar Raya Cemerlang	2004	7,929,625,658	7,929,625,658
PT Graha Jaya Pratama	PT Aresta Permata Utama	2004	5,971,083,992	5,971,083,992
PT Graha Jaya Pratama	PT Fajar Abadi Aditama	2004	5,971,083,992	5,971,083,992
<b>Net</b>			<b>494,063,156,357</b>	<b>494,063,156,357</b>

The management believes that the identified impairment that occurred as of March 31, 2016 and December 31, 2015 have been assessed adequately.

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**16. Advances**

	<b>March 31, 2016</b>	<b>December 31, 2015</b>
	<b>Rp</b>	<b>Rp</b>
Advances for Land Acquisition	822,659,961,049	757,008,659,026
Advances for Construction	326,299,172,349	437,482,070,773
Advances for Acquisition of Property and Equipment	118,272,162,511	155,883,238,102
Others	59,338,756,666	79,557,793,409
<b>Total</b>	<b>1,337,746,052,575</b>	<b>1,429,931,761,310</b>

Advance for construction represents advance paid to contractors for projects construction.

On December 26, 2012, based on memorandum of understanding, PT Irama Karya Megah (IKM), a subsidiary, entered into a land purchase agreement located in Keputih and Gebang Putih administrative village, Surabaya with acquisition cost amounted to Rp250,000,000,000. Until completion date of the consolidated interim financial statements, there has not yet binding for such land purchase agreement.

On January 7, 2013, PT Lippo Cikarang Tbk (LC), a subsidiary, amended the land sales and purchase agreement which was signed on December 17, 2012 for purchase consideration of Rp300,000,000,000. As of December 31, 2014, LC has made payment in total of Rp170,100,000,000. On June 29, 2015, this advance was assigned to PT Swadaya Teknopolis (ST) as settlement for acquisition of Premium Venture International Ltd.

On February 19, 2014, PT Gunung Halimun Elok (GHE), a subsidiary, entered into sales and purchase agreement on land located in Bintaro. As of March 31, 2016 GHE has made total payment of Rp81,392,750,000.

On May 28, 2014, PT Bahtera Perkasa Makmur (BPM), a subsidiary, entered into sales and purchase agreement for land located in Manado, North Sulawesi. As of December 31, 2015, BPM has made total payment of Rp26,165,625,000.

On July 22, 2014, PT Great Jakarta Inti Development (GJID), a subsidiary, entered into an agreement of transferring commercial rights of land located in Cibatu, Lippo Cikarang with PT Profita Sukses Abadi. Total value of the agreement is Rp 290,000,000,000. As of December 31, 2015 GJID has made total payment of Rp234,000,000,000.

**17. Land for Development**

	<b>March 31, 2016</b>		<b>December 31, 2015</b>	
	<b>Area Sqm</b>	<b>Value Rp</b>	<b>Area Sqm</b>	<b>Value Rp</b>
The Company	1,001,010	205,357,334,725	1,001,010	205,326,565,494
Subsidiaries :				
PT Gowa Makassar Tourism Development Tbk	1,990,261	357,272,097,605	2,018,900	352,069,358,705
PT Lippo Cikarang Tbk	1,774,496	589,731,702,341	1,196,782	594,919,336,757
PT Muliasentosa Dinamika	803,413	112,455,747,318	803,413	112,455,747,318
PT Erabaru Realindo	702,371	22,845,087,500	702,371	22,845,087,500
PT Sentragraha Mandiri	239,759	33,313,592,430	239,759	33,313,592,430
PT Sejatijaya Selaras	84,162	12,927,010,894	84,162	12,927,010,894
PT Bahtera Pratama Wirasakti	82,440	15,520,541,679	83,405	15,520,541,679
PT Surya Makmur Alam Persada	71,303	20,283,623,533	71,303	20,283,623,533
<b>Total</b>	<b>6,749,215</b>	<b>1,369,706,738,025</b>	<b>6,201,105</b>	<b>1,369,660,864,310</b>

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Land for development of an area of 212,642 m<sup>2</sup> owned by PT Gowa Makassar Tourism Development Tbk, a subsidiary, were pledged as collateral for loans obtained from PT Bank Mandiri (Persero) Tbk (see Note 21).

Land for development of the Group are located at Curug Wetan Village, Curug Kulon, Sukabakti in Curug District; Serdang Wetan Village, Rancagong in Legok District; Ciakar Village, Serdang Kulon, Cukang Galih, Tangerang Regency, Banten; Cipambuan Village in Citeureup District, Bogor Regency, West Java; Sukaresmi, Cibatu, Cicau, Sukamukti, Sirnajati, Jayamukti, Pasirsari in Lemahabang District, South Cikarang; Tanjung Merdeka Village, Barombong, Maccini Sombala, Tamanyeleng, Mariso, Benteng Somba Opu in Makassar, South Sulawesi.

Site development permits of each land have been obtained from their respective local governors.

**18. Accrued Expenses**

	<b>March 31, 2016 Rp</b>	<b>December 31, 2015 Rp</b>
Estimated Cost for Construction	467,786,224,331	471,969,907,693
Interest	277,307,988,805	106,151,996,274
Endowment Care Fund	92,342,188,680	82,274,482,324
Hedging Premium of Call Spread Option	65,614,055,518	24,104,472,806
Contract Service	29,550,741,008	22,599,833,938
Cost of Goods Sold	22,766,410,323	37,007,695,825
Transfer of Land and Building Tax	15,218,437,089	14,379,150,583
Professional Fees	3,447,183,874	28,898,365,453
Others	199,570,219,186	219,082,642,747
<b>Total</b>	<b>1,173,603,448,814</b>	<b>1,006,468,547,643</b>

Accrued cost of goods sold represents accrued on unbilled hospitals cost of goods sold. This account will be reclassified to the appropriate account after the invoice is issued.

**19. Taxation**

**a. Tax Expenses**

Final Tax Expenses

Details of Group's final tax expenses for the 3 (three) months periods ended March 31, 2016 and 2015 are as follows:

	<b>2016 (3 Months) Rp</b>	<b>2015 (3 Months) Rp</b>
Company		
Rental Income - 10%	3,172,880,910	1,853,496,086
Transfer of Land and Building Right - 5%	--	--
Subsidiaries		
Rental Income - 10%	12,341,732,844	7,366,494,640
Transfer of Land and Building Right - 5%	44,220,427,546	55,421,298,838
<b>Total Final Tax Expenses</b>	<b>59,735,041,300</b>	<b>64,641,289,563</b>

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Current Tax and Deferred Tax

	2016 (3 Months)			2015 (3 Months)		
	Company Rp	Subsidiaries Rp	Consolidated Rp	Company Rp	Subsidiaries Rp	Consolidated Rp
Current Tax Expenses	--	27,499,281,880	27,499,281,880	--	33,913,243,961	33,913,243,961
Deferred Tax Expenses (Benefits)	825,342,396	172,806,761	998,149,157	825,342,396	1,375,081,561	2,200,423,957
Total Income Tax Expenses	825,342,396	27,672,088,641	28,497,431,037	825,342,396	35,288,325,522	36,113,667,918

The reconciliation between profit before tax as presented in the consolidated interim statements of profit or loss and other comprehensive income and the Company's estimated fiscal income is as follows:

	2016 (3 Months) Rp	2015 (3 Months) Rp
Profit before Tax as Presented in the Consolidated Interim Statements of Profit or Loss and Other Comprehensive Income	483,538,985,004	596,611,848,443
Deduct: Income of Subsidiaries, Associates and Joint Venture	696,422,624,220	265,075,261,591
Gain (Loss) before Company's Income Tax	(212,883,639,216)	331,536,586,852
<b>Temporary Differences</b>		
Depreciation of Direct Ownership of Property and Equipment	(1,475,507,890)	(1,475,507,890)
Deferred Gain on Sale and Leaseback Transactions	(1,825,861,686)	(1,825,861,686)
Subtotal	(3,301,369,576)	(3,301,369,576)
<b>Permanent Differences</b>		
Donation and Representation	39,519,451	60,176,036
Interest Income Subjected to Final Tax	(1,500,273,556)	(814,479,225)
Revenue Subjected to Final Tax	(32,663,264,278)	(19,668,748,055)
Subtotal	(34,124,018,383)	(20,423,051,244)
<b>Estimated Fiscal Income (Loss)</b>	<b>(250,309,027,175)</b>	<b>307,812,166,032</b>

Calculation of estimated current tax and tax payable of subsidiaries are as follows:

	2016 (3 Months) Rp	2015 (3 Months) Rp
<b>The Company</b>		
Estimated Fiscal Gain (Loss)	(250,309,027,175)	307,812,166,032
<b>Subsidiaries</b>		
Estimated Taxable Income	72,811,176,624	164,868,404,158
Current Tax	27,499,281,880	33,913,243,961
Tax Credit	(6,532,531,900)	(16,130,261,975)
Estimated Income Tax Article 29 of Subsidiaries	20,966,749,980	17,782,981,986
<b>Final Tax Expense</b>		
The Company	3,172,880,910	1,853,496,086
Subsidiaries	56,562,160,390	62,787,793,477
Consolidated Final Tax Expense	59,735,041,300	64,641,289,563
<b>Consolidated Income Tax Expense</b>	<b>87,234,323,180</b>	<b>82,424,271,549</b>

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	31 Maret 2016 Rp	31 Maret 2015 Rp
<b>Consolidated Income Tax Payable Article 29</b>		
Estimated Consolidated Income Tax Article 29	20,966,749,980	17,782,981,986
Prior Year Income Tax Article 29	60,631,642,222	63,244,245,611
<b>Total Consolidated Income Tax Payable Article 29</b>	<b>81,598,392,202</b>	<b>81,027,227,597</b>

The reconciliation between the Company's tax expense and the multiplication of the consolidated profit before income tax with the prevailing tax rate is as follows:

	2016 (3 Months) Rp	2015 (3 Months) Rp
Income before Income Tax Expense According to the Consolidated Interim Statements of Profit or Loss and Other Comprehensive Income	483,538,985,004	596,611,848,443
<i>Deduct:</i> Income of Subsidiaries, Associates and Joint Venture	696,422,624,220	265,075,261,591
The Company's Commercial Income (Loss)	(212,883,639,216)	331,536,586,852
Income Tax Expense at Effective Tax Rate 25%	53,220,909,802	(83,347,520,737)
Income Subject to Final Tax - Net	8,165,816,070	4,917,187,014
Interest Income	375,068,389	203,619,806
Donation and Representation	(9,879,863)	(15,044,009)
Tax Gain (Loss)	(62,577,256,794)	77,416,415,530
Income Tax Expense of the Company	(825,342,396)	(825,342,396)
Final Tax Expense of the Company	(3,172,880,910)	(1,853,496,086)
Total Income Tax Expense of the Company	(3,998,223,306)	(2,678,838,482)
Income Tax Expense of the Subsidiaries		
Deferred Tax of the Subsidiaries	(172,806,761)	(1,375,081,561)
Current Tax of the Subsidiaries	(27,499,281,880)	(33,913,243,961)
Final Tax Expense of the Subsidiaries	(56,562,160,390)	(62,787,793,477)
Total Income Tax Expense of the Subsidiaries	(84,234,249,031)	(98,076,118,999)
<b>Total Income Tax Expense</b>	<b>(88,232,472,337)</b>	<b>(100,754,957,481)</b>

**b. Deferred Tax Asset and Liabilities**

Details of the Group's deferred tax assets and liabilities are as follows:

	January 1 2016 Rp	Charged (Credited) to Consolidated Interim Statements of Comprehensive Income Rp	Additions from Business Combination Rp	Other Comprehensive Income Rp	March 31 2016 Rp
<b>The Company</b>					
Amortization of Deferred Income from Sale and Lease Back Transactions	10,849,754,629	(456,465,422)	--	--	10,393,289,207
Estimated Long-term Employee Benefits Liabilities	5,642,603,749	--	--	--	5,642,603,749
Allowance Impairment in Value	3,198,772,924	--	--	--	3,198,772,924
Depreciation	(12,047,184,601)	(368,876,975)	--	--	(12,416,061,576)
	7,643,946,701	(825,342,397)	--	--	6,818,604,304
<b>Subsidiaries</b>	39,306,420,577	(172,806,761)	--	--	39,133,613,816
<b>Deferred Tax Assets</b>	<b>46,950,367,277</b>	<b>(998,149,158)</b>	<b>--</b>	<b>--</b>	<b>45,952,218,120</b>
<b>Deferred Tax Liabilities</b>	<b>39,593,675,631</b>	<b>16,610,651,102</b>	<b>--</b>	<b>--</b>	<b>56,204,326,733</b>



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	January 1, 2015	Charged (Credited) to Consolidated Statements of Comprehensive Income	Additions from Business Combination	Other Comprehensive Income	December 31, 2015
	Rp	Rp	Rp	Rp	Rp
<b>The Company</b>					
Amortization of Deferred Income from Sale and Lease Back Transactions	12,675,616,315	(1,825,861,686)	--	--	10,849,754,629
Estimated Long-term Employee Benefits Liabilities	4,117,781,250	709,772,020	--	815,050,479	5,642,603,749
Allowance Impairment in Value	3,127,251,723	71,521,201	--	--	3,198,772,924
Depreciation	(10,793,135,963)	(1,254,048,638)	--	--	(12,047,184,601)
	9,127,513,325	(2,298,617,103)	--	815,050,479	7,643,946,701
<b>Subsidiaries</b>	54,791,394,319	(10,192,060,118)	--	(5,292,913,624)	39,306,420,577
<b>Deferred Tax Assets</b>	<u>63,918,907,644</u>	<u>(12,490,677,221)</u>	<u>--</u>	<u>(4,477,863,145)</u>	<u>46,950,367,278</u>
<b>Deferred Tax Liabilities</b>	<u>28,147,868,966</u>	<u>11,151,602,989</u>	<u>294,203,676</u>	<u>--</u>	<u>39,593,675,631</u>

Management believes that the deferred tax assets can be recovered through future taxable profits in the future.

**c. Prepaid Taxes**

	March 31 2016	December 31 2015
	Rp	Rp
Income Tax		
Article 21	--	865,100
Article 4 (2)	447,513,163,710	416,170,622,193
Article 22	990,448,120	857,054,182
Article 25/29	19,369,004,715	--
Article 28.a	17,900,083,147	6,991,456,142
Value Added Tax	<u>378,916,756,063</u>	<u>393,395,177,617</u>
<b>Total Prepaid Taxes</b>	<u>864,689,455,755</u>	<u>817,415,175,234</u>

**d. Taxes Payable**

	March 31 2016	December 31 2015
	Rp	Rp
Income Tax		
Final	98,658,857,381	68,025,769,772
Article 23	6,570,106,980	6,893,741,447
Article 25/29	81,598,392,202	62,007,027,350
Article 21	26,288,110,125	39,806,304,655
Article 26	20,520,163	20,639,437
Value Added Tax	69,493,776,866	48,390,142,668
Hotel and Restaurant Tax	3,122,811,110	3,271,259,437
Entertainment Tax	<u>559,083,999</u>	<u>559,083,999</u>
<b>Total Taxes Payable</b>	<u>286,311,658,826</u>	<u>228,973,968,765</u>

**e. Administration**

Fiscal laws in Indonesia requires that each company calculate, determine and pay the amount of tax payable individually.

Based on the prevailing laws, the Director General of Tax ("DJP") may asses or amend taxes within a certain period of time. For fiscal years 2007 and earlier, the period is ten years since the tax become payable but not more than 2013, while for the fiscal years 2008 and onwards, the period is five years from the time of the tax become payable.

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Details of letters of Tax Underpayment Assesment Letter (SKPKB) obtained by the Company and subsidiaries in 2015 are as follows:

Fiscal Year	Entity	2015	
		Taxes Category	Amount Rp
2012	The Company	Income Tax Article 4 (2)	4,747,002,838
		Income Tax Article 15	250,975,552
		Income Tax Article 21	1,403,636,148
		Income Tax Article 26	1,903,200,206
		Income Tax Article 29	112,797,370
		Value Added Tax	831,057,718
2012	PT Almaron Perkasa	Income Tax Article 4 (2)	6,595,613,164
		Income Tax Article 21	215,939,911
		Income Tax Article 23	585,673,755
		Income Tax Article 29	2,035,663,410
		Value Added Tax	20,988,697,173
	PT Gading Nusa Utama	Income Tax Article 29	11,711,259,910
	PT Gowa Makassar Tourism Development Tbk	Income Tax Article 4 (2)	667,026,060
		Income Tax Article 29	519,811,150
		Value Added Tax	5,156,499,312
	PT Graha Tata Cemerlang Makassar	Income Tax Article 4 (2)	133,820,923
		Income Tax Article 23	758,292,644
		Income Tax Article 29	788,163,085
		Value Added Tax	294,748,680
	PT Siloam Karya Sejahtera	Income Tax Article 4 (2)	72,438,723
		Income Tax Article 23	2,247,598,340
2011	The Company	Income Tax Article 4 (2)	6,272,552,955
		Income Tax Article 21	1,007,638,508
		Income Tax Article 23	668,612,865
		Income Tax Article 26	2,495,872,114
		Income Tax Article 29	1,296,360,302
		Value Added Tax	1,179,975,627
	PT Pendopo Niaga	Income Tax Article 4 (2)	5,361,999,791
		Value Added Tax	5,245,910,103
	PT Graha Tata Cemerlang Makassar	Income Tax Article 4 (2)	667,945,460
		Income Tax Article 23	491,274,606
		Income Tax Article 29	979,428,850
		Value Added Tax	1,451,133,192
	PT Siloam Karya Sejahtera	Income Tax Article 4 (2)	995,855,561
		Income Tax Article 23	136,695,997
2010	The Company	Income Tax Article 21	195,820,594
		Income Tax Article 23	90,720,461

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**20. Trade Accounts Payable – Third Parties**

	<b>March 31, 2016 Rp</b>	<b>December 31, 2015 Rp</b>
<b>Third Parties</b>		
Contractors	470,565,704,927	406,677,512,278
Suppliers	268,298,054,830	231,871,520,480
Doctor Fees	116,607,853,755	100,294,181,694
Others	50,996,872,088	44,073,082,372
<b>Total</b>	<b>906,468,485,599</b>	<b>782,916,296,824</b>

There is no collateral given by the Group on these payables.

