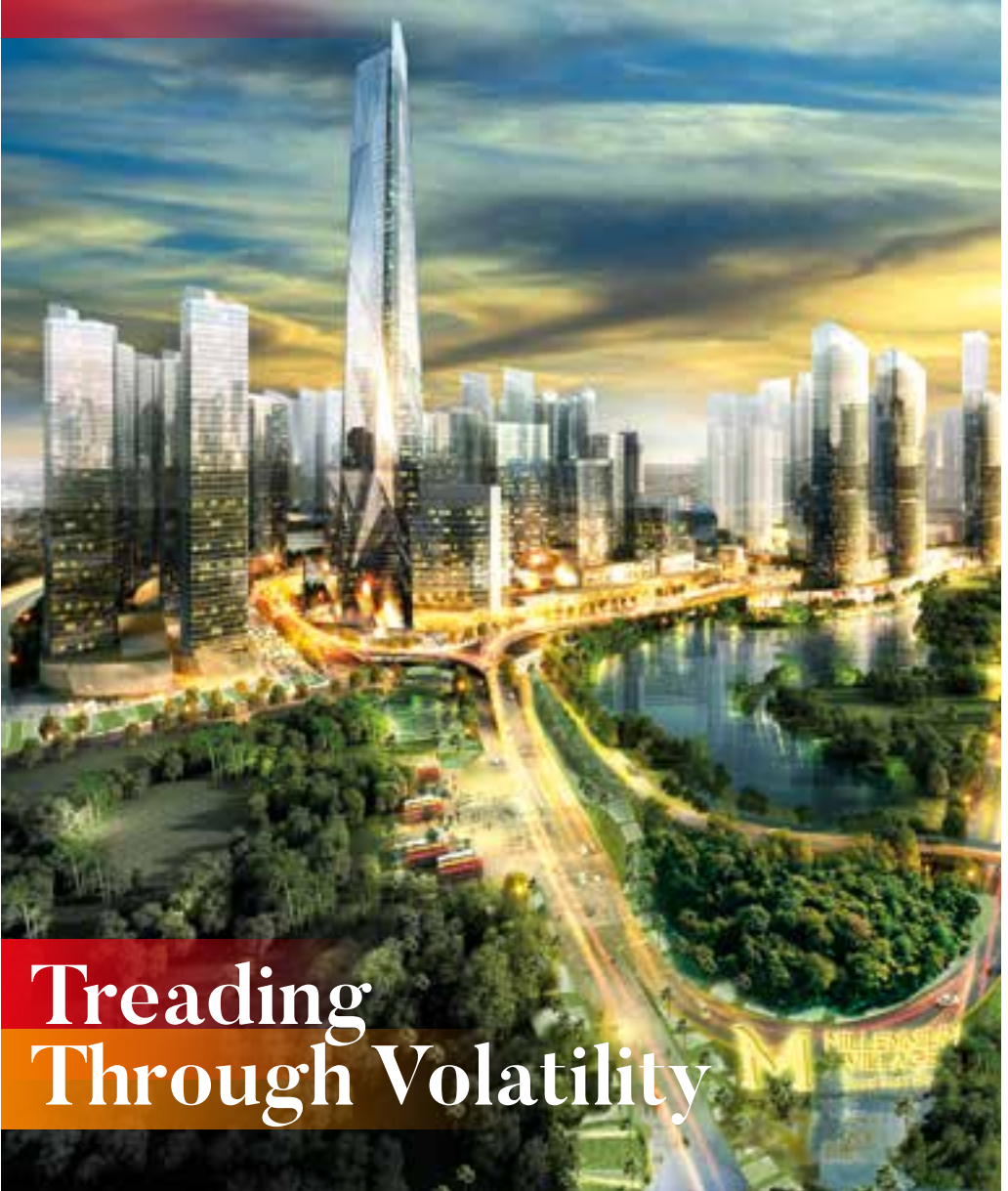


2015 Annual Report Lippo Karawaci

# lippo karawaci



**Treading  
Through Volatility**

# Theme Continuity 2010-2014

2010



## Transformational Journey: The Beginning

Lippo Karawaci, with its vision, professionalism, entrepreneurial spirit, and solid strategic business units have taken the lead to be at the forefront of Indonesia's robust economic development. In tandem with the Country's transformational growth, the Company is now on the threshold of a bold and transformational journey which drives its market capitalization to higher levels and triple its asset value within the next five years.

2011



## Picking Up The Pace

Lippo Karawaci has entered a new phase and is closer to realizing its transformational journey to become an USD8 billion company within the coming four years. With a vision to bring positive impact and value to society in every development project, supported by focused and precise business strategies, entrepreneurial spirit, solid strategic business units and a consistently increasing market capitalisation, Lippo Karawaci has strengthened its position as a premier company and remains at the forefront of Indonesia's robust economic growth.

2012

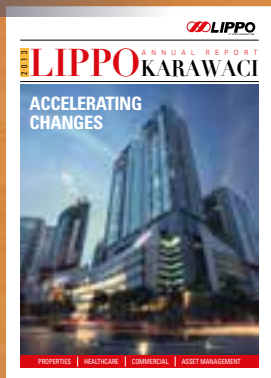


## Transformational Momentum

Lippo Karawaci is well placed to realize its transformational journey to become an US\$8 billion company by 2015. With a vision to have a positive impact and deliver value to society in every development project, supported by focused business strategies, an entrepreneurial spirit, strategic business units and the continued confidence of its stakeholders, Lippo Karawaci has been able to deliver developments that are well planned and have again presented an impressive performance.

Lippo Karawaci has been able to maximize market opportunities via Indonesia's robust economic growth, resulting in the strong advancement of its core business units, creating a stronger working platform for higher growth in the coming year. Lippo Karawaci has strengthened its position as a premier company in Indonesia.

2013



## Accelerating Changes

Despite Indonesia's unfavorable macroeconomic climate in 2013, PT Lippo Karawaci Tbk. ("LPKR")'s diversified business model once again proved its resilience as the Company was able to increase its Revenues. In its transformational journey to become a USD 8 billion company by 2015, the management intends to accelerate the transformation to elevate its shareholders and brand value. In the middle of its transformational journey, in 2013, LPKR shifted its focus towards high rise projects in order to optimize its assets, and continuously strengthen the Company's value through its asset light, capital recycling strategies and 10 year landbank.

The income balancing through a higher contribution from the recurring business compared to development business in 2013, was another testament of LPKR's proven business model where lower revenue from property business was balanced by higher recurring revenue. Once again, LPKR put its relentless effort to reach the objectives of its transformational journey by delivering world class products supported by solid business strategies to further strengthen its foothold as the most integrated property group in Indonesia.

2014



## The Milestones

In the midst of domestic and global challenges in 2014, PT Lippo Karawaci Tbk ("LPKR") managed to maintain growth with the appropriate business strategy. The Company's journey commenced in 1993 and has been through a number of challenges and crisis, but its strategy to diversify its business is critical, enabling, the Company to overcome various economic difficulties. In 2010, the Company launched its business transformation program, aiming to be a USD8 billion company by 2015 from USD3 billion in 2010. With this mission in mind, the Company adopted an asset light strategy to ensure sustainability, balancing revenues through a higher contribution from its recurring business. Another strategy was to optimise its limited landbank by developing more high rise projects, tailored to the needs of modern society and burgeoning middle and upper class in Indonesia. Key projects successfully launched in 2014 were St. Moritz Panakukang in Makassar, Embarcadero Eastern and Western Wing in Bintaro, Holland Village Office Tower and Condominium in Central Jakarta, Millenium Village in Lippo Karawaci and Orange County in Cikarang. These achievements are evidence of Lippo Karawaci's adaptability to various economic conditions, and its transformation journey to become Indonesia's most integrated property group and well respected globally.





06



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# Treading Through Volatility



## The Year of 2015

The year was characterized by great uncertainty. Technological changes drive a disruptive economy, a noticeably slowing China economy and historically low commodity and oil prices combined to unsettle financial markets and major economies in 2015. This uncertainty is likely to flow into 2016, making the global business climate both challenging as well as opportunistic. Countries and businesses that are not flexible enough to adapt to these conditions will struggle to compete and survive. The world, and emerging markets in particular, are transitioning from a fast growth environment to a slower growth environment and businesses will have to alter their strategies to this new normal.

## What will characterize this new normal?

Firstly technology will be the catalyst for growth. Digitalization and the advent of the 4<sup>th</sup> Industrial revolution will create new industries and new opportunities for both established businesses as well as start-ups. Secondly, current volatility is here to stay. Capital markets are awash with liquidity but central banks around the world are struggling to formulate clear monetary and fiscal policies. Thirdly, regional conflicts and tensions will rise as a result of growing nationalistic sentiment. The turmoil in the Middle East has already spread to Europe while the ongoing stand off in the South China Sea is a threat to regional peace and security.

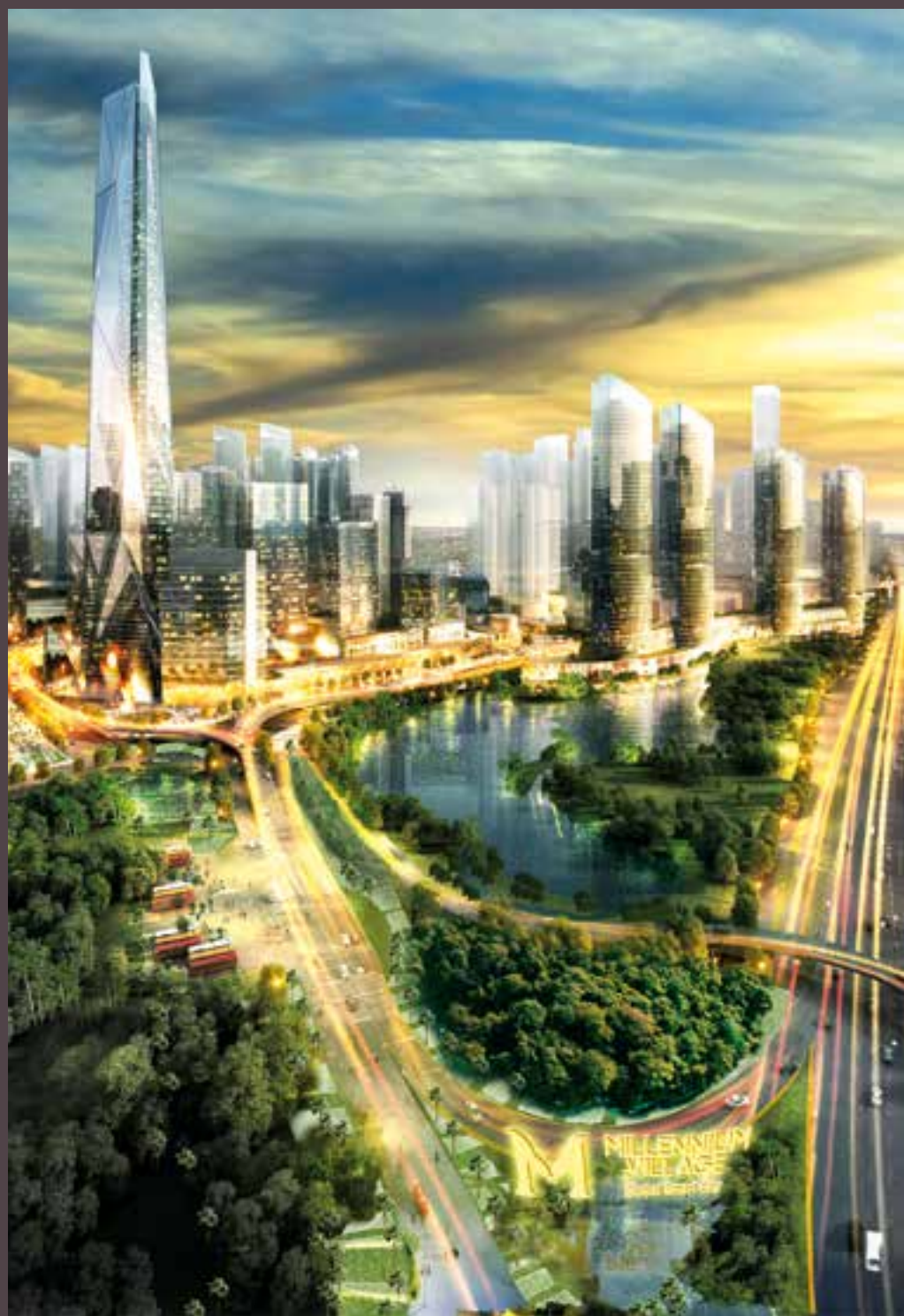
Finally, the era of fast paced growth is over. Over the past decade, propelled by emerging economies, the world enjoyed one of the fastest growth spurts in recent history. But with China, Brazil, Russia and other large emerging markets recording slower growth, we must brace ourselves for a new era of slow growth.

## Outlook for Indonesia

What do these trends mean for Indonesia and how does the country sustain economic growth in this new environment?

The rapid decline in commodity and oil prices has impacted consumption and domestic demand. Sales of cars, motorcycles, household items have all fallen quite significantly over the past 12 months. But domestic consumption still remains strong on the back of increased government spending on infrastructure, logistics and rural areas, especially in boosting productivity, efficiency and agriculture. Despite the global economic slowdown, Indonesia is still one of the fastest growing economies in the world and businesses must capitalize on domestic consumption. Higher and faster governmental spending will mean higher spending on healthcare, education and housing. The property market is slowing after years of double-digit growth but real demand remains strong and there is a huge backlog. Indonesia's potential, especially in the consumer space, remains huge. The recent economic stimulus packages announced by the government in opening up key sectors provide hope for a better future for the country.











# Lippo Karawaci at a Glance

“

The Company is committed to balancing the volatility by pursuing positive opportunities, both in property and other areas.

”

In 2015, Lippo Karawaci continued on its mission to impact lives with quality signature property developments and with recurring business lines, responding to property market challenges and boosting revenue in its healthcare and commercial areas.

Lippo Karawaci began its commercial journey in 1993, following on from PT Tunggal Reksakencana, founded in October 1990. In 1993, the Company started its first independent township project in Tangerang, west of Jakarta, under the name of Lippo Village, adding locations in Cikarang in 1993 and Tanjung Bunga in 1997. Hospitals massive expansion plan since 2010 and the innovative use of REITs, the Hospital REIT in 2006 (First REIT) and the Mall REIT (LMIRT) in 2007, has

## LIPPO KARAWACI AT A GLANCE

placed Lippo Karawaci at the forefront of innovation within the property industry in Indonesia, and the region.

Currently, Lippo Karawaci is the largest listed property company by revenue and total assets, in the top 5 by market capitalization and top 20 by trading value. The Company became a listed company on the Indonesia Stock Exchange in 1996 with stock code LPKR, promoting investment in exciting projects, giving consistent returns to investors, maintaining steadfast its vision of integrated eco-living spaces, and developing secure governance and control systems. Growth is pursued directly and through subsidiaries in 4 main pillars: Property (Urban Development and Large Scale Integrated Development), Healthcare, Commercial (Retail Mall and Hotel) and Asset Management (Town Management and Portfolio Management).

Today, Lippo Village, Lippo Cikarang Township and Tanjung Bunga have been transformed into sustainable well-managed independent cities, with selections of residential and commercial areas, schools, hospitals, malls, hotels, golf courses, shady roads, green spaces and water treatment facilities. Integrated urban developments provide a variety of amenities that appeal to new urban lifestyles and new possibilities as a result of Indonesia's steady and strong economic growth over the last decade. The Siloam Hospital network is currently expanding its 20 hospital networks with its commitment to provide world-class medical care. Two REITs listed in Singapore add various opportunities to the Company and Singapore investors as well as other investors.

In addition to the numerous awards of its subsidiaries, Lippo Karawaci has received Euromoney awards six times as “The Best Developer in Indonesia” (2005, 2007, 2008, 2009, 2011 and 2012) and received “The Best Developer in Indonesia” award from South East Asia Property (2011, 2012 and 2013) three times. This has helped elevate the Company's status as one of the most trustworthy developers in Indonesia and pushed our brand worldwide.

Moving forward into 2016, the Company is committed to balancing the volatility by pursuing proven opportunities both in property and recurring businesses. To achieve these objectives, the Company will remain focused on its human resources, society around the business locations, the expectations of shareholders and other stakeholders, the customers, and the existing and potential opportunities in Indonesia.





“

In order to optimize the availability of the land bank, the Company focuses on building high rise mixed use developments that combine apartments, malls, and office buildings within one area, without the need to use too large a land bank.

”

## Business Unit

# Properties

### Providing New Definition of Integrated Residential

**T**his unit covers almost all Company's businesses, from residential, commercial properties, light industrial areas, to memorial park. An integrated residential area will impact the quality of people's lives by ensuring that everything can be reached within a short time. Therefore, the Company, as the pioneer of "edge cities" in Indonesia continues to develop the independent townships concept by providing facilities needed for its residents. By the end of 2015, Lippo Village, Lippo Cikarang and Tanjung Bunga had a total population of 120,716 people living in 2,290 condominiums and over than 30,000 houses. Total of workers in these 3 independent townships are 508,967 people.

The Company continues to develop various new residential concepts to adapt with the modern urban lifestyle. Based on the location of the existing land banks, Lippo Village and Lippo Cikarang will be re-developed, and at the same time the Company is developing residential areas in the form of apartments and condominiums to accommodate Indonesia's growing middle and upper classes. In order to optimize the availability of the land bank, the Company focuses



on building high rise strata title mixed use developments that combine apartments, malls, and office buildings within one area, without the need to use too large land bank.

In addition, the Company also continues to develop Large Scale Integrated Developments, including development and sales of residential properties, offices and retail spaces, hotels, recreational and healthcare facilities in one location. The Company is currently developing St. Moritz Panakukang in Makassar, Embarcadero in Bintaro, and Holland Village in Central Jakarta. The Millennium Village at Lippo Karawaci and Orange County at Lippo Cikarang started being developed in the beginning of 2015. We remain focus on launching and building large scale integrated projects in strategic locations in Indonesia that have growth potential and that are untapped by other developers.

“

By the end of 2015, total population living in 2,290 condominium and over than 30,000 houses developed in Lippo Village, Lippo Cikarang and Tanjung Bunga was 120,716 people. Total workers in these 3 independent townships reached 508,967 people.

”



## Best Health Service in Front of You

The Company believes that healthcare is a priority of life, and therefore the Company also focuses in developing this business unit, including by collaborating its services with the Government through Universal Healthcare Program (“BPJS”) to give the best medical services to the society. Lippo Karawaci’s healthcare business unit was started in early 1990, and currently known as Siloam Hospitals, manages 20 hospitals throughout Indonesia. The first hospital was Siloam Hospital Lippo Village, and it was the first hospital in Indonesia accredited by JCIA. BIMC Nusa Dua also the first hospital in Indonesia accredited by ACHS Australia, while other hospitals were certified by ISO, meaning all hospitals are operated in accordance to international quality standards. Siloam Hospitals also had received many awards. Among them, from Frost Sullivan (2015) as “Indonesian Healthcare Service Provider of the Year: Best Practices” for the fourth time, and Excellent Award in 2011 from Asian Hospital Management, and also Indonesia Sustainable Business Awards 2013 as Industry Champion Healthcare from Global Initiatives and Climate Business.



Siloam Hospitals targets to operate 50 hospitals by end of 2017. There are 8 hospitals operating by Siloam in the Greater Jakarta area and the remaining 12 hospitals located throughout Indonesia namely: Sumatera (3 hospitals), Purwakarta, Surabaya, Bali (3 hospitals), Balikpapan, Sulawesi (2 hospitals) and Kupang. Out of 20 hospitals, 12 hospitals are owned by First REIT, Singapore, of which 9 are leased back by the Company. With a commitment to deliver the best and world class medical services, the Company is equipped with state of the art medical equipments, namely: 11 Cath Labs, 13 MRI, 18 CT, 1 Gamma Knife, 2 Linear Accelerators, and 1 Cyclotron, which are able to provide specialist comprehensive medical services including various surgery procedures, radiology and laboratory services, Rontgen

### Business Unit

# Healthcare



“

As of 31 December 2015, Siloam hospitals have a capacity of more than 4,800 beds, supported by 2,100 general practitioners and specialists, as well as 8,200 nurses and other medical professionals.

”

services, diagnostic services and general medical services as well as emergency services. As of December 2015, Siloam hospitals had a capacity of more than 4,800 beds, supported by 2,100 general practitioners and specialists, as well as 8,200 nurses and other medical professionals to serve more than 2 million patients.