Trade Payable denominated in Rupiah and foreign Currency. Trade payable denominated in foreign currency is presented in Notes 44 and 46.

**21. Short-Term Bank Loans**

	<b>March 31, 2016 Rp</b>	<b>December 31, 2015 Rp</b>
<b>Third Parties</b>		
PT Bank Mega Tbk	600,000,000,000	630,000,000,000
PT Bank Negara Indonesia (Persero) Tbk	170,000,000,000	220,000,000,000
PT Bank ICBC	70,000,000,000	75,000,000,000
PT Bank Mandiri (Persero) Tbk	55,000,000,000	35,000,000,000
PT Bank Central Asia Tbk	1,768,940,522	2,173,564,967
<b>Total Short-Term Bank Loans</b>	<b>896,768,940,522</b>	<b>962,173,564,967</b>

**PT Bank Mega Tbk**

Based on Credit Agreement No. 135 dated October 30, 2015 which was made in the presence of Mellyani Noor Shandra, S.H., a notary in Jakarta and last amended in Amendment of Credit Agreement No 24 dated December, 7, 2015, PT Mandiri Cipta gemilang (MCG) obtained credit facility with maximum credit limit amounted to Rp1,200,000,000,000. This facility bears an interest of 14.5% per annum and will mature on October 30, 2016.

Secured assets for this facility are as follows:

- Land owned by MCG with an area of 35,351 sqm located in Kembangan Selatan Village, Kembangan District Daerah Khusus Ibukota (DKI) Jakarta Province (see Note 7); and
- Land owned by MCG with an area of 38,365 sqm located in Kembangan Selatan Village, Kembangan District DKI Jakarta Province (see Note 7).

As of March 31, 2016 and December 31, 2015, outstanding balance for this facility amounted to Rp600,000,000,000 and Rp630,000,000,000, respectively.

**PT Bank Negara Indonesia (Persero) Tbk**

- Based on Credit Agreement No. 44 dated March 29, 2007 which was made in the presence of H. Zamri, S.H., a notary in Jakarta and last amended in Approval of Changes in Credit Agreement No (10) 34 dated June, 25, 2015, the Company obtained Working Capital Facility (KMK) with maximum loan amounted to Rp250,000,000,000. This facility bears an interest of 11.5% per annum and has maturity date on June 12, 2016. As of March 31, 2016 and December 31, 2015, outstanding balance for this facility amounted to Rp150,000,000,000 and Rp200,000,000,000, respectively.

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- Based on Credit Agreement No. 34 dated October 30, 2006 which was made in the presence of H. Zamri, S.H., a notary in Jakarta and last amended in Approval of Changes in Credit Agreement No (9) 34 dated June, 30 2014, the Company obtained Working Capital Facility (KMK) with maximum loan amounted to Rp20,000,000,000. This facility bears an interest of 11.5% per annum and has maturity date on June 12, 2016. As of March 31, 2016 and December 31, 2015, outstanding balance for this facility amounted to Rp20,000,000,000 and Rp20,000,000,000, respectively.

Both facilities are secured by 21,940 sqm of land in Lippo Village Residences, Jl. Boulevard Jend, Sudirman, Kelapa Dua Village, Curug District, Tangerang, Banten, with details as follows:

1. Building Right (SHGB) No. 3695 with an area of 340 sqm dated January 9, 1998 (Certificate due date January 9, 2028) which is registered under the name of the Company (see Note 7).
2. SHGB No. 2866 with an area of 15,235 sqm dated April 4, 1997 (Certificate due date September 24, 2022) which is registered under the name of the Company (see Note 7).
3. SHGB No. 4028 with an area of 6,365 sqm dated August 6, 1998 (Certificate due date August 6, 2028) which is registered under the name of the Company (see Note 7).

Interest and borrowing costs capitalized to inventory for the 3 (three) months period ended March 31, 2016 amounted to Rp7,018,479,444 (see Note 7).

**PT Bank ICBC Indonesia**

**The Company**

Based on Credit Agreement No. 85 dated October 25, 2012 which was made in the presence of Mellyani Noor Shandra, S.H., a notary in Jakarta and last amended in Extension Credit Agreement No. 143/ICBC-MK/PTD/X/2011/P4 dated November 5, 2014, the Company obtained Credit Facility with maximum credit limit amounted to Rp70,000,000,000. This facility bears an interest of 12% per annum and will mature on October 25, 2015. As of March 31, 2016 and December 31, 2015, outstanding balance for this facility amounted to Rp70,000,000,000 and Rp45,000,000,000, respectively.

Interest and borrowing costs capitalized to inventory for the 3 (three) months period ended March 31, 2016 amounting to Rp1,990,000,000 (see Note 7).

**PT Lippo Cikarang Tbk**

Based on Deed of Loan Agreement No. 86 dated October 20, 2010 which was made in the presence of Mellyani Noor Shandra, S.H., a notary in Jakarta, and has been amended several times and the latest amended on December 18, 2013 through the extension of credit agreement No: 144/ICBC-MK/PTD1/X/2011/P4, PT Lippo Cikarang Tbk, a subsidiary, obtained Fixed Loan facility on Demand from PT Bank ICBC Indonesia with maximum credit limit amounted to Rp30,000,000,000 with the rate of 12% per annum. This loan can be used for working capital purposes and will mature on October 25, 2016. This Loan is secured by a parcel of land with the area of 38,901 sqm, with the Landright (HGB) No. 178/Sukaresmi registered under the name of PT Waska Sentana, a subsidiary (see Note 7). As of March 31, 2016 and December 31, 2015 outstanding balance for this facility amounted to nil and Rp30,000,000,000, respectively.

**PT Bank Mandiri (Persero) Tbk**

Based on Credit Agreement No. 05 dated April 23, 2015 which was made in the presence of Andi Fitriani S.H., M.Kn a notary in Makassar, PT Gowa Makassar Tourism Development Tbk (GMTD), a subsidiary, obtained Working Capital Facility (KMK) with maximum credit limit amounted to Rp50,000,000,000. This facility bears an interest of 12% per annum and will due on April 23, 2016. This facility is secured by 180,634 sqm land for development in Barombong Village, District Tamalate, Makassar City (see Note 17). Subsequently, based on the amendment of the credit agreement dated January 22, 2016, which made in the presence of the same notary the maximum credit limit of KMK increased from Rp50,000,000,000 to Rp200,000,000,000 and the collateral of land for development increased from previously 180,634 sqm become 212,642 sqm and will due on January 21, 2017. Outstanding balance of the facility as of March 31, 2016 and December 31, 2015 amounted to Rp55,000,000,000 and Rp35,000,000,000, respectively.

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**PT Bank Central Asia Tbk**

Based on Credit Agreement No. 1 dated April 1, 2003 which was made in the presence of Yandes Effriady, S.H., a notary in Jambi and Letter of Lending No. 0242/JAM/2010 dated February 3, 2010, amendment of Credit Agreement No. 54 dated July 19, 2010 which was made in the presence of Hasan S.H., a notary in Jambi, which later amended with renewal Letter No. 1041/Jan/2015 dated May 21, 2015, PT Golden First Atlanta (GFA), a subsidiary, received facility Local Credit (Overdraft) with maximum loan amounted Rp5,000,000,000. This facility bears an interest of 12.5% per annum. Collateral for this facility is cross collateral with long-term facility (see Note 23).

**22. Other Current Financial Liabilities**

	<b>March 31, 2016 Rp</b>	<b>December 31, 2015 Rp</b>
<b>Third Parties</b>		
Payables to Non-controlling Interest of a Subsidiary	153,604,952,956	153,604,952,956
Unidentified Payments	123,216,824,949	105,064,391,827
Dividend Payable (See Note 33)	80,000,000,000	--
Transfer of Title	39,120,041,217	39,120,041,217
Payable from acquisition of a subsidiary	12,062,499,966	12,062,499,966
Other Payables	116,688,496,679	30,014,046,734
<b>Total</b>	<b>524,692,815,767</b>	<b>339,865,932,700</b>

Unidentified payments represent receipt of collection have not yet identifiable by the Group.

**23. Long-Term Bank Loans**

	<b>March 31, 2016 Rp</b>	<b>December 31, 2015 Rp</b>
<b>Third Parties</b>		
PT Bank CIMB Niaga Tbk	288,375,508,281	290,596,043,447
PT Bank J Trust Indonesia Tbk	225,313,643,817	198,889,752,826
Bank Pembangunan Daerah Kalimantan Timur	22,443,699,843	24,041,220,753
PT Bank Central Asia Tbk	4,862,897,241	6,483,862,981
	540,995,749,182	520,010,880,007
Current Portion	59,151,098,911	48,261,246,570
<b>Non-Current Portion</b>	<b>481,844,650,271</b>	<b>471,749,633,437</b>

**Bank CIMB Niaga Tbk**

Based on credit agreement No. 23, dated August 18, 2015, which was made in presence of Unita Christina Winata, S.H., a notary in Jakarta, PT Pamor Paramita Utama (PPU), a subsidiary, obtained special transaction loan facilities (on liquidation basis) with the maximum credit limit amounting to Rp450,000,000,000 divided into two tranches as follows:

- Special Transaction A facility (Tranche A) with maximum plafond of Rp300,000,000,000 for the purpose of refinancing cost of development of Lippo Mall Kuta and Hotel. Tenor of this credit is 7 years or 84 months, bears an interest rate of 11% per annum. As of March 31, 2016, outstanding facility obtained by PPU amounted to Rp300,000,000,000.
- Special Transaction B facility (Tranche B) with maximum plafond of Rp150,000,000,000 for the purpose of developing 5 stars Hotel in Kuta – Bali. Tenor of this credit is 7 years or 84 months, bears an interest rate of 11% per annum. As of March 31, 2016, PPU has not yet used this facility.

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These loans are secured by land with an area of 21,150 sqm and Building Right (HGB) No.875/ KUTA located at Jalan Kartika Plaza, Kuta, Subdistrict, Subprovince Badung, Bali Province in the name of PPU (see Note 7).

For these facilities, PPU is required to maintain financial ratios based on audited financial statements as follows:

- Debt Services Coverage Ratio (DSCR) at a minimum 1x from 2017 to 2022.
- Bank loan to Earning Before Interest Tax, Depreciation and Amortization (EBITDA) ratio at a maximum 4x in 2017, 3x in 2018, 2x in 2019, 1.5x in 2020 and 1x in 2021 to 2022.
- Gearing Ratio at a maximum 3,5x in 2017, 2,5x in 2018, 1,5x in 2019 and 1x in 2020 to 2022.

The payment of this loan for the 3(three) months period ended March 31, 2016 amounted to Rp3,750,000,000.

As of March 31, 2016 and December 31, 2015 the outstanding balance of the Tranche A facility amounted to Rp288,375,508,281 and Rp290,596,043,447, respectively.

**PT Bank J Trust Indonesia Tbk**

Based on letter of credit confirmation (SPK) No. 018/SPK/JTrust/CBD/X/2015 dated November 26, 2015, PT Asiatic Sejahtera Finance (ASF), a subsidiary, obtained a term installment credit facility with a maximum amount of Rp240,000,000,000 and bears interest rate of 12.25% per annum for the purpose of financing of mortgage agreement (KPR) which will mature not more than 5 (five) years and 13% for financing of KPR that will due between 5-15 years. This facility was used to funding of Group's property KPR. This loan will mature on February 25, 2019.

Trade Receivables of ASF amounted to Rp287,450,502,112 were used as collateral for this facility (see Note 4).

The payment of this loan for the 3 (three) months period ended March 31, 2016 amounted to Rp8,093,956,286.

As of March 31, 2016 and December 31, 2015 the outstanding balance of this facility amounted to Rp225,313,643,817 and Rp198,889,752,826, respectively.

**Bank Pembangunan Daerah Kalimantan Timur**

Based on Deed of Credit Agreement No. 005/870/9200/KI.59/BPDKP/2008 dated February 25, 2008, PT Balikpapan Damai Husada (BDH), a subsidiary, obtained an investment credit facility (Non-PRK) with a maximum amount of Rp50,000,000,000 bears interest rate of 11.5% per annum. This loan was used to funding development of hospitals and paying its loan obtained from PT Bank Mandiri (Persero) Tbk. This loan will mature on February 25, 2019.

This facility is secured by collaterals as follows:

- One (1) parcel of land with an area of 12,562 sqm including healthcare building and hospital with an area 8,024 sqm with HGB No. 2069 located at Jl. MT. Haryono RT. 35, Gang Bahagia, Balikpapan which is registered under the name of BDH (see Note 14).
- Supporting infrastructure, tools and machinery and medical equipment with the estimated value of Rp8,665,020,000 (see Note 14).

There is no restrictive financial ratio which should be maintained by BDH.

Loan payments for the 3 (three) months period ended March 31, 2016 amounted to Rp Rp1,597,520,905.

As of March 31, 2016 and December 31, 2015 the outstanding balances of this facility amounted to Rp22,443,699,843 and Rp24,041,220,753, respectively.

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**PT Bank Central Asia Tbk**

Based on Deed of Credit Agreement No. 1 dated April 1, 2003 made in the presence of Yandes Effriady, S.H., a notary in Jambi, and the letter No. 0242/JAM/2010 dated February 3, 2010, as amendment of Credit Agreement No. 54 dated July 19, 2010 in the presence of Hasan S.H., a notary in Jambi and the latest of Credit Agreement No. 1041/Jan/2015 dated May 21, 2015, PT Golden First Atlanta (GFA), a subsidiary, obtained several credit facilities as follows:

- Local Credit Facility (Current Account) at a maximum amount of Rp5,000,000,000.
- Investment Credit Facility at a maximum amount of Rp32,419,314,946.

Both facilities bear an annual interest rate of 12.5% and will mature on May 5, 2016 and December 20, 2016, respectively.

Both facilities are secured by collaterals as follows:

- Three (3) parcels of land with an area of 7,132 sqm and building with HGB Nos. 840, 841 and 842/Paal Merah which are registered under the name of GFA, a subsidiary (see Note 14).
- Medical equipment, furniture fixtures and office equipment, trade accounts receivable and inventory of medicine and consumable goods, and machinery and medical equipments (see Notes 4, 7 and 14).

Based on the loan agreement, GFA has to maintain maximum debt to equity ratio of 2.2x. As of March 31, 2016 and December 31, 2015, GFA has complied with the required debt ratio.

The payment of loan for the 3 (three) months period ended March 31, 2016 amounted to Rp1,620,965,747.

As of March 31, 2016 and December 31, 2015, the outstanding balances of this facility amounted to Rp4,862,897,241 and Rp6,483,862,981, respectively.

**24. Bonds Payable**

	March 31, 2016 Rp	December 31, 2015 Rp
Nominal (2016 and 2015: USD803,306,000)	10,664,690,456,000	11,081,606,270,000
Premium - Net	72,310,083,851	79,896,804,989
Bond Issuance Cost - Net	(258,472,237,867)	(278,444,063,173)
<b>Total</b>	<b>10,478,528,301,984</b>	<b>10,883,059,011,816</b>
Premium (net of discount)	131,664,729,999	136,811,912,499
Less : Accumulated Amortization	(59,354,646,148)	(56,915,107,510)
<b>Unamortized Premium</b>	<b>72,310,083,851</b>	<b>79,896,804,989</b>
Bond Issuance Costs	431,233,439,788	440,735,932,790
Less : Accumulated Amortization	(172,761,201,921)	(162,291,869,617)
<b>Unamortized Bond Issuance Cost</b>	<b>258,472,237,867</b>	<b>278,444,063,173</b>

The Company initiated several fund raising by issuing bonds to support the Group's business.

On March 9, 2006, Lippo Karawaci Finance B.V., a subsidiary, issued unsecured bonds with nominal value of USD250,000,000 and annual fixed interest rate of 8.875% in Singapore Stock Exchange. The bonds have 5 years maturity year and became due on March 9, 2011. Payments of interest is conducted every 6 months. On May 11, 2010, part of bonds amounting to USD183,754,000 was exchanged with bonds issued by Sigma Capital Pte. Ltd., a subsidiary. These bonds have been fully paid by the Company on March 9, 2011.

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In relation to exchange offer of bonds, on May 11, 2010, Sigma Capital Pte. Ltd. (SC), a subsidiary, issued unsecured bonds with a nominal value of USD270,608,000, and subsequently, on February 17, 2011, SC issued unsecured bond with a nominal value of USD125,000,000, both bonds bear an annual fixed interest rate of 9% and are listed on Singapore Stock Exchange and will due on April 30, 2015. Payment of interest will be conducted every 6 months. These bonds have been fully paid on November 14, 2012 and April 30, 2013, respectively.

On May 16, 2012, Theta Capital Pte. Ltd. (TC), a subsidiary, issued unsecured bonds with nominal value of USD150,000,000 and subsequently, on October 22, 2012, TC issued unsecured bond with a nominal value of USD100,000,000. Both bonds bear an annual fixed interest rate of 7% and are listed on Singapore Stock Exchange. The bond have 7 years maturity year and will due on May 16, 2019. Payment of interest is conducted every 6 months. As of March 31, 2016 and December 31, 2015, accrued interest expense amounted to USD6,513,889 and USD2,138,889 (equivalent to Rp86,478,390,364 and Rp29,505,973,755), respectively.

In relation to exchange offer program of bonds, on November 14, 2012, TC, a subsidiary, issued unsecured bonds with nominal value of USD273,306,000 in exchange with bond of SC for a nominal value of USD253,713,000 and paid USD22,666,000. This bonds bears an annual fixed interest rate of 6.125% and are listed on Singapore Stock Exchange and will due on November 14, 2020. Payment of interest is conducted every 6 months. As of March 31, 2016 and December 31, 2015, accrued interest expense amounted to USD6,370,497 and USD2,185,499 (equivalent to Rp84,574,718,172 and Rp30,148,958,705), respectively.

On January 14, 2013, TC, a subsidiary, issued unsecured bonds with a nominal value of USD130,000,000 with a fixed interest rate of 6.125% per year and are listed on the Singapore Stock Exchange. The bonds will mature on November 14, 2020 and payment of interest is conducted every 6 months. As of March 31, 2016 and December 31, 2015 accrued interest expenses amounted to USD3,030,174 and USD1,039,549 (equivalent to Rp40,228,590,024 and Rp14,340,578,455), respectively.

On April 30, 2013, SC, a subsidiary, has been fully paid the remaining bond amounting to USD119,229,000 at a price of 104.5%.

On April 11, 2014, TC, a subsidiary, issue unsecured bonds with a nominal value of USD150,000,000 with a fixed interest rate of 7% per year and are listed on the Singapore Stock Exchange. The bonds will mature on April 11, 2022 and payment of interest is conducted every 6 months. As of March 31, 2016 and December 31, 2015 accrued interest expenses amounted to USD4,929,166 and USD1,429,167 (equivalent to Rp65,439,607,816 and Rp19,715,358,765), respectively.

Borrowing costs capitalized into land under development for the 3 (three) months period ended March 31, 2016 and for the year ended December 31, 2015 amounting to Rp173,560,071,849 and Rp853,470,852,432, respectively (see Note 7).

These bonds have been rated BB- by Standard & Poor's and Fitch and Ba3 by Moody's.

The Company has to comply with certain restrictions under bond covenants as stipulated in the Offering Circular.

The Company entered into Non-Deliverable USD Call Spread Option facility agreements with certain third parties to hedge foreign exchange fluctuation risk on these foreign currency denominated bonds (see Note 42.d).

## **25. Long-Term Post-Employment Benefits Liability**

### **Post-Employment Benefits – No Funding Defined Benefit Plan**

Group appointed independent actuaries to determine post-employment liability in accordance with the existing manpower regulations. The management has provided reserve on post-employment benefits liability as of December 31, 2015. The management believes that the estimate of post-employment benefits is sufficient to cover such liabilities.



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Post-employment benefits recognized in the consolidated statements of financial position are as follows:

	<b>2015</b>
	<b>Rp</b>
Present Value of Defined Benefit Obligation, end of year	311,085,515,426
Fair Value Asset Plan	--
<b>Total</b>	<b>311,085,515,426</b>

The details of post-employment benefits expense recognized in the consolidated statements of profit or loss and other comprehensive income are as follows:

	<b>2015</b>
	<b>Rp</b>
Current Service Cost	39,604,042,307
Interest Expense	20,723,976,143
<b>Total</b>	<b>60,328,018,450</b>

Post-employment benefits expense is recorded as part of salaries and employee's benefits expense.

Reconciliation of changes in liabilities recognized in the consolidated statements of financial position is as follows:

	<b>2015</b>
	<b>Rp</b>
Beginning Balance	255,676,668,775
Payment of Employees' Benefits	(13,833,177,065)
Other Comprehensive Income	8,914,005,266
Current Service Cost and Interest Expenses	60,328,018,450
<b>Ending Balance</b>	<b>311,085,515,426</b>

Reconciliation of changes in present value of defined benefits obligation are as follows:

	<b>2015</b>
	<b>Rp</b>
Present Value of Defined Benefits Obligation at Beginning Year	255,676,668,775
Current Service Cost	39,604,042,307
Interest Expense	20,723,976,143
Payment of Employees' Benefits	(13,833,177,065)
<b>Expected Present Value of Defined Benefits Obligation at End of Year</b>	<b>302,171,510,160</b>
<b>Actual Present Value of Defined Benefits Obligation at End of Year</b>	<b>311,085,515,426</b>
<b>Actuarial Loss Current Year</b>	<b>(8,914,005,266)</b>

The defined benefits plan gives the Group exposure of interest rate risk and salary risk.

**Interest Risk**

The present value of the defined benefits plan liability is calculated using the interest of government bond, therefore, the decreasing in the government bond interest rate will increase defined benefits plan liability.

**Salary Risk**

The present value of the defined benefits plan is calculated using the assumption of future salaries increase, therefore, the increasing of salary percentage will increase defined benefits plan liability.

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**Sensitivity analysis**

Increasing 1% of assumed discount rate on December 31, 2015, will impact to the decrease of employee benefits expenses amounted to Rp2,066,038,574 and the decrease of defined benefits plan obligation by Rp15,414,059,124.

Decreasing 1% of assumed discount rate on December 31, 2015, will impact to the increase of employee benefits expenses amounted to Rp1,834,139,083 and the decrease of defined benefits plan obligation by Rp17,678,426,813.

Present value of defined benefits obligation, related current service cost and past service cost were calculated by independent actuaries using the following assumptions for the year ended December 31, 2015:

	<b>2015</b>
Discount Rates	8,00% - 8,50%
Salary Increase Projection Rate	8.00%
Mortality Rate	TMI-2011
Permanent Disability Rate	10% x TMI-2011
Resignation Rate	5.00%

**26. Advances from Customers**

	<b>March 31, 2016 Rp</b>	<b>December 31, 2015 Rp</b>
<b>Third Parties</b>		
Apartments	2,430,790,956,441	2,359,555,422,693
Residential Houses and Shophouses	2,389,484,537,227	2,416,961,151,575
Shopping Centers	272,396,854,629	324,884,091,156
Land Lots	160,058,586,004	110,343,742,125
	<u>5,252,730,934,301</u>	<u>5,211,744,407,549</u>
Current Portion	<u>1,077,757,692,352</u>	<u>863,192,440,180</u>
<b>Non-Current Portion</b>	<b><u>4,174,973,241,949</u></b>	<b><u>4,348,551,967,369</u></b>

Details of the percentage of advances from customer to sales price are as follows:

	<b>March 31, 2016 Rp</b>	<b>December 31, 2015 Rp</b>
100%	4,215,248,601,393	4,182,357,444,064
50% - 99%	651,777,838,921	646,692,082,547
20% - 49%	321,750,693,081	371,357,549,130
Below 20%	63,953,800,906	11,337,331,808
<b>Total</b>	<b><u>5,252,730,934,301</u></b>	<b><u>5,211,744,407,549</u></b>

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**27. Deferred Income**

	<b>March 31, 2016 Rp</b>	<b>December 31, 2015 Rp</b>
<b>Related Party</b>		
Rent (see Notes 10 and 42.b)	430,475,387,999	439,772,767,140
<b>Third Parties</b>		
Rent	359,934,534,917	341,175,896,024
Others	49,491,109,257	58,243,147,826
Subtotal	409,425,644,174	399,419,043,850
Total Deferred Income	839,901,032,173	839,191,810,990
Current Portion	445,831,267,946	480,093,178,686
<b>Non-Current Portion</b>	<b>394,069,764,227</b>	<b>359,098,632,304</b>

**28. Deferred Gain on Sale and Leaseback Transactions**

	<b>March 31, 2016 Rp</b>	<b>December 31, 2015 Rp</b>
Acquisition Cost	791,727,059,928	791,727,059,928
Accumulated Depreciation	127,538,766,701	127,538,766,701
Carrying Value	664,188,293,227	664,188,293,227
Proceeds	2,445,894,179,389	2,445,894,179,389
Less: Gain Credited to the Consolidated Interim Statements of Profit or Loss and Other Comprehensive Income	70,196,779,840	70,196,779,840
Deferred Gain on Sale and Leaseback Transaction	1,711,509,106,322	1,711,509,106,322
Foreign Exchange Translation	220,666,905,187	142,456,546,067
Accumulated Amortization	(797,879,953,191)	(674,507,654,901)
Deferred Gain on Sale and Leaseback - Net	1,134,296,058,318	1,179,457,997,488
Current Portion	186,712,990,452	132,766,996,702
<b>Non-Current Portion</b>	<b>947,583,067,866</b>	<b>1,046,691,000,786</b>

Deferred gain on sale and leaseback transactions is amortized over 15 years of lease period using the straight line method (see Note 42.b).

**29. Capital Stock**

The Company stockholders' composition as of March 31, 2016 and December 31, 2015 are as follows:

Stockholders	March 31, 2016			December 31, 2015		
	Total Shares	Percentage Ownership %	Issued and Fully Paid Rp	Total Shares	Percentage Ownership %	Issued and Fully Paid Rp
Pacific Asia Holdings Ltd	4,126,619,908	18.12	412,661,990,800	4,126,619,908	18.12	412,661,990,800
PT Metropolis Propertindo Utama	1,212,280,000	5.32	121,228,000,000	1,212,280,000	5.32	121,228,000,000
Tanri Abeng, MBA	8,700	--	870,000	150,000	--	15,000,000
Public (each bellow 5%)	17,432,676,511	76.56	1,743,267,651,100	17,432,535,211	76.56	1,743,253,521,100
<b>Subtotal</b>	<b>22,771,585,119</b>	<b>100.00</b>	<b>2,277,158,511,900</b>	<b>22,771,585,119</b>	<b>100.00</b>	<b>2,277,158,511,900</b>
<b>Treasury Stocks</b>	<b>306,104,500</b>		<b>30,610,450,000</b>	<b>306,104,500</b>		<b>30,610,450,000</b>
<b>Total</b>	<b>23,077,689,619</b>		<b>2,307,768,961,900</b>	<b>23,077,689,619</b>		<b>2,307,768,961,900</b>

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The details acquisition of treasury stock are as follows:

Reporting Period	No Register Letter to Bapepam - LK	Total Shares	Acquisition Cost (Rp)
2011	005/LK-COS/I/2012 Dated November 15, 2011	96,229,500	61,577,515,000
2012	175/LK-COS/VII/2012 Dated July 13, 2012	209,875,000	154,946,598,794
<b>Total</b>		<b>306,104,500</b>	<b>216,524,113,794</b>

**30. Additional Paid in Capital - Net**

	Rp
Paid in Capital Excess of Par - Net	4,043,613,274,615
Difference in Value from Restructuring Transactions between Entities Under Common Control - Net	19,535,347,265
<b>Total</b>	<b>4,063,148,621,880</b>

**Paid in Capital Excess of Par – Net**

	Rp
Rights Issue I	
Paid in Capital Excess of Par - Net on Stock	87,283,750,000
Stock Issuance Cost	(11,844,180,664)
Subtotal	75,439,569,336
Rights Issue II	
Paid in Capital Excess of Par - Net on Stock on Stock	485,048,197,150
Stock Issuance Cost	(7,442,812,013)
Subtotal	477,605,385,137
Paid in Capital Excess of Par - Net on Stock on Exercising Warrant Series I	659,475,970,000
Excess of Market Value Over Par Value of Stock Issued in Business Combination Exercised under Purchase Method	91,701,282,075
Rights Issue III	
Paid in Capital Excess of Par - Net on Stock on Stock	1,946,492,065,800
Stock Issuance Cost	(18,495,197,733)
Subtotal	1,927,996,868,067
Issuance of Capital Stock - Non-Preemptive Rights Issuance	
Paid in Capital Excess of Par - Net on Stock on Stock	812,000,000,000
Stock Issuance Cost	(605,800,000)
Subtotal	811,394,200,000
<b>Total Paid in Capital Excess of Par - Net</b>	<b>4,043,613,274,615</b>

On June 6, 2011, the Company issued new 1,450,000,000 shares through issuance of non-preemptive rights capital stock (see Note 1.b).

The excess of market value over the par value of stock issued during the business combination exercised under purchase method represents the difference between the highest share price reached during the 90 days year prior to the announcement of the business combination and par value of the Company's issued shares.

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Premium on exercising Warrant Series I represents the difference between warrant execution price and par value.

**Difference in Value from Restructuring Transactions between Entities Under Common Control Net**

	<b>Rp</b>
<b>Transaction Before Business Combination</b>	
Net Asset Value of PT Saptapersada Jagatnusa	322,884,648
Acquisition Cost	(5,000,000,000)
Difference in Value	(4,677,115,352)
<b>Transaction from Business Combination</b>	
Net Asset Value of Siloam	275,837,221,176
Acquisition Cost	(85,173,967,500)
Difference in Value	190,663,253,676
Realization	(84,027,724,260)
Net	106,635,529,416
Net Asset Value of Lippo Land	69,227,950,557
Acquisition Cost	(265,747,071,500)
Difference in Value	(196,519,120,943)
Net Asset Value of Aryaduta	199,314,766,000
Acquisition Cost	(39,637,690,500)
Difference in Value	159,677,075,500
Realization	(45,581,021,356)
Difference in Value, Net of Realization	114,096,054,144
<b>Net</b>	<b>19,535,347,265</b>

Difference in value from the restructuring transaction PT Saptapersada Jagatnusa (SPJN) was incurred during the Company's acquisition of SPJN in 2001.

Difference in value from restructuring transactions between entities under common control from business combination amounting to Rp190,663,253,676, Rp(196,519,120,943) and Rp159,677,075,500, respectively, were incurred from the merger of ex-Siloam (including ex-Sumber Waluyo), ex-Lippo Land, and ex-Aryaduta in 2004. The difference was determined from the difference in net asset value of ex-Siloam (including ex-Sumber Waluyo), ex-Lippo Land, and ex-Aryaduta and the nominal value of new shares issued by the Company.

**31. Difference in Transactions with Non-Controlling Interest**

On June 12, 2015, PT Kuta Beach Paragon, a subsidiary, acquired 13.5% shares of PT Graha Buana Utama (GBU) from PT Mahanaim with the price of Rp25,358,527,564. The excess of acquisition cost over the subsidiary's net assets amounted to Rp22,988,443,294 was recorded as difference in transactions with non-controlling interest.

On February 12, 2015, PT Wisma Jatim Propertindo (WJP), a subsidiary, acquired 25% shares of PT Wahana Usaha Makmur (WUM) from PT Mahanaim with the price of Rp15,334,000,000. The excess of acquisition cost over the subsidiary's net assets amounted to Rp43,851,181,695 was recorded as difference in transactions with non-controlling interest.

On February 6, 2015, PT Safira Prima Utama and PT Kalimaya Pundi Bumi, subsidiaries, made disposal on its investment of 75,300,000 shares or equivalent to 6.51% and 17,500,000 shares or equivalent to 1.51% share ownership in PT Siloam International Hospitals Tbk (SIH) with the price per share of Rp12,250 amounted to Rp1,136,800,000. Gain on disposal of investments amounting Rp1,000,581,189,869 was recorded as difference in transactions with non-controlling interest.

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On November 28, 2014, PT Tunggal Pilar Perkasa, a subsidiary, acquired 20% shares of PT Medika Sarana Traliansia (MST) from Steer Clear Ltd with the price of Rp45.030.000.000. The excess of acquisition cost over the subsidiary's net assets amounted to Rp25,748,354,393 was recorded as difference in transactions with non-controlling interest.

On March 13, 2014, PT Kalimaya Pundi Bumi, a subsidiary, made disposal on its investment of 82,500,000 shares in SIH or equivalent to 7.1% of the issued and fully capital stock in SIH with the price of Rp10,400 per share or Rp858,000,000,000. Gain on disposal of investments amounting to Rp741,092,494,948 was recorded as difference in transactions with non-controlling interest.

In 2013, several subsidiaries, acquired ownership of PT Gowa Makassar Tourism Development Tbk (GMTD) of 3,400,000 shares or equivalent to 3.35% of the issued and fully paid shares of GMTD. The excess of acquisition cost over the subsidiaries' net assets amounted to Rp5,645,114,201 was recorded as difference in transactions with non-controlling interest.

On September 2, 2013, PT Nilam Biru Bersinar, a subsidiary, made disposal on its investment of 5,900,000 shares in SIH or equivalent to 0.59% of the issued and fully capital stock in SIH. Gain on disposal of investments amounting Rp51,469,368,863 was recorded as difference in transactions with non-controlling interest.

In 2012, LK Reit Management Pte Ltd (LK Reit), a subsidiary, acquired shares of Bowsprit Capital Corporation Ltd. from Battery Road Limited and Golden Decade International Limited, both third parties and therefore, LK Reit ownership increased from 80% to 100%. The excess of acquisition cost over the subsidiaries' net assets amounted to Rp45,889,312,357 was recorded as difference in transactions with non-controlling interest.

In 2012, WJP, a subsidiary, acquired shares of PT Gapura Sakti Prima (GSP) from Mr Abdul Wahid, a third party, and thus the ownership in GSP increased from 78.60% to 100%. The excess of acquisition cost over the subsidiaries' net assets amounted to Rp7,525,000,000 was recorded as difference in transactions with non-controlling interest.