In 2016, the Company plans to add approximately 10 hospitals, including Siloam Express which will operate in strategic locations in Indonesia. The Company also plans to operate 50 hospitals by end of 2017 with a total capacity of 10,000 beds, enabling the Company to serve 15 million of patients on a yearly basis. Siloam will continue to penetrate the untapped market by providing international standard medical services, equipped with state of the art equipments, telemedicine and strong doctor partnership programs. Siloam focuses on providing high quality healthcare services and specialist care which are not yet available in Indonesia, and also targets the medical tourism market at its own disposal.





## Business Unit

# Commercial

## Expanding The Scope of Retail Malls and Hotels

**T**his unit consists of Retail Malls and Hotels which has grown significantly. As of December 2015, the Company managed 43 malls with total GFA (Gross Floor Area) of 3.1 million square meters and total NLA (Net Leasable Area) of approximately 1.1 million square meters. In addition to developing and acquiring, the Company also sells and operates retail malls. Of the 43 malls managed by the Company, 9 are owned by the Company, 19 are owned by LMIRT, 2 are owned by First REIT, 9 are strata-titled malls built by the Company, while the remaining 4 are owned by the third parties. In 2015, the Company opened three new malls: Maxxbox Karawaci, Lippo Plaza Yogya, and Lippo Plaza Kupang.

The Company aims to expand its retail malls coverage by developing 15 new malls within the next three to five years. The Company has assessed that there is still a big opportunity in line with the rapid growth and potential of the retail market. In addition to expanding the mall portfolio nationwide, the Company also strives to increase mall profitability by improving tenant mix and rental margin.

Lippo Karawaci Hotel Division manages eight five-star Aryaduta hotels with a total of 1,664 rooms, which can be regarded as the largest five-star hotels operator in Indonesia. At present, three Aryaduta hotels are company owned, two owned by First REIT and three owned by the third parties. These hotels are located in various strategic locations across the country, in Greater Jakarta, Medan, Pekanbaru, Manado, Makassar and Palembang.

One of the strategies of Lippo Karawaci for the future is to strengthen branding of Hotel Aryaduta and provide incentives to its business visitors in order to improve occupancy rates and hotel rates (Average Room Rates) of all the Company's hotels. The Company also continues to seek opportunities to develop hotels in strategic locations, particularly in mixed use projects owned by the Company.

“

Of the 43 malls managed by the Company, 9 are owned by the Company, 19 are owned by LMIRT, 2 are owned by First REIT, 9 are strata-titled malls built by the Company, while the remaining 4 are owned by the third parties.

”

# 85%

Overall average occupancy rate of malls managed by Lippo Karawaci





### Capital Recycling Strategy to Support Business

**L**ippo Karawaci Asset Management Unit consists of management of the two Real Estate Investment Trusts (REIT), sponsored by the Company and listed in the Singapore Stock Exchange, malls operator, hotel operator as well as town management division.

At present, the Company manages First Real Estate Investment Trust (First REIT) through Bowsprit Capital Corporation Ltd, a wholly owned subsidiary established in 2006, and manages the Lippo Malls Indonesia Retail Trust (LMIRT) through LMIRT Management Ltd established in 2007. As of December 2015, First REIT owned 12 hospitals, two hotels in Indonesia, 1 hospital in South Korea and 3 nursing homes in Singapore with total assets under management reaching SGD1.27 billion. Meanwhile LMIRT owns 19 retail malls in Indonesia with an area to be leased (NLA) of 781,622 square meters, 94% overall average occupancy rate and is the only REIT focused on the retail

market in Indonesia with total assets under management amounting to SGD1.83 billion. The role of both REITs is an important key to support the Company's asset light strategy, enabling us to recycle capital needed to develop new hospitals and retail malls.

Going forward, the Company plans to continue growing its fee based income from management and increases of the hospital and mall portfolio sold to the REIT when the assets are stable and from managing the REIT itself.

In managing the self sustaining townships, the Company establishes and operates the Town Management Division with its function to ensure the availability of security, water and waste management, landscape, roads and drainage management as well as providing public transportation for the residents. The Company is fully aware of the importance of this business unit to continue providing high quality city management services and to ensure consistency of the service in all of the Company's townships in order to improve the living environment for the residents.



# Asset Management

Business Unit

# Geographic Spread



- Residential & Urban Development
- Hospitals
- Retail Malls
- Hotels

## Townships

### Lippo Village

Landbank	457 ha
Residential Houses	10,579
Condominium	1,120
Shophouses	1,193
Population	59,175

### Lippo Cikarang

Landbank	233 ha
- Residential	420 ha
- Industrial	14,000
Residential Houses	1,170
Condominium	1,216
Shophouses	47,700
Population	

### Tanjung Bunga

Landbank	347 ha
Residential Houses	6,303
Shophouses	172
Population	13,841

## Projects in Greater Jakarta



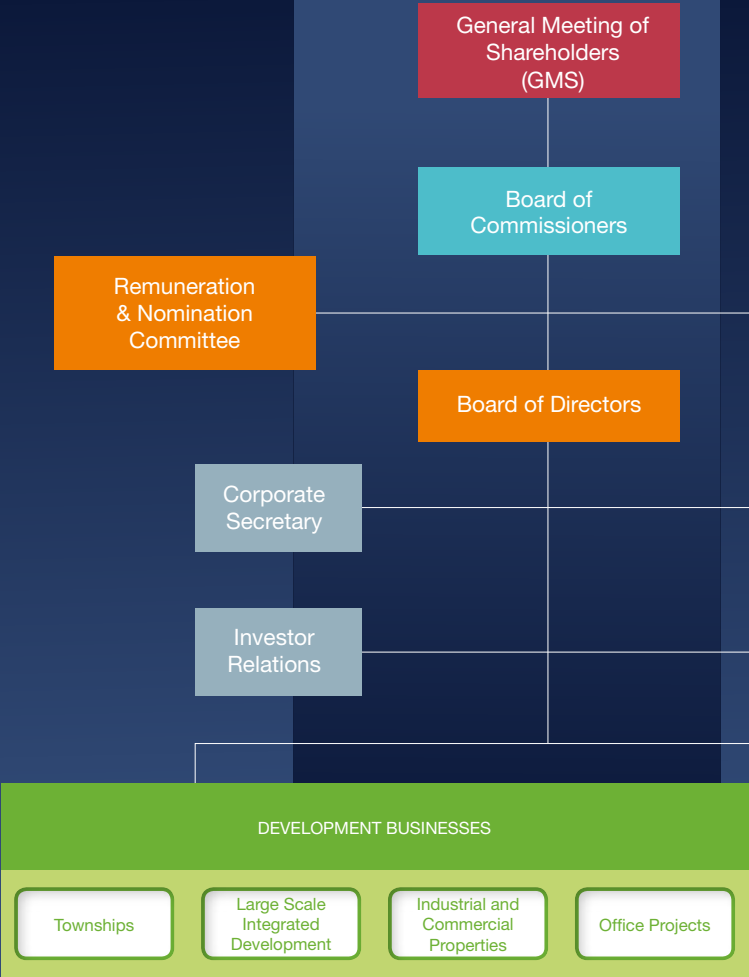
### Malls

Total malls managed	43
Locations	22 cities
GFA including parking	3.1 million m2
NLA	1.1 million m2
Annual visitors	220 million

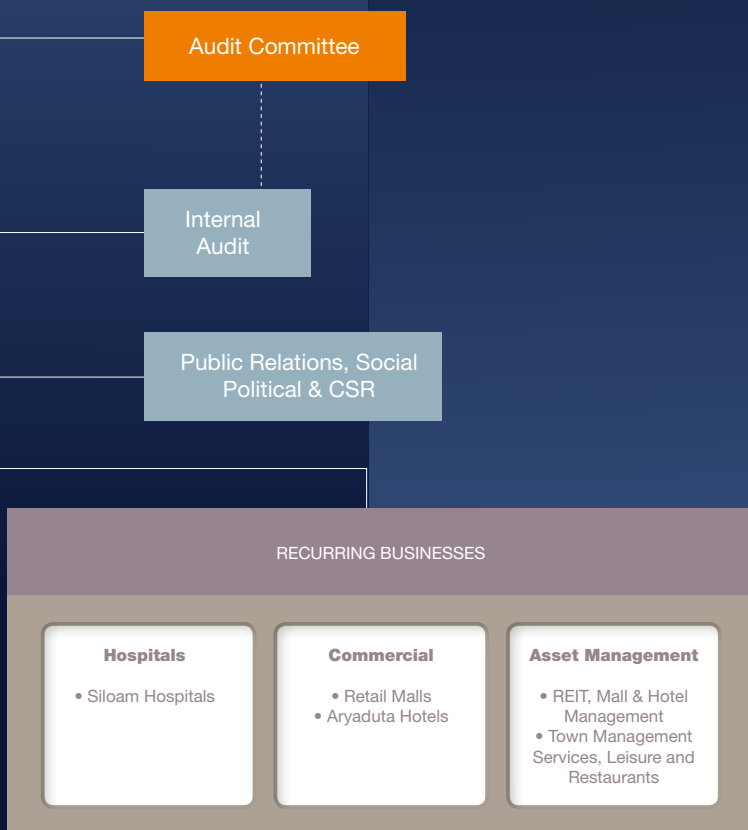
### Hospitals

20 hospitals in 14 cities  
2,100 general practitioners and specialists  
8,200 nurses, health staff and administration staff  
Commitment to transform national healthcare services in Indonesia





# Corporate Structure



# vision

To be a leading property company in Indonesia and in the region with a strong commitment to positively impact people's quality of life and to continuously create added value to shareholders.

## Explaining the Vision

- **“To be a leading property company”** is Lippo Karawaci's commitment to continue evolving and become a benchmark not only for Indonesia, but also the region in terms of providing more value and better quality in each of the Company's endeavors.
- **“Create added value to shareholders”** is Lippo Karawaci's pledge that each shareholder is at the core of each of the Company's decisions and endeavors wherein it prioritizes the shareholders' best interest in its value creation.
- **“Positively impact people's quality of life”** defines Lippo Karawaci's commitment to positively touch people's lives and bring bountiful benefits through each business venture the Company engages in.







To meet the needs of middle and upper middle class Indonesians for housing, shopping centers, commercial development, healthcare, entertainment, hospitality and infrastructure.

To achieve sustainable growth for each of its businesses through a balanced portfolio of development projects while maintaining a healthy level of recurring business.