In 2011, Peninsula Investment Limited (Peninsula), a subsidiary, acquired shares of LMIRT Management Ltd from Mappletree LM Pte. Ltd, a third party, and thus the ownership of Peninsula increased from 60% to 100%. The excess of acquisition cost over the subsidiaries' net assets amounted to Rp177,677,727,750 was recorded as difference in transactions with non-controlling interest.

The following is the calculation of the difference in transactions with non-controlling interest:

	<b>March 31, 2016 Rp</b>	<b>December 31, 2015 Rp</b>
<b>Shares Acquired from Non-Controlling Interest</b>		
Acquisition Cost	(384,406,170,421)	(384,406,170,421)
Net Asset Value of Acquired	163,553,107,510	163,553,107,510
Difference from Foreign Currency Translations	(21,105,562,928)	(21,105,562,928)
Subtotal	(241,958,625,839)	(241,958,625,839)
<b>Shares Disposal to Non-Controlling Interest</b>		
Purchase Consideration	2,047,900,000,000	2,047,900,000,000
Net Assets Disposed	(254,756,946,500)	(254,756,946,500)
Subtotal	1,793,143,053,500	1,793,143,053,500
<b>Total</b>	<b>1,551,184,427,661</b>	<b>1,551,184,427,661</b>

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**32. Difference In Equity Changes of Subsidiary**

On September 2, 2013, PT Siloam International Hospitals Tbk (SIH), a subsidiary, issued shares to public through initial public offering of 156,100,000 shares in Indonesia Stock Exchange. On the issuance of such new shares, the ownership of the Group in SIH changed from 100% to 85.99%. Changes in the value of investment before and after the transaction is Rp1,105,101,368,218.

**33. Cash Dividend and Reserved Fund**

Based on Deed of Annual General Meeting of Stockholders No.55 dated March 24, 2016 which was made in the presence of Sriwi Bawana Nawaksari, S.H. M.Kn., a notary in Tangerang, the Company's stockholders approved the payment of dividend amounting to Rp80,000,000,000 and increased the reserved fund amounting to Rp1,000,000,000 from retained earnings of 2015.

Based on Deed of Annual General Meeting of Stockholders No. 39 dated June 12, 2015 which was made in the presence of Sriwi Bawana Nawaksari, S.H. M.Kn., a notary in Tangerang, the Company's stockholders approved the payment of dividend amounting to Rp380,000,000,000 and increased the reserved fund amounting to Rp1,000,000,000 from retained earnings of 2014.

**34. Other Comprehensive Income**

	<b>March 31, 2016 Rp</b>	<b>December 31, 2015 Rp</b>
Gain from Translations Financial Statements in Foreign Currency	706,619,077,485	426,111,052,423
Gain on Changes in Fair Value of Available-for-Sale Financial Assets	(38,487,680,973)	55,912,286,591
<b>Total</b>	<b>668,131,396,512</b>	<b>482,023,339,014</b>

**Gain on Changes in Fair Value of Available-for-Sale Financial Assets**

	<b>March 31, 2016 Rp</b>	<b>December 31, 2015 Rp</b>
<u>Investment FREIT (see Note 5)</u>		
Bridgewater International Ltd	691,746,191,372	552,993,489,390
Bowsprit Capital Corporation Ltd	124,514,234,661	121,247,751,413
PT Menara Tirta Indah	217,422,252,112	200,253,526,030
<u>Investment LMIRT (see Note 5)</u>		
Bridgewater International Ltd	(1,066,778,399,151)	(783,757,278,190)
LMIRT Management Ltd	(20,616,992,179)	(44,523,482,517)
<u>Investment KIJA (see Note 5)</u>		
Intellitop Finance Limited	15,225,032,212	9,698,280,465
<b>Total</b>	<b>(38,487,680,973)</b>	<b>55,912,286,591</b>

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**35. Non-Controlling Interests**

Details of non-controlling interests in the equity of consolidated subsidiaries as of March 31, 2016 and December 31, 2015 are as follows:

	<b>March 31, 2016</b>	<b>December 31, 2015</b>
	<b>Rp</b>	<b>Rp</b>
PT Lippo Cikarang Tbk	1,751,617,441,588	1,657,872,859,101
PT Siloam International Hospitals Tbk	529,872,046,764	499,034,941,181
PT Gowa Makassar Tourism Development Tbk	244,495,742,800	236,778,714,915
PT Darma Sarana Nusa Pratama	28,236,521,320	29,941,938,144
PT Metropolitan Permaisemesta	21,208,364,768	22,858,346,961
PT Pelangi Cahaya Intan Makmur	15,904,088,769	19,616,382,887
Others	89,675,213,852	56,520,498,702
<b>Total</b>	<b>2,681,009,419,861</b>	<b>2,522,623,681,891</b>

**36. Revenues**

	<b>2016 (3 Months)</b>	<b>2015 (3 Months)</b>
	<b>Rp</b>	<b>Rp</b>
Urban Development:		
Residential Houses and Shophouses	413,653,715,747	321,197,742,793
Land Lots	222,751,473,691	207,155,357,203
Memorial Park	64,357,743,840	84,371,968,348
Asset Enhancements	26,279,046,617	7,602,488,566
Others	14,760,447,782	3,883,350,200
Subtotal	741,802,427,677	624,210,907,110
Large Scale Integrated Development:		
Apartments	236,617,135,225	528,876,584,576
Asset Enhancements	6,501,045,000	6,501,045,000
Subtotal	243,118,180,225	535,377,629,576
Retail Malls:		
Asset Enhancements	61,715,502,214	53,999,631,459
Subtotal	61,715,502,214	53,999,631,459
Healthcare:		
Inpatient Department		
Medical Support Services and Professional Fees	284,995,568,101	225,646,691,510
Drugs and Medical Supplies	268,635,760,756	211,872,882,690
Ward Fees	116,520,389,850	91,594,876,164
Administration Fees	26,902,900,890	21,352,980,168
Operating Theater	23,824,288,623	23,639,393,116
Delivery Fees	230,402,155	170,094,009
Others	52,840,379,904	34,806,680,059



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	<b>2016</b> <b>(3 Months)</b>	<b>2015</b> <b>(3 Months)</b>
	<b>Rp</b>	<b>Rp</b>
Outpatient Department		
Medical Support Services and Professional Fees	296,908,424,784	221,664,322,368
Drugs and Medical Supplies	148,468,965,899	113,613,637,355
Registration Fees	14,090,130,872	10,209,498,108
Others	20,419,077,875	21,814,578,549
Subtotal	<u>1,253,836,289,709</u>	<u>976,385,634,096</u>
Hospitality and Infrastructure:		
Town Management	82,618,186,777	58,915,503,155
Hotels and Restaurants	71,186,004,949	63,736,224,460
Water and Sewage Treatment	34,551,820,663	33,031,716,543
Recreation and Sports	16,799,641,453	16,914,962,555
Others	11,347,467,131	6,781,732,578
Subtotal	<u>216,503,120,973</u>	<u>179,380,139,291</u>
Property and Portfolio Management:		
Management Fees	88,219,982,512	77,789,449,690
<b>Total</b>	<b><u>2,605,195,503,310</u></b>	<b><u>2,447,143,391,222</u></b>

Management fees revenue represents revenue from management services of shopping centers and manager of REIT. Assets enhancement revenues represents revenue from leasing of the Group's assets. There are no sales above 10% of net revenues for respective periods.

**37. Cost of Revenues**

	<b>2016</b> <b>(3 Months)</b>	<b>2015</b> <b>(3 Months)</b>
	<b>Rp</b>	<b>Rp</b>
Urban Development:		
Residential Houses and Shophouses	171,385,195,508	130,143,311,716
Land Lots	135,963,794,051	57,707,236,017
Memorial Park	9,888,153,312	15,147,841,849
Asset Enhancements	1,086,543,165	7,457,715,959
Others	5,566,815,175	1,381,478,712
Subtotal	<u>323,890,501,211</u>	<u>211,837,584,253</u>
Large Scale Integrated Development:		
Apartments	124,409,197,759	269,028,881,027
Asset Enhancements	417,257,801	417,257,801
Subtotal	<u>124,826,455,560</u>	<u>269,446,138,828</u>
Retail Malls:		
Asset Enhancements	1,594,616,260	1,813,190,248
Subtotal	<u>1,594,616,260</u>	<u>1,813,190,248</u>

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	<b>2016</b> <b>(3 Months)</b>	<b>2015</b> <b>(3 Months)</b>
	<b>Rp</b>	<b>Rp</b>
<i>Healthcare:</i>		
Inpatient Department		
Professional Fees, Salaries and Employee Benefits	243,952,131,296	190,669,911,619
Drugs and Medical Supplies	145,153,755,601	127,225,244,404
Depreciation	39,736,478,759	36,268,285,345
Clinical Supplies	22,089,269,375	15,488,974,657
Food and Beverages	19,152,585,200	15,770,291,144
Repair and Maintenance	4,478,080,515	1,307,784,990
Others	60,296,711,276	19,649,441,604
Outpatient Department		
Professional Fees, Salaries and Employee Benefits	158,624,382,235	124,379,567,075
Drugs and Medical Supplies	111,262,927,997	90,422,565,978
Depreciation	23,862,755,028	19,960,970,596
Clinical Supplies	9,741,439,714	7,465,560,838
Repair and Maintenance	2,745,056,894	950,837,209
Others	38,161,442,892	19,869,610,772
Subtotal	<u>879,257,016,782</u>	<u>669,429,046,231</u>
Hospitality and Infrastructure:		
Town Management	38,324,380,361	41,673,618,317
Hotels and Restaurants	27,692,825,469	24,960,743,752
Water and Sewage Treatment	25,096,643,095	13,875,517,786
Recreation and Sports	5,196,595,649	5,458,482,987
Others	4,215,975,805	3,764,318,605
Subtotal	<u>100,526,420,379</u>	<u>89,732,681,447</u>
Property and Portfolio Management:		
Management Fees	4,019,910,711	4,559,475,455
<b>Total</b>	<b><u>1,434,114,920,903</u></b>	<b><u>1,246,818,116,462</u></b>

There are no purchases above 10% of net revenues for respective periods.

**38. Operating Expenses**

	<b>2016</b> <b>(3 Months)</b>	<b>2015</b> <b>(3 Months)</b>
	<b>Rp</b>	<b>Rp</b>
<b><u>Selling Expenses</u></b>		
Salaries and Employee Benefits	41,502,857,320	32,656,823,594
Advertising and Marketing	34,146,355,143	41,462,418,080
Electricity and Water	7,701,222,909	2,050,404,942
Repairs and Maintenance	7,338,239,131	7,463,686,290
Depreciation (see Notes 13 and 14)	6,885,941,877	5,616,709,500
Management Fees	4,501,477,656	4,038,743,284
Transportation and Accommodation	3,176,888,230	1,955,674,132
Office Supplies	1,222,522,907	860,200,209
Rental - Net	981,035,320	1,076,286,681
Others	7,692,500,065	3,422,374,943
<b>Total</b>	<b><u>115,149,040,558</u></b>	<b><u>100,603,321,655</u></b>

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	2016 (3 Months) Rp	2015 (3 Months) Rp
<b>General and Administrative Expenses</b>		
Salaries and Employee Benefits	251,601,599,368	185,337,686,862
Rental - Net	77,563,385,930	29,610,840,498
Depreciation (see Note 14)	43,905,451,027	45,637,708,309
Electricity and Water	38,697,139,761	34,844,714,052
Professional Fees	24,542,277,272	35,479,636,675
Transportation and Accommodation	20,968,543,080	17,788,090,147
Repairs and Maintenance	14,040,467,984	14,107,027,949
Office Supplies	13,358,930,077	9,916,439,624
Communication	7,531,010,998	5,921,787,791
Training and Seminar	6,879,702,131	8,290,284,408
Insurance	6,150,255,922	4,091,920,158
Membership and Subscription Fees	2,378,165,986	1,792,469,607
Others	41,246,906,353	79,744,735,572
Total	<u>548,863,835,889</u>	<u>472,563,341,652</u>
<b>Total Operating Expenses</b>	<b><u>664,012,876,447</u></b>	<b><u>573,166,663,307</u></b>

**39. Financial Income (Charges) - Net**

	2016 (3 Months) Rp	2015 (3 Months) Rp
Interest Income	17,210,475,831	17,164,157,231
Financial Expenses	(62,837,536,266)	(47,257,479,968)
Interest Expenses	(42,168,059,579)	(1,190,986,722)
<b>Financial Charges - Net</b>	<b><u>(87,795,120,014)</u></b>	<b><u>(31,284,309,459)</u></b>

Interest income represents interest income from bank accounts, time deposits and restricted funds (see Notes 3 and 9), Financial charges represent hedging cost, bank charges, using electronic data capture (EDC) machine and interest subsidy on mortgages for houses and apartments (KPR and KPA), while interest expense represents interest on loans (see Notes 21 and 23).

**40. Other Income (Expenses) - Net**

	2016 (3 Months) Rp	2015 (3 Months) Rp
<b>Other Income</b>		
Dividend Income	62,204,348,780	41,147,512,885
Gain on Foreign Exchange - Net	98,797,609,933	--
Others	--	45,885,295,410
<b>Total Other Income</b>	<u>161,001,958,713</u>	<u>87,032,808,295</u>

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	<b>2016 (3 Months) Rp</b>	<b>2015 (3 Months) Rp</b>
<b>Other Expenses</b>		
Amortization Expense	15,154,506,160	19,838,997,303
Loss on Sale of Property and Equipment	283,989,082	--
Loss on Foreign Exchange - Net	--	3,670,467,450
Others	22,605,445,573	--
<b>Total Other Expenses</b>	<b>38,043,940,815</b>	<b>23,509,464,753</b>

**Dividend Income**

Dividend income represents dividend from LMIR Trust and First REIT by Bridgewater International Ltd., Bowsprit Capital Corporation Ltd., LMIRT Management Ltd. and PT Menara Tirta Indah, all subsidiaries.

**41. Basic Earnings Per Share**

The calculation of basic earnings per share is as follows:

	<b>2016 (3 Months)</b>	<b>2015 (3 Months)</b>
Profit for the Period Attributable to Owner of the Parent (Rupiah)	308,678,538,451	417,369,383,565
Weighted Average Number of Common Stocks (Share)	22,771,585,119	22,771,585,119
Basic Earnings per Share (Rupiah)	13.56	18.33

**42. Commitments**

**a. Operational and Management Agreements**

- On August 20, 2004, the Company entered into an agreement with PT Untaian Rejeki Abadi (URA) whereby the Company will provide technical and marketing services to URA's business property with an area of 10,568 sqm up to May 27, 2034, which can be extended. URA shall pay a certain amount as specified in the agreement.
- On April 9, 2006, PT Lippo Malls Indonesia (LMI), a subsidiary, entered into shopping centers management agreement with their main stockholders to manage, to sell and maintain the shopping centers' facilities. LMI shall receive certain management service fee as stipulated in the agreement. Total management fee earned for the 3 (three) months periods ended March 31, 2016 and 2015 amounted to Rp27,000,000,000 and Rp23,000,000,000, respectively.
- LMIRT Management Ltd (LMIR TM), a subsidiary, entered into an agreement with HSBC Institutional Trust Services (Singapore) Limited, as a trustee of Lippo-Malls Indonesia Retail Trust (LMIR Trust) effective from the listing date of LMIR Trust (November 14, 2007). Based on the agreement, LMIR TM will provide management services to LMIR Trust, among others, investment strategic and investment as well as divestment recommendations. For such services, LMIR TM shall receive certain compensation as stated in the agreement.
- Group entered into several agreements with contractors for the development of their projects. As of March 31, 2016, the outstanding commitments amounted to Rp11,705,150,435,905 with commitments not yet realized of Rp1,729,149,204,564. In 2015, total outstanding commitment amounted to Rp10,967,368,997,703 with commitments not yet realized amounted to Rp1,664,574,315,151.

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**b. Rental Agreements**

- Based on Deeds of Sale and Purchase Agreements Nos. 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253 and 254 dated December 11, 2006, all of which were made in the presence of Unita Christina, S.H., a notary in Tangerang, Deeds of Sale and Purchase Agreements Nos. 135, 136, 137, 138, 139, 140, 141, 142 and 143 dated December 11, 2006, all of which were made in the presence of Rusdi Muljono, S.H., a notary in Surabaya; and Deed of Sale and Purchase Agreement No. 41 dated December 11, 2006, which was made in the presence of Wenda Taurusita Amidjaja, S.H., a notary in Jakarta, the Company and PT Prudential Hotel Development, a subsidiary, transferred the land and building of their 3 hospitals and 1 hotel to PT Karya Sentra Sejahtera (KSS), PT Graha Indah Pratama (GIP), PT Tata Prima Indah (TPI) and PT Sentra Dinamika Perkasa (SDP) which are owned 100% directly by Lovage International Pte. Ltd., Henley Investments Pte. Ltd., Primerich Investment Pte. Ltd. and Got Pte. Ltd., whereas those Companies were owned by First Real Estate Investment Trust (First REIT). Based on rental agreement of Allen & Gledhill Advocates & Solicitors dated October 23, 2006, the Company entered into rental and management agreement of certain assets which have been transferred aforesaid, with KSS, GIP, TPI and SDP for 15 years. According to the agreement, the Company shall pay certain amount as stipulated in the agreement.

Sale and lease-back transaction above meets the classification of operating lease and the transaction price is above its fair value, then the difference is recognized as deferred gain (see Note 28).

Rental expense of sale and lease-back transaction for the 3 (three) months periods ended March 31, 2016 and 2015 amounted to Rp41,793,609,286 and Rp40,430,184,547, respectively.

- On December 31, 2010, based on Deed of Sale and Purchase Agreement No. 146/2010, PT East Jakarta Medika (EJM), a subsidiary, sold the land and building of Siloam Cikarang Hospital (the Property) to PT Graha Pilar Sejahtera (GPS), a wholly owned subsidiary of First REIT at the selling price of SGD33,333,333 and leased back the Property.

Based on the rental agreement of Allen & Gledhill Advocates & Solicitors dated November 8, 2010, EJM, which received novation from the Company on October 10, 2011, entered into a lease agreement with GPS for 15 years. Based on the agreement, EJM shall pay rental fee which consist base rent and variable rent. Base rent was determined in the first year and will be adjusted subsequently, while variable rent will be commenced in the second year based on certain percentage of gross revenue. Rental expense will be paid quarterly. Any late payment will be subject to 2% penalty plus average lending rate of 3 banks in Singapore.

As this sale and leaseback transaction met the classification of operating lease and the transaction price was above its fair value, the difference was recognized as deferred gain (see Note 28).

Rental expense of sale and lease-back transaction for the 3 (three) months periods ended March 31, 2016 and 2015 amounted to Rp4,617,667,818 and Rp4,933,859,674 respectively.

- Based on the rental agreement of Allen & Gledhill Advocates & Solicitors dated November 8, 2010, the Company entered into a lease agreement with PT Primatama Cemerlang (PC), the owner of land and building of "Mochtar Riady Comprehensive Cancer Centre" (MRCCC) for 15 years. PC is wholly owned by First REIT. The Company shall pay certain amount as stipulated in the agreement.

Rental expense of sale and lease-back transaction for the 3 (three) months period ended March 31, 2016 and 2015 amounted to Rp34,088,871,861 and Rp35,185,166,620, respectively.

- On January 7, 2012, PT Siloam International Hospitals Tbk (SIH) entered into a lease agreement of building of Siloam Hospitals Palembang (Siloam Sriwijaya) with

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PT Palembangparagon Mall (PM). This agreement is valid for 10 years since the grand opening of the hospital and include a rental free years (grace year) for 3 (three) months after the grand opening of the hospital.

Based on the agreement, Siloam Sriwijaya shall pay a rental fee amounted to Rp3,000,000,000 and increase by Rp500,000,000 in every three years, which will be paid in advance for each year, not later than 10 (ten) day of 1 (first) month of lease year.

On October 5, 2012, PM entered into transfer of property ownership agreement with PT Bisma Pratama Karya, thus, Siloam Sriwijaya accept the novation of lease ownership. This Agreement does not change the terms of the previous lease agreement.

On January 2, 2014, PT RS Siloam Hospital Sumsel entered into a lease agreement of building of Siloam Hospitals Palembang (Siloam Sriwijaya) with PT Bisma Pratama Karya. This agreement was terminated based on termination agreement on December 2, 2014 due to novation of building. On December 2, 2014, PT RS Siloam Sumsel entered into a lease agreement of hospital building of Siloam Sriwijaya with PT Metropolis Propertindo Utama. This agreement is valid for 15 years since the issuance of business license of Siloam Sriwijaya dated November 6, 2013 and will be expired in one year. Rental expense will be paid quarterly.

Rental expense for the 3 (three) months periods ended March 31, 2016 and 2015 amounted to Rp375,000,000 and Rp1,115,356,429, respectively.

- Based on the rental agreement of Allen & Gledhill Advocates & Solicitors dated September 21, 2012, the Company entered into a lease agreement with PT Menara Abadi Megah (MAM), the owner of land and building of "Hotel Aryaduta and Rumah Sakit Siloam Manado" for 15 years. The Company shall pay certain amount as stipulated in the agreement.

Rental expense of sale and lease-back transaction for the 3 (three) months periods ended March 31, 2016 and 2015 amounted to Rp14,752,675,586 and Rp14,586,376,813, respectively.

- Based on the Deed of Sale and Purchase Agreement No. 091/2012, dated November 30, 2012, made in the presences of Maria Josefina Grace Kawi Tandiari S.H., a Notary in Makassar, PT Siloam Karya Sejahtera (SKS), a subsidiary, sold the land and buildings Siloam Hospitals Makassar (the property) to PT Bayutama Sukses (BS), where BS is a subsidiary owned 100% by First REIT. The selling price of the property amounted to Rp467,287,558,000 and the property is leased back.

Based on the rental agreement of Allen & Gledhill Advocates & Solicitors dated September 21, 2012, the Company entered into a lease agreement for 15 years. The Company shall pay certain amount as stipulated in the agreement.

Sale and lease-back transaction above meets the classification of an operating lease and the transaction price is above its fair value, then the difference is recognized as deferred gain (see Note 28).

Rental expense of sale and lease-back transaction for the 3 (three) months periods ended March 31, 2016 and 2015 amounted to Rp10,947,494,791 and Rp9,984,722,224, respectively.

- Based on Deed of Sale and Purchase Agreement Nos. 25/2013, 26/2013, 27/2013, 28/2013, 29/2013, 30/2013, and 31/2013 which are all dated May 13, 2013, made in the presence of Ambo Enre, S.H., a notary in Badung, PT Buana Mandiri Selaras (BMS), a subsidiary, sold the land and buildings of Siloam Hospitals Bali (the property) to PT Dasa Graha Jaya (DGJ), where DGJ is a subsidiary owned 100% by First REIT. The selling price of the property amounted to Rp731,641,420,610 and the property is leased back.

Based on lease agreement made by Allen & Gledhill Advocates & Solicitors dated March 26,

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2013, the Company entered into a lease agreement for 15 years. The Company will pay a certain amount as stipulated in the agreement.

Sale and lease back transaction above meets the classification of operating lease and the transaction price is above its fair value, then the difference is recognized as deferred gain (see Note 28).

Rental expense of sale and lease-back transaction for the 3 (three) months periods ended March 31, 2016 and 2015 amounted to Rp18,779,049,689 and Rp18,679,944,928, respectively.

- Based on lease agreement made by Allen & Gledhill Advocates & Solicitors dated March 26, 2013, The Company entered into a lease agreement with PT Perisai Dunia Sejahtera (PDS), the owner of the land and buildings of "TB Simatupang Siloam Hospitals" for 15 years. The Company will pay a certain amount as stipulated in the agreement.

Rental expense of sale and lease-back transaction for the 3 (three) months periods ended March 31, 2016 and 2015 amounted to Rp17,944,844,721 and Rp17,830,197,102, respectively.

- In Februari 2005, PT Diagram Healthcare Indonesia (DHI), a subsidiary, entered into a lease agreement on hospital building of Siloam Hospitals Cinere with PT Anadi Sarana Tatahusada. This agreement is valid for 13 years with total rental amount of Rp12,000,000,000.

Rental expense for the 3 (three) months periods ended March 31, 2016 and 2015 amounted to Rp253,846,154 and Rp253,846,154, respectively.

- On May 28, 2014, PT Berlian Cahaya Indah, a subsidiary, entered into a lease agreement on building of Siloam Hospital Purwakarta with PT Metropolis Propertindo Utama. This agreement is valid for 15 years from the date of issuance of the business license of Siloam Purwakarta. Business license Siloam Purwakarta is dated May 14, 2014 and will be expired in one year. Rental expense will be paid quarterly.

Rental expense for the 3 (three) months periods ended March 31, 2016 and 2015 amounted to Rp1,080,000,000 and nil, respectively.

- On December 20, 2014, PT Krisolis Jaya Mandiri, a subsidiary, entered into a lease agreement on building of Siloam Hospitals Kupang with PT Busa Bahana Niaga. This agreement is valid for 15 years from the date of issuance of the business license of Siloam Purwakarta. Business license Siloam Purwakarta is dated December 1, 2014 and will be expired in one year. Rental expense will be paid quarterly.

Rental expense for the 3 (three) months period ended March 31, 2016 amounted to nil.

**c. Master Agreement between PT Siloam International Hospitals Tbk (SIH), a subsidiary, with PT Metropolis Propertindo Utama (MPU)**

On April 30, 2013, SIH entered into a preliminary agreement with MPU which include:

- Sale and purchase of shares of Siloam Hospitals Malang, Siloam Hospitals Salemba and Siloam Hospitals Surabaya Sea Master;
- Right to build properties that will be used as Siloam Hospitals Padang, Siloam Hospitals Bangka Belitung, Siloam Hospitals Semarang Srandol, Siloam Hospitals Bogor Internusa, Siloam Hospitals Jember, Siloam Hospitals Bluemall Bekasi, Siloam Hospitals Bekasi Grand Mall, Siloam Hospitals MT Haryono, Siloam Hospitals Salemba and Siloam Hospitals Lampung;
- Property lease agreement that will be used as Siloam Hospitals Surabaya Sea Master, Siloam Hospitals Pluit and Siloam Hospitals Cempaka Putih; and
- The agreement to offer certain property to be operated as Siloam Hospitals Ambon, Siloam Hospitals Lubuk Linggau, Siloam Hospitals Manado Kairagi, Siloam Hospitals Serang and Siloam Hospitals Pekanbaru.

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**d. Hedging Transaction Agreements on Bonds denominated in U.S. Dollar**

- On May 29, 2012, the Company entered into Non-Deliverable USD Call Spread Option transaction with Morgan Stanley & Co International Plc (MS), amounting to USD50,000,000 for strike prices between Rp9,500 - Rp11,500 with an annual premium rate of 1.26%. On April 21, 2015, the Company cancelled and restructured the transaction with new strike prices between Rp10,200 - Rp11,500 and Rp12,500 – 13,225 with an annual premium rate of 1.26%. Premium will be paid every May 16 and November 16. This transaction will due on May 16, 2019. As of March 31, 2016, the fair value of this transaction amounted to USD7,039,464 (equivalent Rp93,455,922,095).
- On May 29, 2012, the Company entered into Non-Deliverable USD Call Spread Option transaction with Deutsche Bank AG (DB), Singapore branch, amounting to USD50,000,000 for strike prices between Rp9,500 - Rp11,500 with an annual premium rate of 1.26%. On April 24, 2015, the Company restructured the transaction with new strike prices between Rp10,200 - Rp11,500 and Rp12,500 – 13,210 with an annual premium rate of 1.26%. Premium will be paid every May 16 and November 16. This transaction will due on May 16, 2019. As of March 31, 2016, the fair value of this transaction amounted to USD6,369,563 (equivalent Rp84,562,314,347).
- On June 5, 2012, the Company entered into Non-Deliverable USD Call Spread Option transaction with J.P. Morgan (S.E.A) (JPM) Limited, Singapore branch, amounting to USD25,000,000 for strike prices between Rp9,500 - Rp11,500 with an annual premium rate of 1.18%. On April 24, 2015, the Company restructured the transaction with new strike prices between Rp10,200 - Rp11,500 and Rp12,500 – 13,230 with an annual premium rate of 1.18%. Premium will be paid every May 16 and November 16. This transaction will due on May 16, 2019. As of March 31, 2016, the fair value of this transaction amounted to USD3,283,333 (equivalent Rp43,589,522,409).
- On June 26, 2012, the Company entered into Non-Deliverable USD Call Spread Option transaction with Nomura International plc (NIP), United Kingdom branch, amounting to USD25,000,000 for strike prices between Rp9,500 - Rp11,500 with an annual premium rate of 1.125%. On April 21, 2015, the Company cancelled and restructured the transaction with new strike prices between Rp10,200 - Rp11,500 and Rp12,500 – 13,200 with an annual premium rate of 1.125%. Premium will be paid every May 16 and November 16. This transaction will due on May 16, 2019. As of March 31, 2016, the fair value of this transaction amounted to USD6,929,804 (equivalent Rp92,000,082,979).
- On October 29, 2012, the Company entered into Non-Deliverable USD Call Spread Option transaction with BNP Paribas (BNP), Singapore branch, amounting to USD115,000,000 for strike prices between Rp9,500 - Rp11,500 with an annual premium rate of 0.69%. On April 21, 2015, the Company replaced the transaction with new strikes price between Rp10,200 - Rp11,500 and Rp12,500 – 13,205 with an annual premium rate of 0.69%. Premium will be paid every May 16 and November 14. This transaction will due on November 16, 2020. As of March 31, 2016, the fair value of this transaction amounted to USD15,983,453 (equivalent Rp212,196,316,326).
- On October 29, 2012, the Company entered into Non-Deliverable USD Call Spread Option transaction with JPM, Singapore branch, amounting to USD140,000,000 for strike prices between Rp9,500 - Rp11,500 with an annual premium rate of 0.69%. On April 21, 2015, the Company cancelled and restructured the transaction with new strike prices between Rp10,200 - Rp11,500 and Rp12,500 – 13,210 with an annual premium rate of 0.69%. Premium will be paid every May 14 and November 14. This transaction will due on November 14, 2020. As of March 31, 2016, the fair value of this transaction amounted to USD15,759,836 (equivalent Rp209,227,580,069).
- On November 8, 2012, the Company entered into Non-Deliverable USD Call Spread Option transaction with MS, United Kingdom branch, amounting to USD 21,000,000 for strike prices between Rp9,500 - Rp11,500 with an annual premium rate of 0.685%. On April 21, 2015, the



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Company terminated and restructured the transaction with new strike prices between Rp10,200 - Rp11,500 and Rp12,500 – 13,225 with an annual premium rate of 0.685%. Premium will be paid every May 14 and November 14. This transaction will due on November 14, 2020. As of March 31, 2016, the fair value of this transaction amounted to USD2,590,348 (equivalent Rp34,389,464,745).

- On January 15, 2013, the Company entered into Non-Deliverable USD Call Spread Option transaction with MS, United Kingdom branch, amounting to USD97,000,000 for strike prices between Rp9,500 - Rp11,500 with an annual premium rate of 0.525%. On April 21, 2015, the Company replaced the transaction with new strikes price between Rp10,200 - Rp11,500 and Rp12,500 – 13,225 with an annual premium rate of 0.525%. Premium will be paid every May 14 and November 14. This transaction will due on November 14, 2020. As of March 31, 2016, the fair value of this transaction amounted to USD12,560,393 (equivalent Rp166,751,782,568).
- On January 25, 2013, the Company entered into Non-Deliverable USD Call Spread Option transaction with NIP, United Kingdom branch, amounting to USD 50,000,000 for strike prices between Rp9,500 - Rp11,500 with an annual premium rate of 1.440%. On April 21, 2015, the Company terminated and restructured the transaction with new strike prices between Rp10,200 - Rp11,500 and Rp12,500 – 13,200 with an annual premium rate of 2.27%. Premium will be paid every May 16 and November 16. This transaction will due on May 16, 2019. As of March 31, 2016, the fair value of this transaction amounted to USD10,220,830 (equivalent Rp135,691,741,949).
- On January 25, 2013, the Company entered into Non-Deliverable USD Call Spread Option transaction with BNP, Singapore branch, amounting to USD30,000,000 for strike prices between Rp9,500 - Rp11,500 with an annual premium rate of 1.075%. On April 21, 2015, the Company replaced the transaction with new strike prices between Rp10,200 - Rp11,500 and Rp12,500 – 13,205 with an annual premium rate of 1.075%. Premium will be paid every May 14 and November 14. This transaction will due on November 14, 2020. As of March 31, 2016, the fair value of this transaction amounted to USD3,726,021 (equivalent Rp49,466,653,443).
- On January 28, 2013, the Company entered into Non-Deliverable USD Call Spread Option transaction with JPM, Singapore branch, amounting to USD25,000,000 for strike prices between Rp9,500 - Rp11,500 with an annual premium rate of 1.429%. On April 24, 2015, the Company cancelled and restructured the transaction with new strike prices between Rp10,200 - Rp11,500 and Rp12,500 – 13,230 with an annual premium rate of 1.429%. Premium will be paid every May 16 and November 16. This transaction will due on May 16, 2019. As of March 31, 2016, the fair value of this transaction amounted to USD3,113,407 (equivalent Rp41,333,588,416).
- On January 28, 2013, the Company entered into Non-Deliverable USD Call Spread Option transaction with DB, Singapore branch, amounting to USD25,000,000 for strike prices between Rp9,500 - Rp11,500 with an annual premium rate of 1.450%. On April 24, 2015, the Company replaced the transaction with new strike prices between Rp10,200 - Rp11,500 and Rp12,500 – 13,210 with an annual premium rate of 1.450%. Premium will be paid every May 16 and November 16. This transaction will due on May 16, 2019. As of March 31, 2016, the fair value of this transaction amounted to USD3,055,119 (equivalent Rp40,559,761,757).
- On September 26, 2013, the Company entered into Non-Deliverable USD Call Spread Option transaction with DB, Singapore branch, amounting to USD50,000,000 for strike prices between Rp11,500 - Rp12,500 with an annual premium rate of 0.83%. Premium will be paid every May 16 and November 16. This transaction will due on May 16, 2019. As of March 31, 2016, the fair value of this transaction amounted to USD2,728,318 (equivalent Rp36,221,150,905).
- On September 26, 2013, the Company entered into Non-Deliverable USD Call Spread Option transaction with BNP, Singapore branch, amounting to USD100,000,000 for strike prices between Rp11,500 - Rp12,500 with an annual premium rate between 0.80%. Premium will be paid every May 16 and November 16. This transaction will due on May 16, 2019. As of March 31, 2016, the fair value of this transaction amounted to USD7,149,069 (equivalent Rp94,911,041,979).