To provide first class living environments that enhance the physical, social and spiritual experience of its clientele, and to provide a best practice green environment for each of its development projects.

# mission

## Explaining the Mission

- Through an integrated business model that seeks continuous development, Lippo Karawaci is determined to meet the needs of the general public, primarily by providing high quality residential structures built within clean and green environments, affordable health care services of international standards, and retail, entertainment and hospitality centers.
- Lippo Karawaci will continue to develop innovative and high quality residential structures, while at the same time accelerating the Company's recurring business sourced from its Hospitals, Commercial and Asset Management units.
- Lippo Karawaci will continue to observe the social, spiritual and environment needs in order to improve the lives of its customers.





1990

**October**

Established under the name of PT Tunggal Reksakencana.

1993

**January**

Started Lippo Karawaci Township, located in the regency of Tangerang, approximately 30 kilometers to the West of Jakarta.

**October**

Started Lippo Cikarang Township, an integrated real estate and industrial development located in Cikarang, approximately 40 kilometers to the East of Jakarta.



1996

**June**

Initial Public Offering of 30,800,000 shares and listed on Jakarta Stock Exchange and Surabaya Stock Exchange (now Indonesia Stock Exchange).

1997

**June**

Started Tanjung Bunga Township, the largest integrated community development in Eastern Indonesia.



# mileston

2007



**January**

Launched San Diego Hills Memorial Park & Funeral Homes in Karawang, West Java.

**July**

Launched Kemang Village, a superblock project in South Jakarta.

**November**

LMIRT was listed in SGX, sponsored by the Company.

**December**

1-for-2.5 Stock Split.

2008

**August**

Launched The St. Moritz Penthouses & Residences, a Large Scale Integrated development in West Jakarta.

**December**

Opened Pejaten Village Mall, the Company's first leased mall, in South Jakarta.



2009

**January**

In order to strengthen its business structure, the Company formalized its business units into 6 strategic business units: Urban Development, Large Scale Integrated Development, Retail Malls, Healthcare, Hospitality & Infrastructure, Property & Portfolio Management.

**August**

The opening of PX Pavillion @ The St. Moritz, a preface to the future shopping mall complex located at The St. Moritz Penthouses & Residences, CBD West Jakarta.



1998

**February**

1<sup>st</sup> right issue of 607,796,000 shares at the price of IDR500 per share.

2002

**September**

Launched its first retail strata-titled project, WTC Matahari Serpong located in West Jakarta. Since then (2002-2007), Lippo Karawaci has developed the retail and commercial properties such as Metropolis Town Square in Tangerang, GTC Makassar in South Sulawesi, Depok Town Square in Depok, South Jakarta, Malang Town Square in Malang, East Java, Grand Palladium Medan in North Sumatera, Bellanova Country Mall in Bogor and City of Tomorrow Mall in Surabaya.

2004

**July**

Merger of 8 property-related companies, making the new PT Lippo Karawaci Tbk, Indonesia's largest listed property company with three business pillars: Housing & Land Development, Healthcare, and Hospitality & Infrastructure.



2005

**January**

2<sup>nd</sup> Rights Issue of 881,905,813 shares at the price of IDR1,050 per share.

**September**

Launched City of Tomorrow (CITO), its first Large Scale Integrated development project in Surabaya.

2006

**March**

Issued USD250 million Senior Notes, 8.875% p.a, issue price 100%, due 2011.

**August**

1-for-2 Stock Split.

**December**

The listing of First REIT on the Singapore Stock Exchange, sponsored by the Company, offered 271,400,000 units at an offering price of SGD 0.71/unit.

# es 1990-2015

2010

**May**

Issued USD270.6 million 9% p.a Senior Notes, issue price 100%, due 2015.

**December**

3<sup>rd</sup> Rights Issue of 4,325,537,924 new shares at the price of IDR550 per share.



2011

**March**

Issued USD125 million 9% p.a Senior Notes, issue price 108%, due 2015

**May**

Capital increase without pre-emptive rights of 1,450 million new shares, at price of IDR660 per share.

# 2012

## May

Issued USD150 million 7% p.a. Senior Notes, due 2019 at an issue price of 99.32%.

## August

Launched The Nine Residence at North Kemang, Jakarta an Integrated Development project consists of apartment and commercial spaces in one location.

## October

The issuance of USD 100 million Senior Notes due 2019, with coupon rate of 7.0% p.a., and an issue price of 105.25%.

## November

Lippo Karawaci successfully completed the debt exchange offer of USD395.6 million, 9% p.a. notes due 2015 (2015 Bonds) to be exchanged for new Senior Notes which will mature in 2020. As a result, USD273.3 million Notes were exchanged into 2020 Notes with a coupon rate of 6.125% p.a.

# 2013

## January

Issued an additional USD130 million 6.125% p.a. Senior Notes due 2020, at an issue price of 104.4%.

## April

Lippo Karawaci completed the redemption of the remaining 2015 Notes with coupon rate of 9% p.a.

## May

Launched Holland Village, a Large Scale Integrated Development project in Central Jakarta.



## September

PT Siloam International Hospitals Tbk's shares (SILO) was successfully listed on IDX at an initial offering price of IDR9,000/share, valuing Siloam at USD1 billion.

## October

Launched Lippo Thamrin, an office tower project in CBD of Central Jakarta.

# milestones 1990-2015

# 2014

## January

Launched St Moritz Panakukang, an integrated development in the city center of Makassar.

## March

- LPKR placed 82.5 mn SILO shares or 7.1% of total shares outstanding for total proceeds of IDR858 billion.
- Launched Embarcadero, an integrated development in Bintaro, Tangerang.

## April

Issued USD 150 million 7% p.a Senior Notes due 2022 at an issue price 100%.

## May

Launched Holland Village Office Tower in Central Jakarta.

## August

Launched Hillcrest House and Fairview Tower as part of Millenium Village (new CBD in Lippo Village).

## October

Launched Holland Village Second Phase 190 condo units in Central Jakarta.

## November

- Launched Embarcadero Eastern Wing, Bintaro, Tangerang.
- Launched Irvine Suites and Westwood as part of Orange County, a new CBD in Lippo Cikarang.



# 2015

## February

LPKR placed 92.8 mn SILO shares or 8% of total shares outstanding for total proceeds of IDR1.14 trillion.

## March

Launched Pasadena 3<sup>rd</sup> tower in Orange County, a new CBD in Lippo Cikarang.

## May

Launched Monaco Bay, the first integrated development in Manado, North Sulawesi.

## June

- Launched Holland Village Manado a landed house development in Manado, North Sulawesi.
- Sold Burbank, 4<sup>th</sup> tower in Orange County to single Japanese investor.

## December

Launched Glendale Park, 5<sup>th</sup> tower in Orange County.

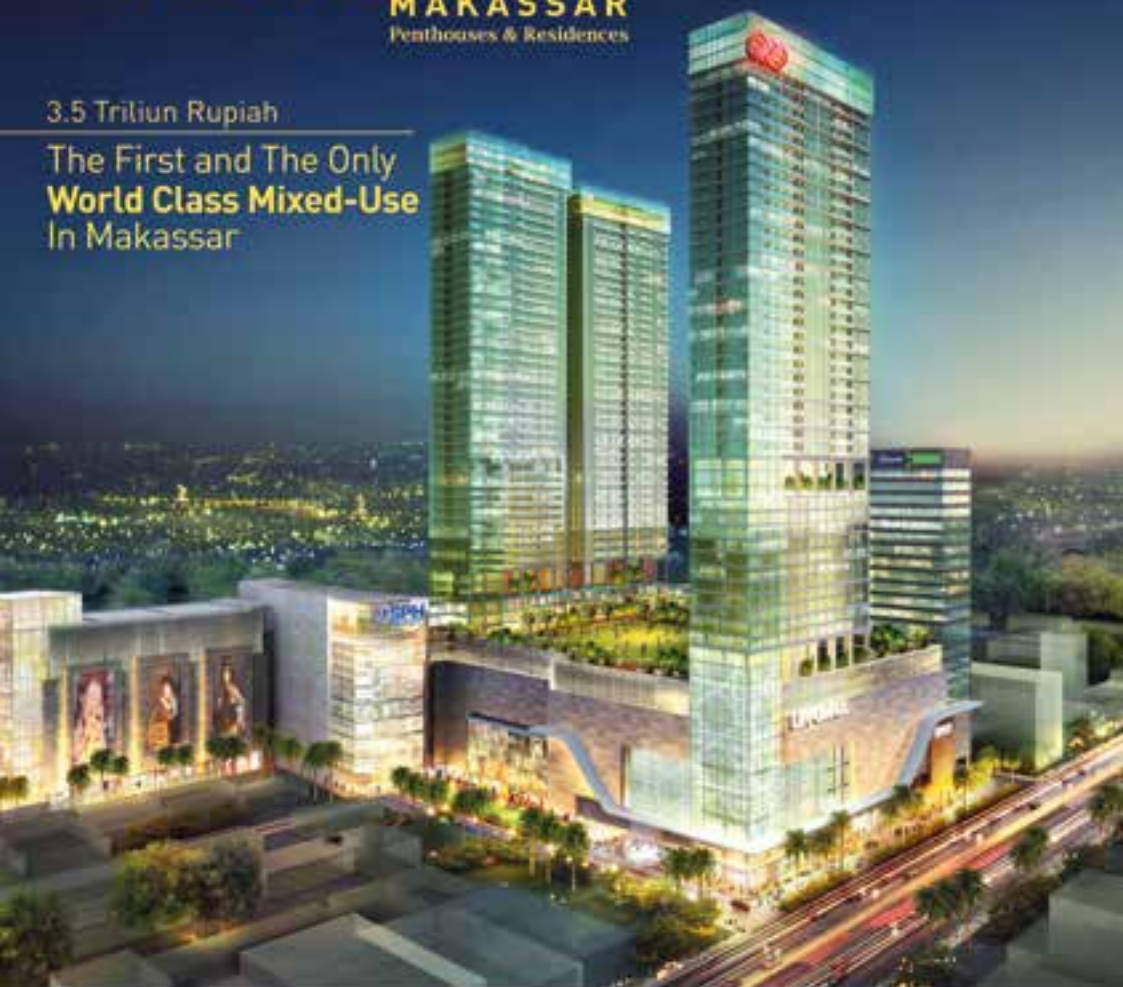


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**The First and The Only 12 in 1 Integrated Facilities Development in Makassar**

The Tallest Iconic Tower | Residential Towers | Private Member Club | Private Sky Infinity Pool | Lippo Mall  
School by Pelita Harapan Foundation | Lippo Hotel | Worldclass Healthcare by Siloam Hospitals  
Multi Function Lounge | Big Screen Cinema | Entertainment and F&B Hub | Helicopter Services



Disclaimer: All images shown herein are subject to change without notice. Terms & conditions apply.

6 february

IDR

1.14 trillion

**Share Placement of PT Siloam International Hospitals Tbk by PT Lippo Karawaci Tbk Valued at IDR1.14 trillion**

PT Lippo Karawaci Tbk ("LPKR") executed placement of 92.8 million shares of PT Siloam Hospitals Tbk ("Siloam"), via an overnight placement. Shares were placed at a price of IDR12,250 per share, representing 8.2% discount to the closing share price on Thursday, 5 February 2015 of IDR13,350 per share, for total proceeds of IDR1.14 trillion. The share placement represented 8% of the total shares outstanding of Siloam. Prior to the placement, LPKR held an effective stake of 78.8% in Siloam through various subsidiaries. After the placement, LPKR's effective stake in Siloam was 70.8%. The placement by LPKR increased the free float of Siloam from 21.2% to 29.2%, broadened the shareholders base, and was expected to further improve liquidity.

# Corporate Actions

14 july

IDR

380 billion

**Cash Dividend Payment of IDR380 Billion, or IDR16.68 per Share**

The 2015 Annual General Meeting of Shareholders approved dividend payment for fiscal year 2014 of IDR380 billion, or IDR16.68 per share, an increase of 19%, compared with the same period last year. The amount is equal to a yield of 1.64% of the 30 December 2014 share price of IDR1,020.

# Lippo Karawaci Facts

**1** Largest public listed property company in Indonesia based on total revenue (IDR8.9 trillion) and total assets (IDR41.3 trillion) as of 31 December 2015.

**2** One of the top 20 public listed companies on the Indonesian Stock Exchange with the highest transaction value (IDR22.1 trillion for the year ending 31 December 2015 with transaction volume of 18.9 billion shares).

**3** Fastest growing Indonesia real estate group (market capitalization growth over 9x since consolidating the 8 property businesses in 2004).

**4** Market leader in Township & Residential Property, Hospital, Retail Malls and REITs.

**5** Proven business model integrated with the ability to recycle capital.

**6** Diversified land bank in strategic areas throughout Indonesia sufficient for the next 10-15 years.

**7** Only property company with ratings from three international ratings agencies (Standard & Poor's: BB-, Moody's: Ba3, Fitch: BB-).

**8** Included in MSCI Global Standard Indices and major indexes in Indonesia Stock Exchange such as LQ45, IDX30, Jakarta Islamic Index, Bisnis-27 and Kompas-100.

## 4 Business Divisions

### Properties

#### Development rights:

8,076 ha

#### Land already acquired:

4,932 ha

#### Landbank:

1,559 ha

### Healthcare

20 hospitals with 4,800 beds capacity under the Siloam Hospitals network.

44 hospitals in the pipeline of Siloam Hospitals. (Target: 50 hospitals and 10,000 beds capacity by 2017).

National and international (JCI) accreditation.

### Commercial

#### Malls

Own and/or manage 43 malls (GFA of 3.1 million sqm).

15 malls in the pipeline

#### Hotels

Own and/or manage 8 hotels with 1,664 rooms.

### Asset Management

Managing 2 public listed REITs on SGX: First REIT & LMIRT.

Managing total assets worth USD2.2 billion.

Town Management.



May

#### Top Performing Listed Companies 2015

Lippo Cikarang received Top Performing Listed Companies 2015 for category Market Capitalization below IDR10 trillion (from Investor Magazine).

August

#### Property Indonesia Award 2015

Lippo Karawaci received Award from Indonesia Property Magazine for the category The Best Performance 2015. The award is in recognition of great achievement in the property industry.

August

#### Golden Property Award 2015

Lippo Karawaci received Golden Property Award 2015 for Top 5 Public Listed Property Company from Indonesia Property Watch.

August

#### Top 50 Most Valuable Indonesia Brands 2015

Lippo Karawaci received award Top 50 Most Valuable Indonesian Brands 2015 from Millward Brown and WPP, an established marketing services group, which has grown to become one of the world's leading advertising and marketing services groups.

May

#### Top Performing Listed Companies 2015

Lippo Karawaci received "Top Performing Listed Companies 2015" from Investor Magazine for Property and Construction sector. The Company performed well in 2014, in which net profit more than doubled to IDR2.5 trillion.

August

#### Property Indonesia Award 2015

Holland Village received Award from Indonesia Property Magazine for the category Exceptional Mixed Use Project 2015. The award is in recognition of great achievement in the property industry.

August

#### Golden Property Award 2015

Lippo Karawaci received Golden Property Award 2015 for Kemang Village in the category Best Commercial Superblock Green Development in Jakarta area from Indonesia Property Watch.

August

#### Golden Property Award 2015

Lippo Karawaci received Golden Property Award 2015 for its founder Mr Mochtar Riady for a Lifetime Achievement for his contribution and dedication in the development of Indonesia's property industry from Indonesia Property Watch.

May

#### International Property Awards 2015

Lippo Karawaci received a prestigious award from the "International Property Awards 2015". The event was organized by the International Property Media Ltd, based in the UK. The Highly Commended Development Asia Pacific Property Awards 2015 which were the highest awards were given for four projects developed by Lippo Karawaci through Lippo Homes, namely:

1. Embarcadero Park Bintaro - Eastern Wing in the Residential High-Rise Development category
2. The St. Moritz Makassar in the Residential High-Rise category
3. The Millenium Village in the Condominium category
4. Bloomington Kemang Village in the Condominium category

International Property Media Ltd. Is a media organization that routinely conducts annual appreciation to property industry players worldwide. The assessment process is done strictly and involves a panel of judges who are competent in their fields.

September

#### Indonesia Property Awards 2015

Hillcrest House at Millennium Village was presented the Best Mid-Range Condo Development (Jakarta) award. The awards were presented by Indonesia Property Awards which organized by Ensign Media's awards organiser and publisher of Asia's industry-leading Property Report magazine.

May

#### Top Ten Developer in Indonesia award

Lippo Karawaci received Top Ten Developer in Indonesia award in 2015 from BCI Asia for second consecutive years. The Awards recognizes developer and architecture firms with the highest value portfolios of projects during the last full calendar years.

August

#### Property Indonesia Award 2015

Orange County received Award 2015 from Indonesia Property Magazine for the category The Trendsetting Mixed Use Project. The award is in recognition of great achievement in the property industry.

August

#### Golden Property Award 2015

Lippo Karawaci received Golden Property Award 2015 for our senior executive Jopy Rusli for Most Influential Property Figure in Marketing from Indonesia Property Watch.

September

#### Indonesia Property Awards 2015

PT Lippo Karawaci Tbk, was presented a Special Recognition in CSR for its initiatives in transforming lives through environment-friendly, high-quality and sustainable business activities. The awards were presented by Indonesia Property Awards which organized by Ensign Media's awards organiser and publisher of Asia's industry-leading Property Report magazine.





October

**Indonesia Excellence in Growth Property Development and Property Developer of the year**

Lippo Karawaci received Two Frost & Sullivan Awards for 2015 as Indonesia Excellence in Growth Property Development and Property Developer of the year.

November

**Best of the Best Top 50 Indonesia Companies 2015**

Lippo Karawaci received "Best of the Best Top 50 Indonesia Companies 2015 Awards" by Forbes Magazine.

December

**Consumer Choice Award 2015**

The St Moritz Puri Jakarta received Consumer Choice Award 2015 from Rumah 123.com, leading online housing market in Indonesia for the category Best on The Area Apartment in West Jakarta.

October

**Nusantara CSR Award 2015**

Lippo Cikarang received Nusantara CSR Award 2015 from La Trofi School Of CSR for giving free healthcare to the public in Cibatu, Cikarang and Bekasi area.

November

**Best of the Best Top 50 Indonesia Companies 2015**

Lippo Cikarang received "Best of the Best Top 50 Indonesia Companies 2015 Awards" by Forbes Magazine.

December

**Consumer Choice Award 2015**

Lippo Karawaci received Consumer Choice Award 2015 from Rumah 123.com, leading online housing market in Indonesia for the category Best on The Area Residential in Tangerang, Banten.

October

**Frost & Sullivan Award 2015**

Siloam Hospitals received Frost & Sullivan Award as 2015 Indonesia Healthcare Services Provider of the Year. This is the fourth time Siloam is recognized as the best healthcare services provider in Indonesia. Siloam is the clear leader in the hospital industry in Indonesia as it operates the largest private hospital network with the latest technologies and excellent quality care for its patients.

December

**Consumer Choice Award 2015**

Millenium Village received Consumer Choice Award 2015 from Rumah 123.com, leading online housing market in Indonesia for the category Best on The Area Apartment in Tangerang, Banten.

October

**Winner 1H15 Best Financial Performance Real Estate Asia**

Lippo Cikarang received "Winner 1H15 Best Financial Performance Real Estate Asia" from A. Stotz Investment Research (ASIR), a global advisory firm, which recently announced its Asian "World Class Company Awards", part of its pursuit to find the companies in Asia with the best financial performance. This award is a proof that Lippo Cikarang stood out among their sector peers in Asia for its superior Profitable Growth.

December

**The Most Favoured Mixed Use Project**

Lippo Cikarang received "The Most Favoured Mixed Use Project" from Housing Estate Magazine for Orange County.