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- On September 27, 2013, the Company entered into Non-Deliverable USD Call Spread Option transaction with JPM, Singapore branch, amounting to USD50,000,000 for strike prices of Rp11,500 - Rp12,500 with an annual premium rate of 0.83%. Premium will be paid every May 16 and November 16. This transaction will due on May 16, 2019. As of March 31, 2016, the fair value of this transaction amounted to USD2,714,669 (equivalent Rp36,039,951,387).
- On October 1, 2013, the Company entered into Non-Deliverable USD Call Spread Option transaction with DB, Singapore branch, amounting to USD75,000,000 for strike prices of Rp11,500 - Rp12,500 with an annual premium rate between 0.70%. Premium will be paid every May 14 and November 14. This transaction will due on November 14, 2020. As of March 31, 2016, the fair value of this transaction amounted to USD3,090,494 (equivalent Rp41,029,399,245).
- On October 1, 2013, the Company entered into Non-Deliverable USD Call Spread Option transaction with BNP, Singapore branch, amounting to USD63,000,000 for strike prices of Rp11,500 - Rp12,500 with an annual premium rate between 0.695%. Premium will be paid every May 14 and November 14. This transaction will due on November 14, 2020. As of March 31, 2016, the fair value of this transaction amounted to USD4,301,873 (equivalent Rp57,111,664,856).
- On October 1, 2013, the Company entered into Non-Deliverable USD Call Spread Option transaction with NIP, British branch, amounting to USD75,000,000 for strike prices of Rp11,500 - Rp12,500 with an annual premium rate between 0.70%. Premium will be paid every May 14 and November 14. This transaction will due on November 14, 2020. As of March 31, 2016, the fair value of this transaction amounted to USD5,421,270 (equivalent Rp71,972,784,850).
- On October 1, 2013, the Company entered into Non-Deliverable USD Call Spread Option transaction with JPM, Singapore branch, amounting to USD140,000,000 for strike prices option of Rp11,500 - Rp12,500 with an annual premium rate between 0.695%. Premium will be paid every May 14 and November 14. This transaction will due on November 14, 2020. As of March 31, 2016, the fair value of this transaction amounted to USD5,634,747 (equivalent Rp74,806,903,436).
- On October 1, 2013, the Company entered into Non-Deliverable USD Call Spread Option transaction with MS, British branch, amounting to USD50,000,000 for strike prices of Rp11,500 - Rp12,500 with an annual premium rate between 0.70%. Premium will be paid every May 14 and November 14. This transaction will due on November 14, 2020. As of March 31, 2016, the fair value of this transaction amounted to USD2,731,746 (ekuivalen Rp36,266,665,309).
- On April 24, 2014, the Company entered into Non-Deliverable USD Call Spread Option transaction with NIP, British branch, amounting to USD50,000,000 for strike prices of Rp11,500 - Rp13,500 with an annual premium rate 1.20%. Premium will be paid every April 11 and October 11. This transaction will due on April 11, 2022. As of March 31, 2016, the fair value of this transaction amounted to USD4,108,281 (equivalent Rp54,541,539,026).
- On May 5, 2014, the Company entered into Non-Deliverable USD Call Spread Option transaction with BNP, Singapore branch, amounting to USD50,000,000 for strike prices of Rp11,500 - Rp13,500 with an annual premium rate 1.14%. Premium will be paid every April 11 and October 11. This transaction will due on April 11, 2022. As of March 31, 2016, the fair value of this transaction amounted to USD3,780,269 (equivalent Rp50,186,848,364).
- On May 5, 2014, the Company entered into Non-Deliverable USD Call Spread Option transaction with DB, Singapore branch, amounting to USD50,000,000 for strike prices of Rp11,500 - Rp13,500 with an annual premium rate 1.205%. Premium will be paid every April 11 and October 11. This transaction will due on April 11, 2022. As of March 31, 2016, the fair value of this transaction amounted to USD2,667,370 (equivalent Rp35,412,005,049).

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**e. Sale Purchases and Swap Agreement**

On October 2015, PT Saputra Karya (SK), a subsidiary, and PT Tata Prima Indah (TPI), a subsidiary of LMIR Trust, entered into an agreement of sales, purchase, construct and swap of land and property of Siloam Hospitals Surabaya (existing SHS) located in Gubeng Surabaya. As agreed in the agreement, SK will buy a parcel of land owned by TPI, located next to the land owned by SK in Gubeng, Surabaya, at the price of Rp79,150,000,000. Upon the purchasing of TPI's land, SK has the obligation to construct the new Siloam Hospitals Surabaya (new SHS) on its land (existing land and the land purchased from TPI). After the new SHS construction completed, SK will sell the new SHS to TPI with at the price of Rp873.190.000.000. After the new SHS transferred process completed, TPI will sell back the existing SHS to SK at the price of Rp265,450,000,000.

**f. Joint operation Agreement**

PT Megakreasi Cikarang Damai, a subsidiary, entered the joint operation agreement for managing Delta Silicon 8 with PT Cikarang Hijau Indah as the owner's of the 227 hectare of land. Based on the Deed No.26 dated July 24, 2014 which was made in the presence of Sriwi Bawana Nawaksari, S.H., a notary in Tangerang, the joint operation includes planning, development, construction, marketing, selling, rental and managing of land area of the joint operation as the industrial area including its infrastructures and facilities. Term of the agreement is two (2) years and will be automatically extended if sales have been reached 50% of the total available land. Until March 31, 2016 and December 31, 2015, the selling of land had reached 62 hectares and 60 hectares, respectively.

**g. Sales & Purchase Agreement**

- On January 8, 2016, PT Pamor Paramita Utama, a subsidiary, entered into conditional sales and purchase agreement Lippo Mall Kuta (Bali) to Lippo Mall Indonesia Retail Trust (LMIRT), the transfer price amounted to Rp800 billion. As of the date of consolidated interim financial statements, there has been no payment from LMIRT.
- On February 3, 2016, PT Mulia Citra Abadi, a subsidiary, entered into conditional sale and purchase agreement property of Siloam Hospital Yogyakarta and Lippo Plaza Yogyakarta to First REIT and LMIRT, together with the transfer price amounted to Rp900 billion. As of the date of consolidated interim financial statements, there has been no payment from First REIT and LMIRT.

**43. Operating Segment**

An operating segment is a component of the entity that engages in business activity whose operating results are regularly reviewed by management, and its financial information can be presented separately.

The Company has six (6) operating segments i.e.,:

- (i) Urban development, which comprises, among others, activities in real estate in urban development and development of facilities and its infrastructure.
- (ii) Large scale integrated development, which comprises, among others, activities in real estate in large scale integrated development project and its infrastructure development.
- (iii) Retail malls, which comprises among others, activities in real estate in development and management of shopping center.
- (iv) Healthcare, which comprises activities in health services.
- (v) Hospitality and infrastructure, which comprise, among others, activities in hotels, restaurants, town management and water and sewage treatment, recreation center, transportation and maintenance services.
- (vi) Property and portfolio management, which comprises, among others, activities in management services.

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The following are Group's operating segment as of March 31, 2016 and 2015 :

	2016 (3 Months)						(In Thousand Rupiah)	
	Urban Development	Large Scale Integrated Development	Retail Malls	Healthcare	Hospitality and Infrastructure	Property and Portfolio Management	Elimination	Consolidated
	Rp	Rp	Rp	Rp	Rp	Rp		Rp
Revenues	769,080,183	243,118,180	61,715,502	1,253,836,290	216,503,121	88,219,983	(27,277,756)	2,605,195,503
Tax Expense - Final	(35,006,551)	(19,008,321)	(5,720,169)	--	--	--	--	(59,735,041)
Revenues - Net	734,073,632	224,109,859	55,995,333	1,253,836,290	216,503,121	88,219,983	(27,277,756)	2,545,460,462
Gross Profit	410,183,131	99,283,404	54,400,717	374,579,273	115,976,701	84,200,072	(27,277,756)	1,111,345,542
Selling Expenses	(53,034,637)	(11,350,468)	(16,452,602)	(14,671,615)	(2,283,304)	(19,645,052)	2,288,637	(115,149,041)
General and Administrative Expense	(210,017,574)	(11,190,546)	(2,186,553)	(278,666,210)	(41,582,441)	(30,209,631)	24,989,119	(548,863,836)
Interest Income	28,733,144	3,805,947	240,013	892,415	429,927	489,633	(17,380,603)	17,210,476
Interest Expense	(65,521,109)	(32,407,794)	(8,180,515)	(15,533,671)	(728,674)	(14,435)	17,380,603	(105,005,595)
Other Income (Expenses) - Net	135,551,706	(10,809,568)	(7,036,670)	(7,355,684)	(412,550)	13,020,784	--	122,958,018
Share in the profit of Associates and Joint Venture	361,050	--	--	--	682,372	--	--	1,043,422
<b>Profit Before Tax</b>	<b>246,255,711</b>	<b>37,330,975</b>	<b>20,784,390</b>	<b>59,244,508</b>	<b>72,082,031</b>	<b>47,841,371</b>	<b>--</b>	<b>483,538,986</b>
Tax Benefit (Expense)								
Current	1,655,688	--	--	(19,543,322)	(3,810,916)	(5,800,733)	--	(27,499,283)
Deferred	(1,920,206)	--	--	518,376	403,681	--	--	(998,149)
<b>Profit for the Period</b>	<b>245,991,193</b>	<b>37,330,975</b>	<b>20,784,390</b>	<b>40,219,562</b>	<b>68,674,796</b>	<b>42,040,638</b>	<b>--</b>	<b>455,041,554</b>
Profit for the period attributable to:								
Owner of the Parent Company	112,010,943	25,406,594	21,041,979	39,507,357	68,674,796	42,036,870	--	308,678,539
Non-Controlling Interest	133,980,250	11,924,381	(257,589)	712,205	--	3,768	--	146,363,015
	<b>245,991,193</b>	<b>37,330,975</b>	<b>20,784,390</b>	<b>40,219,562</b>	<b>68,674,796</b>	<b>42,040,638</b>	<b>--</b>	<b>455,041,554</b>
Segment Assets	26,187,312,883	7,839,347,441	2,388,424,724	3,159,209,580	716,243,036	1,620,662,320	--	41,911,199,984
Investment in Associates	120,183,359	--	--	--	1,725,413	--	--	121,908,772
<b>Total Assets</b>	<b>26,307,496,242</b>	<b>7,839,347,441</b>	<b>2,388,424,724</b>	<b>3,159,209,580</b>	<b>717,968,449</b>	<b>1,620,662,320</b>	<b>--</b>	<b>42,033,108,756</b>
<b>Sengment Liabilities</b>	<b>16,487,627,732</b>	<b>3,940,573,625</b>	<b>786,809,761</b>	<b>1,022,097,239</b>	<b>79,091,762</b>	<b>226,971,744</b>	<b>--</b>	<b>22,543,171,863</b>
<b>Capital Expenditures</b>	99,703,054	11,419,164	1,522,619	94,027,761	49,386	--	--	206,721,984
<b>Depreciation</b>	13,007,816	1,407,659	1,281,236	87,139,258	10,996,684	1,292,959	--	115,125,612
<b>Non-Cash Expenses Other than Depreciation</b>	15,129,798	--	24,709	--	--	--	--	15,154,507

  

	2015 (3 Months)						(In Thousand Rupiah)	
	Urban Development	Large Scale Integrated Development	Retail Malls	Healthcare	Hospitality and Infrastructure	Property and Portfolio Management	Elimination	Consolidated
	Rp	Rp	Rp	Rp	Rp	Rp		Rp
Revenues	637,546,829	535,377,630	53,999,631	976,385,634	179,380,139	77,789,450	(13,335,922)	2,447,143,391
Tax Expense - Final	(36,655,996)	(23,053,065)	(4,932,229)	--	--	--	--	(64,641,290)
Revenues - Net	600,890,833	512,324,565	49,067,402	976,385,634	179,380,139	77,789,450	(13,335,922)	2,382,502,101
Gross Profit	389,053,249	242,878,426	47,254,212	306,956,588	89,647,458	73,229,974	(13,335,922)	1,135,683,985
Selling Expenses	(50,734,742)	(6,295,247)	(12,754,797)	(5,304,225)	(2,969,027)	(24,797,045)	2,251,761	(100,603,322)
General and Administrative Expense	(153,828,151)	(34,705,110)	(4,827,110)	(226,780,308)	(35,550,659)	(27,956,165)	11,084,161	(472,563,342)
Interest Income	20,818,518	2,450,730	703,808	1,643,628	86,750	130,091	(8,669,368)	17,164,157
Interest Expense	(41,668,772)	(956,768)	(32,907)	(13,677,232)	(762,541)	(19,614)	8,669,368	(48,448,466)
Other Income (Expenses) - Net	23,982,310	32,712,145	11,627,654	(10,805,536)	(5,098,194)	11,104,965	--	63,523,344
Share in the profit of Associates and Joint Venture	(12,745,943)	--	--	--	14,601,435	--	--	1,855,492
<b>Profit Before Tax</b>	<b>174,876,469</b>	<b>236,084,176</b>	<b>41,970,860</b>	<b>52,032,915</b>	<b>59,955,222</b>	<b>31,692,206</b>	<b>--</b>	<b>596,611,848</b>
Tax Benefit (Expense)								
Current	(6,379,664)	--	--	(17,372,824)	(5,256,071)	(4,904,683)	--	(33,913,242)
Deferred	(2,369,539)	--	--	(1,008,044)	1,177,158	--	--	(2,200,425)
<b>Profit for the Period</b>	<b>166,127,266</b>	<b>236,084,176</b>	<b>41,970,860</b>	<b>33,652,047</b>	<b>55,876,309</b>	<b>26,787,523</b>	<b>--</b>	<b>560,498,181</b>
Profit for the period attributable to:								
Owner of the Parent Company	24,299,107	234,769,401	40,688,047	34,529,177	55,876,309	27,207,343	--	417,369,384
Non-Controlling Interest	141,828,159	1,314,775	1,282,813	(877,130)	--	(419,820)	--	143,128,797
	<b>166,127,266</b>	<b>236,084,176</b>	<b>41,970,860</b>	<b>33,652,047</b>	<b>55,876,309</b>	<b>26,787,523</b>	<b>--</b>	<b>560,498,181</b>
Segment Assets	24,839,856,043	7,407,860,904	2,169,961,610	2,926,947,290	721,941,869	1,452,102,288	--	39,518,670,004
Investment in Associates	120,265,359	--	--	--	1,643,413	--	--	121,908,772
<b>Total Assets</b>	<b>24,960,121,402</b>	<b>7,407,860,904</b>	<b>2,169,961,610</b>	<b>2,926,947,290</b>	<b>723,585,282</b>	<b>1,452,102,288</b>	<b>--</b>	<b>39,640,578,776</b>
<b>Sengment Liabilities</b>	<b>15,089,685,515</b>	<b>3,392,753,893</b>	<b>478,821,321</b>	<b>837,053,415</b>	<b>69,763,937</b>	<b>258,731,248</b>	<b>--</b>	<b>20,126,809,329</b>
<b>Capital Expenditures</b>	53,681,617	21,052,124	28,218,756	111,685,092	14,246,854	--	--	228,884,443
<b>Depreciation</b>	13,800,022	1,550,042	1,099,599	80,671,268	10,975,453	366,905	--	108,463,289
<b>Non-Cash Expenses Other than Depreciation</b>	19,838,997	--	--	--	--	--	--	19,838,997

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**44. Monetary Asset and Liabilities Denominated in Foreign Currencies**

	March 31, 2016					
	Foreign Currencies					Equivalent in
	USD	JPY	SGD	EUR	AUD	Rupiah
Assets						
Cash and Cash Equivalents	13,751,793	9,739	28,059,915	330,546	12,447	463,493,510,314
Trade Accounts Receivable	--	--	2,546,204	--	--	25,029,185,320
Other Current Financial Assets	781,600	--	12,743,510	--	--	135,645,224,900
Other Non-Current Financial Assets	--	--	5,277,877	--	--	51,881,530,419
Total Assets	14,533,393	9,739	48,627,506	330,546	12,447	676,049,450,953
Liabilities						
Trade Accounts Payable	1,449,618	--	3,127,727	32,800	--	50,483,668,978
Accrued Expenses	25,790,032	--	453,830	--	--	346,849,613,732
Bonds Payable	803,306,000	--	-	--	--	10,664,690,456,000
Total Liabilities	830,545,650	--	3,581,557	32,800	--	11,062,023,738,710
Net Assets (Liabilities)	(816,012,257)	9,739	45,045,949	297,746	12,447	(10,385,974,287,757)
	December 31, 2015					
	Foreign Currencies					Equivalent in
	USD	JPY	SGD	EUR	AUD	Rupiah
Assets						
Cash and Cash Equivalents	16,638,757	113,800	20,491,726	206,685	356,340	437,354,595,949
Trade Accounts Receivable	4,060,235	--	2,122,398	--	--	76,706,847,979
Other Current Financial Assets	781,600	--	13,303,158	--	--	140,503,793,258
Other Non-Current Financial Assets	--	--	5,070,398	--	--	49,442,414,274
Total Assets	21,480,592	113,800	40,987,680	206,685	356,340	704,007,651,460
Liabilities						
Trade Accounts Payable	960,537	--	2,930,771	32,535	--	42,319,254,124
Accrued Expenses	9,419,437	--	1,771,578	--	--	147,216,127,093
Bonds Payable	803,306,000	--	--	--	--	11,081,606,270,000
Total Liabilities	813,685,974	--	4,702,349	32,535	--	11,271,141,651,217
Net Assets (Liabilities)	(792,205,382)	113,800	36,285,331	174,150	356,340	(10,567,133,999,757)

In relation with liability balances denominated in foreign currencies, the Company has entered into several contracts derivatives with other parties to manage the risk of foreign currency exchange rates (see Note 42.d).