# Awards <sup>2015</sup>

# Financial Highlights

in billion Rupiah, unless otherwise stated	2015	2014	2013	2012	2011
<b>PROFIT AND LOSS</b>					
Revenue	8,910	11,655	6,666	6,160	4,190
Gross Profit	4,119	5,397	3,047	2,821	1,896
EBITDA	2,223	3,633	1,801	1,686	1,083
Operating Profit	1,727	3,278	1,512	1,477	928
Income for the Year Attributable to Owners of the Parent	535	2,556	1,228	1,060	708
Income for the Year Attributable to Non-controlling Interest	489	584	364	263	106
Net Profit After Tax	1,024	3,140	1,592	1,323	814
Basic Earning per Share (Rupiah)	24	112	54	46	32
Number of Outstanding Shares (Shares)	23,077,689,619*	23,077,689,619*	23,077,689,619*	23,077,689,619*	23,077,689,619*

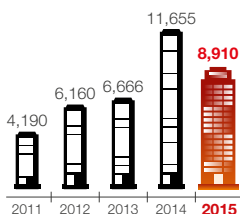
Note: \* Including treasury stock of 306,104,500 shares as per 15 May 2013

<b>BALANCE SHEET</b>					
Current Assets	33,577	30,042	24,013	19,479	13,608
Non Current Assets	7,750	7,814	7,295	5,390	4,651
<b>Total Assets</b>	<b>41,327</b>	<b>37,856</b>	<b>31,308</b>	<b>24,869</b>	<b>18,259</b>
Current Liabilities	4,857	5,809	4,847	3,479	2,254
Non-Current Liabilities	17,553	14,427	12,293	9,920	6,596
<b>Total Liabilities</b>	<b>22,410</b>	<b>20,236</b>	<b>17,140</b>	<b>13,399</b>	<b>8,850</b>
Equity attributable to parent entity	16,394	15,588	12,784	10,656	8,834
Non-controlling interest	2,523	2,033	1,385	814	575
<b>Total Equity</b>	<b>18,917</b>	<b>17,621</b>	<b>14,169</b>	<b>11,470</b>	<b>9,409</b>

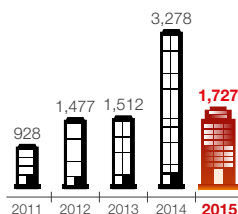
	2015	2014	2013	2012	2011
<b>FINANCIAL RATIOS</b>					
Return on Assets (%)	1	7	4	4	4
Return on Equity (%)	3	16	10	10	8
Current Ratio (x)	7	5	5	6	6
Debt to Assets (x)	0.3	0.3	0.2	0.2	0.2
Debt to Equity (Gross) (x)	0.8	0.6	0.6	0.6	0.4
Debt to Equity (Net) (x)	0.6	0.4	0.5	0.3	0.2
Gross Profit Margin (%)	46	46	46	46	45
EBITDA Margin (%)	25	31	27	27	26
Operating Profit Margin (%)	19	28	23	24	22
Net Profit Margin (%)	6	22	18	17	17

**Revenue**

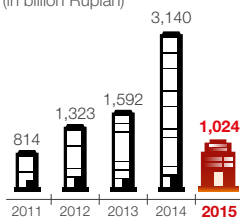
(in billion Rupiah)

**Operating Profit**

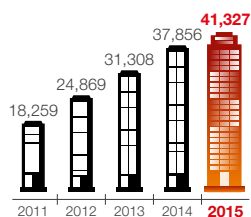
(in billion Rupiah)

**Net Profit After Tax**

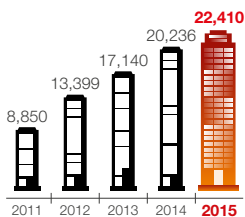
(in billion Rupiah)

**Total Assets**

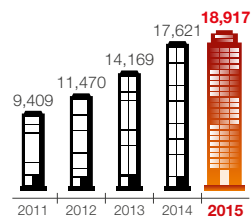
(in billion Rupiah)

**Total Liabilities**

(in billion Rupiah)

**Equity**

(in billion Rupiah)



# Stock Highlights

## Shareholder Structure

(as of 31 December 2015)

No.	Shareholders	Number of Shares	Percentage of Ownership *
1	Credit Suisse AGSG TRACCL PT Metropolis Propertindo Utama	1,212,280,000	5.25%
2	Pacific Asia Holding Ltd	3,676,619,908	15.93%
3	Bank Julius Baer and Co Ltd s/a Pacific Asia Holdings Limited	450,000,000	1.95%
4	Other public shareholders (each less than 5%)	17,738,789,711	76.87%
<b>TOTAL</b>		<b>23,077,689,619</b>	<b>100.00%</b>

Note: \* Including 306,104,500 treasury stock (buyback by the company) up to the period ending 15 May 2013  
- The Board of Directors and Board of Commissioners do not own shares of the Company.

## Top-20 Shareholder Structure

(as of 31 December 2015)

No.	Shareholder Name	Number of Shares	Percentage of Ownership
1	Pacific Asia Holding Ltd.	3,676,619,908	15.93%
2	Credit Suisse AGSG Traccl PT Metropolis Propertindo Utama	1,212,280,000	5.25%
3	Citibank Hong Kong S/A A&T as agent (Meridian Investment Limited)	1,140,600,000	4.94%
4	Credit Suisse AG Singapore Trust Account Client Crescendo Investment Limited	1,100,000,000	4.77%
5	Credit Suisse AG Singapore Trust Account Client Itradiaz Investment Limited	1,100,000,000	4.77%
6	DBHK-CT SA DBTHK as Sec.agent For Conrex	1,100,000,000	4.77%
7	Credit Suisse AG SG TR AC CL PT Bina Bangun Mandiri	1,065,250,000	4.62%
8	DBHK-CT SA DBTHK as Sec.agent For Carloz	989,000,000	4.29%
9	Star Pacific Tbk, PT	914,326,680	3.96%
10	Credit Suisse AG Singapore Trust Accounts Client Boston Investment Ltd	826,000,000	3.58%
11	Lippo General Insurance Tbk,PT	593,097,170	2.57%
12	Citibank Hong Kong S/A Cronos International Limited	481,074,277	2.08%
13	Bank Julius Baer and Co Ltd S/A Pacific Asia Holdings Limited	450,000,000	1.95%
14	Credit Suisse AG SG Trust A/C Client PT Tema Jaya	322,470,000	1.40%
15	Citibank New York S/A Dimensional Emerging Markets Value Fund	320,652,349	1.39%
16	Lippo Karawaci,PT	306,104,500	1.33%
17	Multipolar,PT, Tbk	286,393,000	1.24%
18	Citibank Hong Kong S/A Citibank, Na, Hong Kong-A&T As Agent (Cronos International Limited)	243,717,284	1.06%
19	Credit Suisse AG Singapore Trust Account Client Bullion Investment Ltd	202,500,000	0.88%
20	PT Multipolar Tbk.	200,000,000	0.87%

## Shareholding by Directors / Commissioners

(as of 31 December 2015)

No.	Shareholder Name	Number of Shares	Percentage of Ownership
<b>Total</b>		-	-



### Dividend History

Shareholders Record Date	Payment Date	Dividend/Share	Total Nominal
16 December 1996	14 January 1997	IDR 40,00	IDR 15,194,900,000
22 January 1998	20 February 1998	IDR 10,00	IDR 3,798,725,000
24 August 2005	8 September 2005	IDR 10,00	IDR 29,328,495,630
6 December 2006	20 December 2006	IDR 9,90	IDR 58,648,710,847
7 December 2007	27 December 2007	IDR 4,62	IDR 31,974,376,353
16 November 2010	1 December 2010	IDR 2.88 *)	IDR 49,830,196,893
10 October 2011	24 October 2011	IDR 4.33 *)	IDR 99,926,396,416
30 August 2012	13 September 2012	IDR 7.79	IDR 177,500,000,000
4 December 2013	18 December 2013	IDR 11.85	IDR 270,000,000,000
5 December 2014	19 December 2014	IDR 14.05	IDR 320,000,000,000
24 June 2015	14 July 2015	IDR 16.68	IDR 380,000,000,000

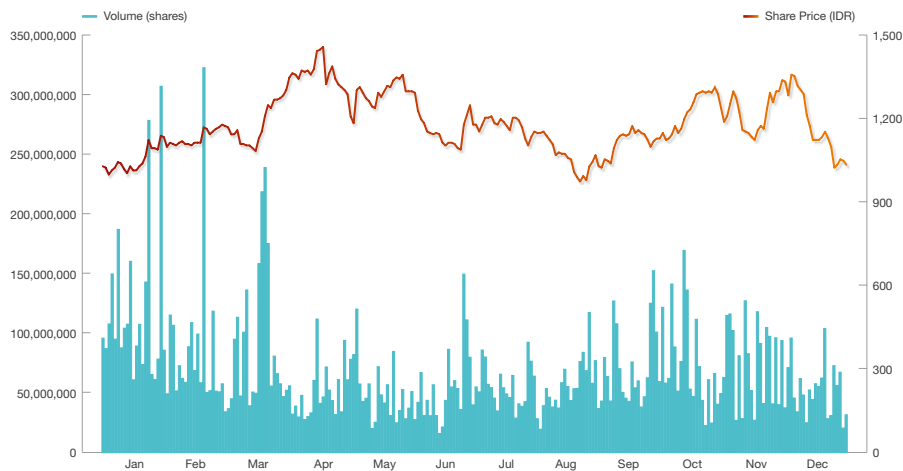
\*) Dividend for fiscal 2010 in the amount of IDR150 billion was distributed in two stages, with an Interim Dividend of IDR50 billion and a Final Dividend of IDR100 billion.

### Capital History

Description	Date	Number of Shares	Total Issued Shares
IPO	3 June 1996	30,800,000	30,800,000
Company Listing	28 June 1996	244,000,000	274,800,000
Convertible Bonds	1996	105,072,500	379,872,500
Rights Issue I	27 February 1998	607,796,000	987,668,500
Merger	30 July 2004	1,063,275,250	2,050,943,750
Rights Issue II	20 January 2005	881,905,813	2,932,849,563
Warrant Conversion prior to Stock Split	20 January 2005 - 28 July 2006	279,099	2,933,128,662
Stock Split I	2 August 2006	2,933,128,662	5,866,257,324
Warrant Conversion after Stock Split I	2 August 2006 - 31 December 2006	4,759,748	5,871,017,072
Warrant Conversion	1 January - 30 November 2007	1,049,843,606	6,920,860,678
Stock Split II	26 December 2007	10,381,291,017	17,302,151,695
Rights Issue III	28 December 2010	4,325,537,924	21,627,689,619
Capital increase without Pre-emptive rights	31 May 2011	1,450,000,000	23,077,689,619

# Stock Highlights

## 2015 Share Price Movement



## Summary of Share Price and Trading at Indonesia Stock Exchange

2014						2015					
Month	Share Price (IDR)			Share Trading		Month	Share Price (IDR)			Share Trading	
	Highest	Lowest	Closing	Volume (units)	Amount (IDR)		Highest	Lowest	Closing	Volume (units)	Amount (IDR)
Jan	1,000	855	950	2,150,636,500	2,019,856,111,000	Jan	1,155	980	1,135	2,541,121,000	2,683,106,964,500
Feb	960	910	940	2,295,331,600	2,149,632,528,500	Feb	1,180	1,090	1,180	1,649,999,300	1,863,148,976,500
Mar	1,295	920	1,085	2,359,518,300	2,527,160,235,500	Mar	1,355	1,070	1,350	1,962,023,600	2,311,503,211,500
Apr	1,220	1,040	1,070	1,808,292,800	2,039,531,183,500	Apr	1,460	1,150	1,185	1,115,705,900	1,497,865,484,500
May	1,160	1,035	1,035	1,200,587,200	1,314,908,692,000	May	1,375	1,185	1,300	938,025,600	1,219,855,737,000
Jun	1,065	930	960	1,469,308,700	1,480,443,585,500	Jun	1,310	1,085	1,180	1,143,667,300	1,331,330,755,500
Jul	1,180	945	1,100	2,217,644,400	2,437,460,082,500	Jul	1,225	1,105	1,155	1,077,992,700	1,271,094,139,000
Aug	1,240	1,060	1,070	1,388,960,300	1,595,264,900,500	Aug	1,170	910	1,070	1,127,787,500	1,185,718,785,500
Sep	1,080	935	940	1,718,227,100	1,754,793,665,000	Sep	1,195	995	1,130	1,492,516,400	1,666,215,894,500
Oct	1,080	885	1,070	2,772,857,100	2,739,528,083,000	Oct	1,320	1,120	1,190	1,566,771,000	1,900,087,309,500
Nov	1,180	1,005	1,165	1,440,166,800	1,557,231,661,500	Nov	1,350	1,110	1,285	1,597,844,300	1,967,854,463,000
Dec	1,195	970	1,020	1,911,442,400	2,031,007,625,000	Dec	1,380	1,005	1,035	1,000,082,800	1,174,051,710,500

# Bonds Highlights

No.	Issue Date	Description	No. ISIN	Total USD	Due Date	Coupon p.a.
1	16 May 2012	Theta Capital Senior Notes	XS0780192471	150,000,000	2019	7.000%
2	15 October 2012	Theta Capital Senior Notes	XS0780192471	100,000,000	2019	7.000%
3	14 January 2013	Theta Capital Senior Notes	XS0852004299	403,306,000	2020	6.125%
4	11 April 2014	Theta Capital Senior Notes	XS1054375446	150,000,000	2022	7.000%

## Utilization of Proceeds from Bond Issuance

### 1. USD 150,000,000, 7% p.a. Senior Notes due 2019

The net cash proceeds from the offering and issuance of the Notes, after deducting underwriting fees, commissions and other expenses associated with the issue of the Notes, were intended for the following:

- Approximately 95% of the proceeds for development of new retail malls, hospitals and large scale integrated development projects.
- The remainder for working capital requirements and general corporate purposes.

### 2. USD 100,000,000, 7% p.a. Senior Notes due 2019

The net cash proceeds from the offering and issuance of the Notes, after deducting underwriting fees, commissions and other expenses associated with the issue of the Notes and accrued interest on the Notes from 16 May 2012, were intended for the following:

- Approximately 95% of the net proceeds for development of new retail malls, hospitals and large scale integrated development projects.
- The remainder for working capital requirements and general corporate purposes.

### 3. USD 403,306,000, 6.125% p.a. Senior Notes due 2020

The Notes were issued by Theta Capital Pte. Ltd. in the amounts of USD 273,306,000 and USD 130,000,000 and, were exchanged with 9% Senior Notes due 2015 previously issued by Sigma Capital Pte. Ltd ('Sigma Capital 2015 Notes'). The net cash proceeds from the offering and issuance of the USD 130,000,000 Notes, after deducting the underwriting fees, commissions and other expenses associated with the issue of Notes and accrued interest on the Notes from 14 November 2012, were used for the redemption of a portion or all of the remaining Sigma Capital 2015 Notes that were not exchanged for the 6.125% Theta Capital Senior Notes due 2020 pursuant to the exchange offer.

### 4. USD 150,000,000, 7% p.a. Senior Notes due 2022

The net cash proceeds from the offering and issuance of these Notes, after deducting underwriting fees, commissions and other expenses associated with the issue of the Notes, were intended for the following:

- Approximately 80% of the net proceeds for development of new properties that generate recurring revenue, including hospitals and retail malls.
- The remainder for working capital and general corporate purposes.

# event highlights 2015

## feb

6

**PT Lippo Karawaci Tbk ("LPKR")** executed placement of 92.8 million shares of PT Siloam Hospitals Tbk ("Siloam"), via an overnight placement. Shares were placed at a price of IDR12,250 per share, representing 8.2% discount to the closing share price on Thursday, 5 February 2015 of IDR13,350 per share, for total proceeds of IDR1.14 trillion. The share placement represented 8% of the total shares outstanding of Siloam. Prior to the placement, LPKR held an effective stake of 78.8% in Siloam through various subsidiaries. After the placement, LPKR held an effective interest of 70.8% in Siloam. The placement by LPKR increased the free float of Siloam from 21.2% to 29.2%, broadened the shareholders base, and was expected to further improve liquidity.

## mar

7

**PT Lippo Cikarang Tbk ("LPCK")** launched Pasadena Suites, the third tower in Orange County, a new CBD located in Lippo Cikarang. Pasadena Suites offer units ranging from 41 to 128 square meters including 1 to 3 bedrooms that offer unique features; a 1 bedroom unit can be combined with a 2-bedroom unit became into a 3 bedroom unit. A total of 419 units were sold on the launched date.



27

**GMTD** launched new cluster Golden Rod Residence, targeting the lower-middle income segment. The landed house cluster is equipped with a family club house and green space, in a prime location in Tanjung Bunga. A total 280 units with three types of house sizes, namely 6x15 sqm, 6x18 sqm and 7x20 sqm, were offered at competitive prices, and received a positive response from buyers.

## apr

24

**The addition of Lippo Plaza Kupang**, with total GFA of 37,777 sqm and NLA of 27,704 sqm, Lippo extends its malls footprint to East of Indonesia. As per end of March 2015, Lippo Karawaci has managed 41 malls across Indonesia, with total GFA of 3.1 mn sqm, making it as the largest malls operator in Indonesia.



## may

9

**PT Lippo Karawaci Tbk** launched its latest prestigious project, an integrated development in the prime CBD of Manado, North Sulawesi, called Monaco Bay. It is an Integrated Luxurious Resort Development with a value of IDR6 trillion. Monaco Bay will have a total area of 8 hectares, and the first phase will be built on 2.2 ha. The first phase development of Monaco Bay will start with the launch of Monaco Suites, a 40-floor condominium tower that will be the most magnificent landmark in Manado.

12

**Lippo Cikarang received "Top Performing Listed Companies 2015" award** for category Market Capitalization below IDR10 Trillion from Investor Magazine. This award was a result of sound fundamentals and technical performance of the Company as reflected in its trading liquidity and stock price movements.



# may

## 12

**Lippo Karawaci** received "Top Performing Listed Companies 2015" for Property and Construction sector from Investor Magazine. The Company performed well in 2015, in which net profit more than doubled to IDR2.5 trillion.



# may

## 26

**Lippo Karawaci** received "Top Ten Developer in Indonesia" awards in 2015 from BCI Asia for the second consecutive year. Since 2005, the BCI Asia Top Ten Awards has successfully placed itself among the most coveted awards for the Asian building and design industry. Held in seven different Asian territories, Hong Kong SAR, Indonesia, Malaysia, the Philippines, Singapore, Thailand and Vietnam, the Top Ten Awards recognized developers and architecture firms with the highest value portfolios of projects during the last full calendar year.



## 20

**Lippo Karawaci** received a prestigious award from the "International Property Awards 2015". The event was organized by the International Property Media Ltd. based in the UK. The Highly Commended Development Asia Pacific Property Awards 2015 which were the highest awards were given for four projects developed by Lippo Karawaci through Lippo Homes, namely:

1. Embarcadero Park Bintaro - Eastern Wing in the Residential High-Rise Development category
2. The St. Moritz Makassar in the Residential High-Rise category
3. The Millenium Village in the Condominium category
4. Bloomington Kemang Village in the Condominium category

International Property Media Ltd. is a media organization that routinely conducts annual appreciation to property industry players worldwide. The assessment process is done strictly and involves a panel of judges who are competent in their fields.

## 30

**Lippo Cikarang** launched new residential garden homes cluster, La Freya, with three sizes of units, namely 64/75 sqm, 64/80 sqm and 64/90 sqm, and with starting price from IDR760 million. It was 100% sold on the launch date.

# jun

## 6

**Lippo Homes** launched its latest prestigious project "Holland Village", a premier Mixed-Use Smart City Integrated Development worth IDR1.3 trillion in Manado, North Sulawesi. This residential and commercial area is located in the prime new CBD area in Manado. Holland Village, Manado will be developed on a 11.6 hectares land area, and according to the plan, there will be approximately 500 residential units. An area of 220,000 sqm will be allocated for development, consisting of 80,000 sqm for residential complex and the remaining 140,000 sqm for smart city facilities.



# jun

## 12

**Lippo Malls Indonesia** opened two new malls, namely Maxxbbox Karawaci in Lippo Village with total NLA of 11,397 sqm and Lippo Plaza Yogya with total NLA of 22,948 sqm. As of June 2015, Lippo Malls has managed a total of 43 malls throughout Indonesia.

## 29

**Lippo Cikarang** successfully sold 100% of the fourth condominium tower, Burbank, in its new CBD project, Orange County, to a single Japanese investor. The Semi Gross Area (SGA) of the sold property was 26,618 sqm and IDR412 billion was generated from the sales.

EVENT  
HIGHLIGHTS 2015

aug

19

**Lippo Karawaci**, Holland Village, and Orange County received Property Indonesia Award 2015 from Indonesia Property Magazine for The Best Performance, Exceptional Mixed Use Project and The Trendsetting Mixed Use Project categories. These awards were in recognition of the Company's outstanding achievements in the property industry.



19

**PT Lippo Karawaci Tbk** ("LPKR") received "Top 50 Most Valuable Indonesian Brands 2015" from Millward Brown and WPP, an established marketing group, which has grown to become one of the world's leading advertising and marketing groups.