**45. Contingencies**

- On March 27, 2009, dr Doro Soendoro, dr Liem Kian Hong and dr Hardi Susanto as the plaintiffs filed a lawsuit to PT Siloam International Hospitals (SIH), a subsidiary as defendant regarding the termination of plaintiff's work contract. All claims were declined through decision of District Court Jakarta Barat No. 147/Pdt.G/2009/PN.JKT.BAR dated July 23, 2009 however, the plaintiff's claim is granted through the decision of the High Court of Jakarta No.626/PDT/2009/PT.DKI date June 29, 2010.
- On September 24, 2010, the plaintiffs filed an appeal against the decision to the Supreme Court (SC). Then based on the contents of the Decision Notice Relas Supreme Court of Cassation No. 410.K/Pdt/2011.jo No.147/Pdt.G/2009/PN.Jkt.Bar date August 20, 2013, SC revoked the decision of District Court Jakarta Barat and that Jakarta Barat District Court has no authority to prosecute and punish the plaintiff to pay the court costs of Rp500,000. The decision of the Supreme Court mentioned above have been legally binding.

Responding to the verdict, on September 13, 2015, SIH filed a judicial review to the Supreme Court. As of the report date, the Company has not received further notice from the Supreme Court.

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- On July 9, 2009, Alfonsus Budi Susanto, SE, MA, the plaintiff, filed a lawsuit to SIH, a subsidiary as first defendant and four other defendants in connection with malpractice suffered by plaintiff. All claims were declined through decision of District Court Jakarta Utara No. 237/Pdt.G/2009/PN.Jkt.Ut dated March 11, 2010 and was upheld on May 18, 2011, through the decision of the High Court of Jakarta No. 548/PDT/2010/PT.DKI.

On February 23, 2012, the plaintiffs filed an appeal against the decision of the High Court to the Supreme Court. Dated July 11, 2013 reject the appeal filed Plaintiff and strengthen the North Jakarta District Court and the Jakarta High Court earlier. Currently, the decision of Supreme Court has been legally binding.

- On October 1, 2012, Wahyu Indrawan, the plaintiff, filed a lawsuit No. 71/Pdt.G/2012/PN.JBI to PT Golden First Atlanta (GFA), a subsidiary, as first defendant and two other defendants in connection with malpractice suffered by plaintiff's spouse. All claims were declined through decision of District Court Jambi No. 71/Pdt.G/2012/PN.JBI dated July 23, 2013 and was upheld on December 18, 2013, through the decision of the High Court of Jambi No. 63/PDT/2013/PT.JBI. On February 5, 2014, the plaintiff filed appeal to the Supreme Court. Until completion date of the consolidated interim financial statements, there has been no remained verdict.
- On August 8, 2014, Drs. Akhmad H. Harris, filed a lawsuit to District Court Tangerang PN 470 / Pdt.G / 2014 / PN.TNG against SIH with malpractice suffered by the plaintiff. The value of lawsuit filed by the plaintiffs include material damages amounting to Rp906,231,000 and non-material losses of Rp500,000,000. All claims of the plaintiff were declined through decision of District Court Tangerang No.470/Pdt.G/2014/PN.TNG dated August 6, 2015.

On August 19, 2015, Plaintiffs filed an appeal against the verdict on December 28, 2015in Banten High Court has filed the appeal case by case register number 131 / PDT / 2015 / PT.BTN. Until the completion date of the consolidated interim financial statements, the case is still in process.

- On December 16, 2014, dr. Arnold Bobby Soehartono, the plaintiff, filed a lawsuit to the Commercial Court in Surabaya District Court related to the use of plaintiff's portrait by SIH, a subsidiary ("Defendants"). Value of a lawsuit filed by the plaintiffs include compensation for Rp375.229.125 material and non-material losses amounting to Rp8,000,000,000.

The plaintiff's claim is granted through the decision of the Commercial Court in Surabaya District Court based on decision No. 10/HKI.Hak Cipta/2014/PN.Niaga.Sby dated April 13, 2015 where the defendant was punished to pay the compensation to the plaintiff amounted to Rp200,000,000 and force payment amounted to Rp500,000 every day since the decision remained verdict until execution of the legal case.

On April 27, 2015, the defendant filed a cassation on that verdict. Until the completion date of the consolidated interim financial statements, the case is still in process.

Management believes that there are no material financial impact on the future legal cases.

- Based on case No. 145/Pdt.G/2014/PN.Mks which was filed by Tenri Sompia, PT Gowa Makassar Tourism Development Tbk (GMTD), a subsidiary, is Defendant of 39,900 sqm land area located in Kaccia Village/ Patukangan Barombong Village, Tamalate District, Makassar. Until the completion date of the consolidated interim financial statements, the case is still under review to the Supreme Court of the Republic of Indonesia.
- Based on case No. 207/Pdt.G/2010/PN.Mks Tahun 2010, GMTD is an Intervention Plaintiff of 60,000 sqm land area, located in Maccini Sombala Village, Tamalate District, Makassar controlled by Najmiah Muin dan Fatimah Kalla. Until the completion date of the consolidated interim financial statements, the case is still in the planning of submission for judicial review to the Supreme Court of the Republic of Indonesia.
- Based on case No. 265/Pdt.G/2011/PN.Mks, GMTD is the Plaintiff of 68,929 sqm land area located in

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Mattoangin Village, Mariso District, Makassar controlled by Jhon Tandiary. Until the completion date of the consolidated interim financial statements, the case is still in the planning of submission for judicial review to the Supreme Court of the Republic of Indonesia.

- Based on case No. 243/Pdt.G/2011/PN.Mks, which was filed by Nurhayana Pamusereng GMTD is Defendant of 81,200 sqm land area, located in Maccini Sombala Village, Tamalate District, Makassar. Until the completion date of the consolidated interim financial statements, the case is still under review to the Supreme Court of the Republic of Indonesia.
- Based on case letter No. 163/Pdt.G/2013/PN.Mks, which was filed by Walfiat Morra, GMTD is the Defendant and Reconvention Plaintiff of 59,996 sqm land area located in Maccini Sombala Village, Tamalate District, Makassar City. Until the completion date of the consolidated interim financial statements, the case is still under appeal at the high court.
- Based on case No. 228/Pdt.G/2013/PN.Mks, which was filed by H. Lahaba Dg. Gassing, GMTD is Defendant of 3,000 sqm land area, located in the Tanjung Merdeka Village, Tamalate District, Makassar. Until the completion date of the consolidated interim financial statements, the case is still under appeal.
- Based on case No. 342/Pdt.G/2014, GMTD is Plaintiff of 30,376 sqm land area, located in Maccini Sombala Village, Tamalate District, Makassar. Until the completion date of the consolidated interim financial statements, the case is still under appeal.
- Based on case No. 324/Pdt.G/2014/PN.Mks, which was filed by Bunga Djarung, GMTD is the Defendant VI of 92,000 sqm land area, located in ORK Pattukangan Barombong Village, Tamalate District, Makassar. Until the completion date of the consolidated interim financial statements, the case is still under appeal.
- Based on case No. 318/Pdt.G/2013/PN.Mks, which was filed by Siti Aminah GMTD is the Co-Defendant I of 360 sqm land area located in Tanjung Merdeka Village, Tamalate District, Makassar City. Until the completion date of the consolidated interim financial statements, the case is still under appeal.
- Based on cases No. 58/Pdt.G/2014/PN.Mks and No. 59/Pdt.G/2014/PN.Mks, which was filed by Basri Kilat, GMTD is the Defendant II of 44,278 sqm land area, located in Tanjung Merdeka Village, Tamalate District, Makassar. Until the completion date of the consolidated interim financial statements, the case is still under appeal.
- Based on the cases No. 144/Pdt.G/2014/PN.Mks and No. 145/Pdt.G/2014/PN.Mks, which was filed by Baso Seni, GMTD is Defendant I of 36,600 sqm land area located in Kaccia Village/ Patukangan Barombong Village, Tamalate District, Makassar. Until the completion date of the consolidated interim financial statements, the case is still in the process of cassation to the Supreme Court of the Republic of Indonesia.
- Based on the case No. 144/Pdt.G/2014/PN.Mks, which was filed by Syamsir Arief, GMTD is Defendant II of a default lawsuit. Until the completion date of the consolidated interim financial statements, the case is still under examination in the District Court of Makassar.
- Based on the case No. 04/G/2015/PTUN.Mks, GMTD is Plaintiff of 21,530 sqm land area located in Mattoangin Village, Mariso District, Makassar controlled by Sainal Lonard. Until the completion date of the consolidated interim financial statements, the case is still under appeal.
- Based on the case No. 17/G/2015/PTUN.Mks, which was filed by Koperasi Unit Desa Mina, GMTD is Intervention Defendant II of 38,440 sqm land area located in Mattoangin Village, Mariso District. Until the completion date of the consolidated interim financial statements, the case is still under appeal.

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**46. Financial Instruments and Financial Risk Management**

The main financial risks faced by the Group are credit risk, foreign exchange rate risk, liquidity risk, interest risk and price risk. Attention of managing these risks has significantly increased in light of the considerable change and volatility in Indonesian and international markets.

The Board of Directors have reviewed the financial risk management policy regularly.

**(i) Credit Risk**

Credit risk is the risk that the Group will incur a loss arising from their customers, clients or counterparties that fail to discharge their contractual obligations. The Group's financial instruments that potentially contain credit risk are cash and cash equivalent, trade accounts receivable, other current financial assets, due from related parties, other non-current financial assets and investment available for sale. The maximum total credit risks exposure is equal to the amount of the respective accounts.

Total maximum credit risk exposure of financial assets on March 31, 2016 and December 31, 2015 are as follows:

	March 31, 2016		December 31, 2015	
	Carring Value Rp	Maximum Exposure Rp	Carring Value Rp	Maximum Exposure Rp
Financial Assets				
Fair value through profit or loss				
Derivative	1,791,724,685,509	1,791,724,685,509	2,015,953,790,020	2,015,953,790,020
Other Current Financial Assets	49,882,350,954	49,882,350,954	49,008,885,877	49,008,885,877
Loans and Receivables				
Cash and Cash Equivalents	1,970,717,828,730	1,970,717,828,730	1,839,366,003,277	1,839,366,003,277
Trade Accounts Receivable	1,744,253,582,494	1,744,253,582,494	1,434,347,507,641	1,434,347,507,641
Other Current Financial Assets	452,521,510,353	452,521,510,353	863,126,238,670	863,126,238,670
Due from Related Parties Non-trade	32,960,928,080	32,960,928,080	37,093,485,060	37,093,485,060
Other Non-Current Financial Assets	749,011,445,070	749,011,445,070	685,854,507,978	685,854,507,978
Available-for-Sale				
Available-for-Sale Investment	6,082,789,029,770	6,082,789,029,770	5,869,063,440,408	5,869,063,440,408
Investment in Shares	58,329,023,011	58,329,023,011	58,329,023,011	58,329,023,011
held-to-maturity financial assets				
Investments in Bond	10,000,000,000	10,000,000,000	10,000,000,000	10,000,000,000
<b>Total Financial Assets</b>	<b>12,942,190,383,971</b>	<b>12,942,190,383,971</b>	<b>12,862,142,881,942</b>	<b>12,862,142,881,942</b>

Group manage and control this credit risk by setting limits on the amount of risk they are willing to accept for respective customers and being more selective in choosing global and domestic company.

The following table analyzes assets over due but not impaired and not yet due but not impaired and financial assets that are individually to be impaired:

	March 31, 2016						
	Individually Impaired	Overdue But not Impaired			Not Yet Due and Not Impaired		Total
		0 - 90 Day	91 - 180 Day	> 181 Day	Global Company	Domestic Company	
	Rp	Rp	Rp	Rp	Rp	Rp	Rp
Financial Assets							
Fair value through profit or loss							
Derivative	--	--	--	--	1,791,724,685,509	--	1,791,724,685,509
Other Current Financial Assets	--	--	--	--	--	49,882,350,954	49,882,350,954
Loans and Receivables							
Cash and Cash Equivalents	--	--	--	--	410,997,184,130	1,559,720,644,600	1,970,717,828,730
Trade Accounts Receivable	79,482,383,554	271,325,284,016	65,310,085,574	196,595,603,896	60,720,675,954	1,150,301,933,054	1,823,735,966,048
Other Current Financial Assets	9,251,227,122	--	--	--	114,103,151,458	338,418,358,895	461,772,737,475
Due from Related Parties Non-trade	15,582,751,676	--	--	--	--	32,960,928,080	48,543,679,756
Other Non-Current Financial Assets	--	--	--	--	--	749,011,445,070	749,011,445,070
Available-for-Sale							
Available-for-Sale Investment	--	--	--	--	6,082,789,029,770	--	6,082,789,029,770
Investment in Shares	--	--	--	--	--	58,329,023,011	58,329,023,011
Held-to-maturity Financial Assets							
Investment in Bond	--	--	--	--	--	10,000,000,000	10,000,000,000
Total	104,316,362,352	271,325,284,016	65,310,085,574	196,595,603,896	8,460,334,726,821	3,948,624,683,664	13,046,506,746,323



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	December 31, 2015						
	Individually Impaired	Overdue But not Impaired			Not Yet Due and Not Impaired		Total
		0 - 90 Day	91 - 180 Day	> 181 Day	Global Company	Domestic Company	
	Rp	Rp	Rp	Rp	Rp	Rp	Rp
Financial Assets							
Fair value through profit or loss							
Derivative	--	--	--	--	2,015,953,790,020	--	2,015,953,790,020
Other Current Financial Assets	--	--	--	--	--	49,008,885,877	49,008,885,877
Loans and Receivables							
Cash and Cash Equivalents	--	--	--	--	365,151,660,796	1,474,214,342,481	1,839,366,003,277
Trade Accounts Receivable	91,468,709,993	223,118,214,459	53,706,272,647	161,665,951,150	49,932,275,382	945,924,794,004	1,525,816,217,634
Other Current Financial Assets	9,251,227,122	--	--	--	169,117,519,325	694,008,719,345	872,377,465,792
Due from Related Parties Non-trade	15,582,751,676	--	--	--	--	37,093,485,060	52,676,236,736
Other Non-Current Financial Assets	--	--	--	--	--	685,854,507,978	685,854,507,978
Available-for-Sale							
Available-for-Sale Investment	--	--	--	--	5,495,636,446,195	373,426,994,213	5,869,063,440,408
Investment in Shares	--	--	--	--	--	58,329,023,011	58,329,023,011
Held-to-maturity Financial Assets							
Investment in Bond	--	--	--	--	--	10,000,000,000	10,000,000,000
Total	116,302,688,791	223,118,214,459	53,706,272,647	161,665,951,150	8,095,791,691,718	4,327,860,751,969	12,978,445,570,733

The Group has provided allowance for impairment on due trade accounts receivable and other accounts receivable (see Notes 4 and 6).

Not yet due financial assets which have indication of credit risk are mainly from cash and cash equivalents and trade accounts receivable.

Management is in the opinion that there is no significant credit risk on placements in banks, due to fund placements only to reputable and creditworthy banks.

Management is in the opinion that not yet due accounts receivable have no significant credit risk, because receivables from selling units of property are secured by the related properties, where as the risks exposure are lower than the security, while accounts receivable non-property arisen from customers who has good track record.

**(ii) Liquidity Risk**

Liquidity risk is a risk when the cash flow position of the Group indicates that the short-term revenue is not enough to cover the short-term expenditure.

The Group manage this liquidity risk by maintaining an adequate level of cash and cash equivalents to cover Group's commitment in normal operation and regularly evaluates the projected and actual cash flow, as well as maturity date schedule of their financial assets and liabilities.

The following table analyzes the breakdown of financial liabilities based on maturity:

	March 31, 2016				
	Will Due In			Maturity not	Total
	Less Than 1 Year	1 - 5 Years	More than 5 Years	Determined	
	Rp	Rp	Rp	Rp	Rp
Measured at amortized cost					
Trade Accounts Payable - Third Parties	906,468,485,599	--	--	--	906,468,485,599
Accrued Expenses	1,173,603,448,814	--	--	--	1,173,603,448,814
Short-Term Post-Employment Benefits Liability	45,385,357,538	--	--	--	45,385,357,538
Other Current Financial Liabilities	--	--	--	524,692,815,767	524,692,815,767
Short-Term Bank Loan	896,768,940,522	--	--	--	896,768,940,522
Long-Term Bank Loan	59,151,098,911	481,844,650,271	--	--	540,995,749,182
Due to Related Parties Non-trade	--	--	--	2,425,352,150	2,425,352,150
Bonds Payable	--	3,307,778,085,488	7,170,750,216,496	--	10,478,528,301,984
Other Long-Term Financial Liabilities	--	--	--	93,773,885,749	93,773,885,749
Total	3,081,377,331,384	3,789,622,735,759	7,170,750,216,496	620,892,053,666	14,662,642,337,305

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	December 31, 2015				
	Will Due In			Maturity not Determined Rp	Total Rp
	Less Than 1 Year Rp	1 - 5 Years Rp	More than 5 Years Rp		
Measured at amortized cost					
Trade Accounts Payable - Third Parties	782,916,296,824	--	--	--	782,916,296,824
Accrued Expenses	1,006,468,547,643	--	--	--	1,006,468,547,643
Short-Term Post-Employment Benefits Liability	12,171,380,895	--	--	--	12,171,380,895
Other Current Financial Liabilities	--	--	--	339,865,932,700	339,865,932,700
Short-Term Bank Loan	962,173,564,967	--	--	--	962,173,564,967
Long-Term Bank Loan	48,261,246,570	390,275,459,789	81,474,173,648	--	520,010,880,007
Due to Related Parties Non-trade	--	--	--	7,528,997,776	7,528,997,776
Bonds Payable	--	3,664,250,000,000	7,218,809,011,816	--	10,883,059,011,816
Other Long-Term Financial Liabilities	--	--	--	85,551,631,230	85,551,631,230
<b>Total</b>	<b>2,811,991,036,899</b>	<b>4,054,525,459,789</b>	<b>7,300,283,185,464</b>	<b>432,946,561,706</b>	<b>14,599,746,243,858</b>

**(iii) Market Risk**

Market risks facing by the Group are mainly currency exchange rate risk, interest rate risk and price risk.

**a. Foreign Exchange Rate Risk**

Foreign exchange rate risk is the risk that the fair value of future cash flow of a financial instrument will fluctuate because of changes in the foreign exchange rates.

The Group's financial instrument that potentially contain foreign exchange rate risk are cash and cash equivalents, trade account receivables, available for sale financial assets, other current and non current assets, trade account payables, accrued expenses and loans.

To manage foreign exchange rate risk, the Company has entered into several derivative agreements with certain third parties (see Note 42.d).

The following tables show total financial assets and liabilities in foreign currencies as of March 31, 2016 and December 31, 2015:

	March 31, 2016				
	Foreign Currencies				
	USD	JPY	SGD	EUR	AUD
<b>Assets</b>					
Cash and Cash Equivalents	13,751,793	9,739	28,059,915	330,546	12,447
Trade Accounts Receivable	-	-	2,546,204	-	-
Available-for-Sale Financial Assets	-	-	578,810,578	-	-
Other Current Financial Assets	135,741,278	-	12,743,510	-	-
Other Non-Current Financial Assets	-	-	5,277,877	-	-
<b>Total Assets</b>	<b>149,493,071</b>	<b>9,739</b>	<b>627,438,084</b>	<b>330,546</b>	<b>12,447</b>
<b>Liabilities</b>					
Trade Accounts Payable	1,449,618	--	3,127,727	32,800	--
Accrued Expenses	25,790,032	--	453,830	--	--
Bonds Payable	803,306,000	--	--	--	--
<b>Total Liabilities</b>	<b>830,545,650</b>	<b>--</b>	<b>3,581,557</b>	<b>32,800</b>	<b>--</b>
<b>Net Assets (Liabilities)</b>	<b>(681,052,579)</b>	<b>9,739</b>	<b>623,856,527</b>	<b>297,746</b>	<b>12,447</b>

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	December 31, 2015					
	Foreign Currencies					Equivalent in
	USD	JPY	SGD	EUR	AUD	Rupiah
<b>Assets</b>						
Cash and Cash Equivalents	16,638,757	113,800	20,491,726	206,685	356,340	437,350,659,351
Trade Accounts Receivable	40,060,235	--	2,122,398	--	--	573,326,444,723
Available-for-Sale Financial Assets	--	--	601,893,492	--	--	5,869,063,440,492
Other Current Financial Assets	143,756,626	--	13,303,158	--	--	2,112,841,749,328
Other Non-Current Financial Assets	--	--	5,070,398	--	--	49,441,450,898
Total Assets	200,455,618	113,800	642,881,172	206,685	356,340	9,042,023,744,792
<b>Liabilities</b>						
Trade Accounts Payable	960,537	--	2,930,771	32,525	--	42,319,254,124
Accrued Expenses	9,419,437	--	1,771,578	--	--	147,216,127,093
Bonds Payable	803,306,000	--	--	--	--	11,081,606,270,000
Total Liabilities	813,685,974	--	4,702,349	32,525	--	11,271,141,651,217
<b>Net Assets (Liabilities)</b>	<b>(613,230,356)</b>	<b>113,800</b>	<b>638,178,823</b>	<b>174,160</b>	<b>356,340</b>	<b>(2,229,117,906,425)</b>

Sensitivity analysis

A hypothetical 10% decrease in the exchange rate of the Rupiah against the USD currency would decrease profit before tax by Rp174,655,080,552 (2015: Rp891,251,773,029).

A hypothetical 10% decrease in the exchange rate of the Rupiah against the SGD currency would increase profit before tax by Rp6,191,424,985 (2015: Rp585,027,898,966).

The above analysis is based on assumption that Rupiah weakened or strengthened against all of the currencies in the same direction and magnitude, but it may not be necessarily true in reality. The analysis is not determine impact of the effectivity of derivative financial instruments of a hedge.

**b. Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group did not have interest rate risk mainly because it does not have a loan with a floating interest rate.

**c. Price Risk**

Price risk is a risk of fluctuation in the value of financial instruments as a result of changes in market price. The Group are exposed to price risk because they own an investment classified as AFS financial assets.

The Group manages this risk by regularly evaluating the financial performance and market price of their investment and continuously monitor the global market developments.

Sensitivity analysis

A hypothetical 1% decrease in the AFS price in the market would cut Unrealized Gain on Changes in Fair Value of Available-for-Sale Financial Assets by Rp60,827,890,297 (2015: Rp58,029,566,526).

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**Fair Value Estimation**

The schedule below presents the carrying amount of the respective categories of financial assets and liabilities :

	March 31, 2016		December 31, 2015	
	Carrying Value Rp	Fair Value Rp	Carrying Value Rp	Fair Value Rp
<b>Financial Assets</b>				
Fair value through profit or loss				
Derivative	1,791,724,685,509	1,791,724,685,509	2,015,953,790,020	2,015,953,790,020
Other Current Financial Assets	49,882,350,954	49,882,350,954	49,008,885,877	49,008,885,877
Loans and Receivables				
Cash and Cash Equivalents	1,970,717,828,730	1,970,717,828,730	1,839,366,003,277	1,839,366,003,277
Trade Accounts Receivable	1,744,253,582,494	1,744,253,582,494	1,434,347,507,641	1,434,347,507,641
Other Current Financial Assets	452,521,510,353	452,521,510,353	863,126,238,670	863,126,238,670
Due from Related Parties Non-trade	32,960,928,080	32,960,928,080	37,093,485,060	37,093,485,060
Other Non-Current Financial Assets	749,011,445,070	749,011,445,070	685,854,507,978	685,854,507,978
Available-for-Sale				
Available-for-Sale Investment	6,082,789,029,770	6,082,789,029,770	5,869,063,440,408	5,869,063,440,408
Investment in Shares	58,329,023,011	58,329,023,011	58,329,023,011	58,329,023,011
Held-to-maturity Financial Assets				
Investment in Bond	10,000,000,000	9,860,400,000	10,000,000,000	1,967,500,000
<b>Total Financial Assets</b>	<b>12,942,190,383,971</b>	<b>12,942,050,783,971</b>	<b>12,862,142,881,942</b>	<b>12,854,110,381,942</b>
<b>Financial Liabilities</b>				
Measured at amortized cost				
Trade Accounts Payable - Third Parties	906,468,485,599	906,468,485,599	782,916,296,824	782,916,296,824
Accrued Expenses	1,173,603,448,814	1,173,603,448,814	1,006,468,547,643	1,006,468,547,643
Short-Term Post-Employment Benefits Liability	45,385,357,538	45,385,357,538	12,171,380,895	12,171,380,895
Other Current Financial Liabilities	524,692,815,767	524,692,815,767	339,865,932,700	339,865,932,700
Short-Term Bank Loan	896,768,940,522	896,768,940,522	962,173,564,967	962,173,564,967
Long-Term Bank Loan	2,425,352,150	2,425,352,150	7,528,997,776	7,528,997,776
Due to Related Parties Non-trade	540,995,749,182	540,995,749,182	520,010,880,007	520,010,880,007
Bonds Payable	10,478,528,301,984	10,428,558,867,559	10,883,059,011,816	10,614,123,920,014
Other Long-Term Financial Liabilities	93,773,885,749	93,773,885,749	85,551,631,230	85,551,631,230
<b>Total Financial Liabilities</b>	<b>14,662,642,337,305</b>	<b>14,612,672,902,880</b>	<b>14,599,746,243,858</b>	<b>14,330,811,152,056</b>

As of March 31, 2016 and December 31, 2015, management estimates that the carrying value of short-term financial assets and liabilities and those which maturity not determined have reflect their fair value.

Derivative assets represent financial assets continuously measured at fair value using valuation techniques with unobservable input portion (Level 2).

Critical assumptions used in the computation of fair value of derivatives are as follows:

- Using Black-Scholes model.
- Using the yield obtain from Bloomberg with the same maturity as option instrument.
- Using deviation standard of exchange rate of Rupiah to USD for 10 years until valuation date.
- Using rate of exchange at the closing date of the reporting.
- Using the same strike prices as stated in the call spread option agreement.

Available for sales financial assets represent financial assets continuously measured at the fair value using quotation price in an active market (Level 1).

The fair value of bond payables are estimated using valuation techniques with unobservable input portion (Level 2).

The fair value of bond is calculated based on bond yield at the same/ identical rating with the remaining maturity of the bond.

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The fair value hierarchy for financial assets at years end were recorded using their fair value, are as follows:

	March 31, 2016 Rp	Level 1 Rp	Level 2 Rp	Level 3 Rp
Fair value through profit or loss				
Derivative	1,791,724,685,509	--	1,791,724,685,509	--
Other Current Financial Assets	49,882,350,954	49,882,350,954	--	--
Available-for-Sale				
Available-for-Sale Investment	6,082,789,029,770	6,082,789,029,770	--	--
Investment in Shares	58,329,023,011	--	--	58,329,023,011
	December 31, 2015 Rp	Level 1 Rp	Level 2 Rp	Level 3 Rp
Fair value through profit or loss				
Derivative	2,015,953,790,020	--	2,015,953,790,020	--
Other Current Financial Assets	49,008,885,877	49,008,885,877	--	--
Available-for-Sale				
Available-for-Sale Investment	5,869,063,440,408	5,869,063,440,408	--	--
Investment in Shares	58,329,023,011	--	--	58,329,023,011

**47. Business Combination**

**Aquisition PT Prima Cipta Lestari (PCL)**

On January 20, 2016, PT Kreasi Tunas Bangsa (KTB) directly acquired 100% shares of PCL, in line with the strategic business expansion which support the Group's business activities.

The following table summarises the identifiable assets acquired and the liabilities taken over at the acquisition date of PCL:

	Rp
Cash and Cash Equivalents	6,117,067,268
Trade Accounts Receivable	299,415,292
Other Current Financial Assets	412,946,851
Inventories	1,408,309,475
Prepaid Expenses	105,579,169
Property and Equipment	5,489,824,438
Intangible Assets	18,891,006
Deferred Tax Assets	3,684,925,500
Other Non-Current Non-Financial Assets	394,007,900
Advances	46,160,899
Trade Accounts Payable - Third Parties	(9,934,596,453)
Accrued Expenses	(2,708,264,991)
Taxes Payable	(524,025,903)
Deferred Income	(79,329,924)
	<u>4,730,910,527</u>
Portion Ownership Acquired	100%
Portion of Ownership of Fair Value of Net Assets	4,730,910,527
Discount	(30,910,527)
<b>Total Purchase Consideration</b>	<b><u>4,700,000,000</u></b>

Discount obtained by the Group amounting to Rp30,910,527 related to changing of quoted market price of

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the available for sale financial assets as at the date of agreement and pre-agreement.

The Company through its subsidiaries acquired 100% ownership, therefore there is no non-controlling interest balance.

Expenses related to the acquisition are not taken into account in the business combination because it is not material and have been charged to the current period of consolidated interim statements of profit or loss and other comprehensive income. In connection with the acquisition, PCL financial statements since the date of acquisition are consolidated interim financial statements of the Group.

Total revenues and income before income tax PCL since date of acquisition which are included in the consolidated interim statements of profit or loss and other comprehensive income for the 3 (three) months period ended March 31, 2016 amounted to Rp15,109,537,895 and Rp1,110,394,566, respectively.

**Aquisition Premium Venture International Ltd (PVIL)**

On June 29, 2015, PT Swadaya Teknopolis acquired 100% shares of PVIL indirectly through PT Swadaya Teknopolis from third party, in line with the strategic business expansion which support the Group's business activities.

The following table summarises the identifiable assets acquired and the liabilities taken over at the acquisition date of PVIL:

<b>Net Assets Acquired</b>	<b>Rp</b>
Other Current Assets	9,027,108,296
Other Current Financial Assets	387,920,764,772
Intangible Assets	970,640,348
Due To Related Parties	(153,604,952,955)
Deferred Tax Liability	(294,203,676)
Other Comprehensive Income	(30,280,266,091)
Non-Controlling Interest	(37,004,196,713)
<b>Net Assets</b>	<b>176,734,893,981</b>
Portion Ownership Acquired	100%
Portion of Ownership of Fair Value of Net Assets	176,734,893,981
Discount	(6,634,893,981)
<b>Total Purchase Consideration</b>	<b>170,100,000,000</b>

Discount obtained by the Group amounting to Rp6,634,893,981 related to changing of quoted market price of the available for sale financial assets as at the date of agreement and pre-agreement.

The Company through its subsidiaries acquired 100% ownership, therefore there is no non-controlling interest balance.

Expenses related to the acquisition are not taken into account in the business combination because it is not material and have been charged to the current year of consolidated statements of profit or loss and other comprehensive income. In connection with the acquisition, PVIL financial statements since date of acquisition are consolidated to financial statements of the Group.

Total revenues and income before income tax PVIL since date of acquisition which are included in the consolidated statements of profit or loss and other comprehensive income for the year ended December 31, 2015 amounted to Rp8,215,202,291 and Rp8,201,257,924, respectively.

Operating revenues and profit from PVIL for the year ended December 31, 2015, as if PVIL has been consolidated from January 1, 2015 amounted to Rp10,269,007,323 and Rp8,201,257,924, respectively.

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**48. Non-Cash Transactions**

The following are investing and financing activities which do not affect cash flows:

- As of March 31, 2016 and 2015, addition of AFS investment in LMIR Trust of 5,178,677 and 14,623,900 units (equivalent Rp15,325,649,836 and Rp47,040,446,050) and in First REIT of 1,537,408 and 1,565,297 units (equivalent Rp17,614,777,134 and Rp18,442,095,242) through payment of management fees to LMIRT Management Ltd and Bowsprit Capital Corporation Ltd, respectively.
- As of March 31, 2016 and 2015, additional of property and equipment through the realization of advances for acquisition of property and equipment amounted Rp8,252,405,787 and Rp20,303,311,070, respectively.

**49. Capital Management**

The objective of capital management is to safeguard the Company's ability as a going concern, maximize the returns to stockholders and benefits for other stockholders and to maintain an optimal capital structure to reduce the cost of capital.

The Company regularly reviews and manages the capital structure to ensure that the return to stockholders is optimal, by considering the capital needs in the future and the Company's capital efficiency, profitability in the present and the future, projected operating cash flows, projected capital expenditures and projected opportunities of strategic investment.

Summary of quantitative data for capital management as of March 31, 2016 and December 31, 2015 are as follows :

	<b>March 31, 2016 Rp</b>	<b>December 31, 2015 Rp</b>
<b>Net Liabilities:</b>		
Total Liabilities	22,543,171,863,082	22,409,793,619,707
Less: Cash and Cash Equivalents	(1,970,717,828,730)	(1,839,366,003,277)
<b>Total Net Liabilities</b>	<b>20,572,454,034,352</b>	<b>20,570,427,616,430</b>
<b>Total Equity</b>	<b>19,489,936,892,261</b>	<b>18,916,764,558,342</b>
Less:		
Difference in Value from Restructuring Transactions between Entities Under Common Control - Net	19,535,347,265	19,535,347,265
Difference in Transactions with Non-Controlling Interest	1,551,184,427,661	1,551,184,427,661
Difference equity changes of subsidiary	1,105,101,368,218	1,105,101,368,218
Retain Earnings	56,437,249,458	56,437,249,458
Other Comprehensive Income	668,131,396,512	482,023,339,014
Non-Controlling Interests	2,681,009,419,861	2,522,623,681,891
Total	6,081,399,208,974	5,736,905,413,507
<b>Adjusted Equity</b>	<b>13,408,537,683,286</b>	<b>13,179,859,144,835</b>
<b>Net Liabilities Ratio to Adjusted Equity</b>	<b>1.53</b>	<b>1.56</b>

**50. Recent Development of Financial Accounting Standards (SAK)**

Amendments to standard and interpretation effective for years beginning on or after January 1, 2017, with early application permitted are

- Amendments to SFAS No.1: "Presentation of Financial Statements about Disclosure Initiative"
- IFAS No.31, Scope Interpretation of SFAS No.13 "Investment Property."

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Standard and amendment to standard effective for periods beginning on or after January 1, 2018, with early application permitted are:

- SFAS No.69: "Agriculture"
- Amendments SFAS No.16: "Property and equipment about Agriculture: Bearer Plants".

Until the date of the consolidated interim financial statements being authorized, the Group is still evaluating the potential impact of the adoption of new standards, amendments to standards and interpretations of these standards.

**51. Responsibility and Issuance for the Consolidated Financial Statements**

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The management of the Company is responsible for the preparation and presentation of the consolidated interim financial statements which were authorized for issuance by Directors on April 28, 2016.