26

**Indonesia Property Watch** awarded the "Golden Property Award" in several categories, based on the development project scale, including for public-listed companies, and also for important figures that had made positive contribution to the progress of property business in Indonesia. Kemang Village received the award in the category Best Commercial Superblock for green development in Jakarta. In addition, Lippo Karawaci also received the "Golden Developer" in "Top 5 Public Listed Property Company." Our senior executive, Jopy Rusli received the award as the most influential property figure in marketing. On top of that, our founder DR. Mochtar Riady received the Lifetime Achievement Award for his contribution and dedication to the development of the Indonesian property industry.

sep

3

**PT Lippo Karawaci Tbk**, was presented a Special Recognition in CSR for its initiatives in transforming lives through environment-friendly, high-quality and sustainable business activities. Lippo Karawaci also picked up the Best Mid-Range Condo Development (Jakarta) award for Hillcrest House at Millennium Village. The awards were presented by Indonesia Property Awards, which was organized by Ensign Media's awards organizer and publisher of Asia's industry-leading Property Report magazine.



26

**Lippo Cikarang** launched newly landed house cluster Cosmo Estate, located near Cibatu Km 34.7 exit tollgate. It was the first cluster equipped with a private swimming pool, a jogging track and playground facilities. Three sizes of units, 87/106 sqm, 96/105 sqm and 106/126 sqm, were offered, with a starting price from IDR1.2 billion and 108 total units.

## oct

1

**Lippo Karawaci** received two awards from Frost & Sullivan, “Indonesia Excellence in Growth Property Development” and “Property Developer of the Year” for 2015. In addition, Siloam Hospitals received the Frost & Sullivan Award as the 2015 Indonesia Healthcare Services Provider of the Year. This is the fourth time Siloam has been recognized as the best healthcare services provider in Indonesia, based on the results of in-depth market research by Frost & Sullivan. Siloam has been aggressively expanding its hospital network since 2011 to cater to the growing population in Indonesia. Siloam is the clear leader in the hospital industry in Indonesia as it operates the largest private hospital network with the latest technologies and excellent quality care for its patients.



7

**Lippo Cikarang** received “CSR Nusantara Award 2015” from La Trofi School Of CSR for providing free healthcare to the public in Cibatu, Cikarang and Bekasi area.

10

**Lippo Cikarang** received “Winner 1H15 Best Financial Performance Real Estate Asia” from A. Stotz Investment Research (ASIR), a global advisory firm, which recently announced its Asian “World Class Company Awards”, as part of its pursuit to find the companies in Asia with the best financial performance. This award was a testimony that LPCK stood out among their sector peers in Asia for its superior profitable growth.

## oct

28

**Lippo Group** signed a Joint Venture Agreement between Lippo Cikarang and Mitsubishi Corporation, Japan, with a total investment of US\$100 million. The joint venture company will be owned 51% by a subsidiary of Lippo Cikarang and 49% by PT Diamond Realty Investment Indonesia, a subsidiary of Mitsubishi Corporation. The first phase of this joint venture is two luxury condominiums in Lippo Cikarang’s masterpiece integrated development Orange County. Glendale Park, the first tower to be built, will have 556 units in four sizes to meet the increasing demand for quality and affordable residences in Eastern Jakarta.

## nov

14

**Lippo Cikarang** launched a second phase of Cosmo Estate, a landed house cluster near exit tollgate Cibatu Km 34.7, with a starting price from IDR1.2 billion and offering three house sizes: 87/106 sqm, 96/105 sqm, and 106/126 sqm.

25

**Lippo Karawaci** and **Lippo Cikarang** both received “Best of the Best Top 50 Indonesia Companies 2015 Awards” by Forbes Magazine. These awards were another testimony to both companies’ previous years outstanding performances.



## dec

5

**Lippo Cikarang** launched Glendale Park, the fifth tower in Orange County, Cikarang. Glendale Park is a joint venture project with Mitsubishi Corp Japan and was 97% sold on the launched date.



10

**Lippo Karawaci** received the Consumer Choice Award 2015 for “The Best on The Area Residential in Tangerang, Banten category from Rumah 123.com,” the leading online housing marketing in Indonesia. In addition, Millenium Village and The St Moritz also received the same awards for the category of “The Best Area Apartment in Tangerang, Banten and West Jakarta” consecutively.



10

**Lippo Cikarang** received “The Most Favoured Mixed Use Project” for its Orange County project from Housing Estate Magazine.



Report of

# the Board of Commissioners

“

Future growth opportunities remain strong in Indonesia, and Lippo Karawaci is prepared to tap into it with the experience and strategy to create shareholder value and to positively impact people's lives.

”

**Theo Leo Sambuaga**  
President Commissioner

## Dear Shareholders,

I would like to start this report by announcing with satisfaction that Lippo Karawaci has concluded the first phase transformational journey which we embarked upon 5 years ago. While we highlighted our growth targets for that period of exceptional economic growth in Indonesia in 2010, growth was not the only objective in that transformation.

From 2010 to 2015, the Company did grow remarkably well, from IDR16.2 trillion to IDR41.3 trillion (USD1.17 billion to USD3.00 billion) in assets, and IDR3.1 trillion to IDR8.9 trillion (USD227 million to USD656 million) in revenues. The transformation was also aimed at expanding our reach, and we grew from 8 to 14 managed assets in Sumatera, 5 to 9 in Java and 2 to 11 in Sulawesi, our first two in East Nusa Tenggara, 1 to 4 in Bali, and 37 to 54 in Greater Jakarta. Growth was not only in residential property sold, but also come from 25 to 43 malls and from 4 to 20 hospitals. The result is a generation of recurring revenue that served as an anchor of stability during the past year's volatility.



## REPORT OF THE BOARD OF COMMISSIONERS

Thus we conclude this particular transformation after having built and seen the results at year end 2015. The Company is now geographically better diversified, and revenue sources more varied. The Company's management is more systematically managed now for both development and revenue stream management. Future growth opportunities remain strong in Indonesia. Lippo Karawaci is prepared to tap into these opportunities, utilizing its experience and strategy to create shareholder value and to positively impact people's lives.

2015 was marked with turbulent international markets and swings in foreign exchange rates. Actions by various central banks and governments to stimulate growth, especially in Europe, America and East Asia, have placed other emerging economies in reactive positions. We appreciate the decision of shareholders in holding Lippo Karawaci shares in the Indonesia Stock Exchange given the unsettling capital flows we witnessed in 2015.

### COMPANY PERFORMANCE RESULTS

Lippo Karawaci operations in 2015 produced total revenues of IDR8.9 trillion, down from the IDR11.7 trillion in 2014, a record year for us. Gross profit followed the trend lowering to IDR4.1 trillion, contributed by: a 49% (65% in 2014) contribution from the Properties business unit, 29% (18% in 2014) from Healthcare, 11% (9% in 2014) from Commercial, and 11% (8% in 2014) from Asset Management. The resulting EBITDA was IDR2.2 trillion compared with last year's IDR3.6 trillion.

### BOARD OF DIRECTORS' PERFORMANCE

We support the Board of Directors' action in adapting to the changing economic and business developments in Indonesia, remaining engaged in building and in expanding the recurring revenue base.

The Company has in recent years embarked on several cooperative arrangements especially along the Cikarang Industrial Corridor. Within this industrial hub, interest by various large Japanese companies has resulted in joint ventures, direct selling, factory construction and rental, and in further cooperation in the construction of two buildings in the Orange County Central Business District.

“  
After completing the first phase of its transformational journey, Lippo Karawaci currently has a wider geographic coverage and diversified revenue sources.  
”



As the Company, through subsidiary Lippo Cikarang, has proven itself in opening multiple avenues for large scale investment in property projects, factory development and housing arrangements, the high profile agreement with a global enterprise is a vote of confidence and a mark of trust in the Company.

### CORPORATE GOVERNANCE

The Board of Commissioners is assisted in its oversight tasks by the Audit Committee and the recently restructured Nomination and Remuneration Committee to improve the governance practice. In 2015, effective oversight was evidenced by our receiving of numerous audit recommendations and other reports in addition to which in total give a picture of a Company which is able to transparently manage its assets and improve monitoring effectively as well as accountable in overcome challenges caused externally or internally.

There were changes in the Board of Commissioners in 2015 with the AGMS of June 2015 accepting the resignation of Benny Haryanto Djie from the Board of Commissioners.

The Board of Commissioners is finalizing the Charter for the Board of Commissioners during the year. This Charter provides clear guidance on Board of Commissioner roles and supervisory conduct and will help to strengthen the overall governance structure of the Company.

### CORPORATE SOCIAL RESPONSIBILITY

The Company's social responsibility programs and stakeholder engagements include with employees, with contractors, with government officials, and with the communities surrounding the Company's operations. In each case, the long history of the Company has secured those tools needed to spread the benefits further out into the stakeholder community, building a favorable image and strengthening relationships, especially with customers.

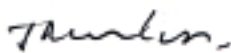
### COMPANY PROSPECTS

In discussing the prospects detailed by the Board of Directors, the Board of Commissioners is of the view that as long as the volatility remains, optimism needs to be tempered by caution. Thus, this year's Annual Report theme of "Treading through Volatility" is also an option for each of the business units to pursue those objectives and opportunities which occur within the expected continuing volatility. Nevertheless, the process of choosing and moving forward on projects is well-tested and the strength of the asset light business model has produced a Company that can quickly adapt to changing scenarios and to benefit at each step of the way.

We invite shareholders to remain engaged with management actions and indeed invite all stakeholders to look at the Company's long track record of development and management as we head into a new year.

### APPRECIATION

In closing, let me thank on behalf of the Board of Commissioners to the shareholders who have supported Lippo Karawaci's mission to build beautiful and functional buildings across Indonesia. I would like also to thank the Board of Directors, management and all employees of Lippo Karawaci for treading through the volatility while simultaneously growing the Company.



**Theo Leo Sambuaga**  
President Commissioner



**IDR8.9**trillion

In the midst of 2015 unfavorable condition, PT Lippo Karawaci, Tbk was able to book a revenue of IDR8.9 trillion.

**Seated** (form left to right)

**Theo Leo Sambuaga**  
President Commissioner

**Surjadi Soedirdja**  
Vice President Commissioner  
and Independent Commissioner

**Standing** (form left to right)

**Viven Gouw Sitiabudi**  
Commissioner

**Tanri Abeng**  
Commissioner

## BOARD OF COMMISSIONERS



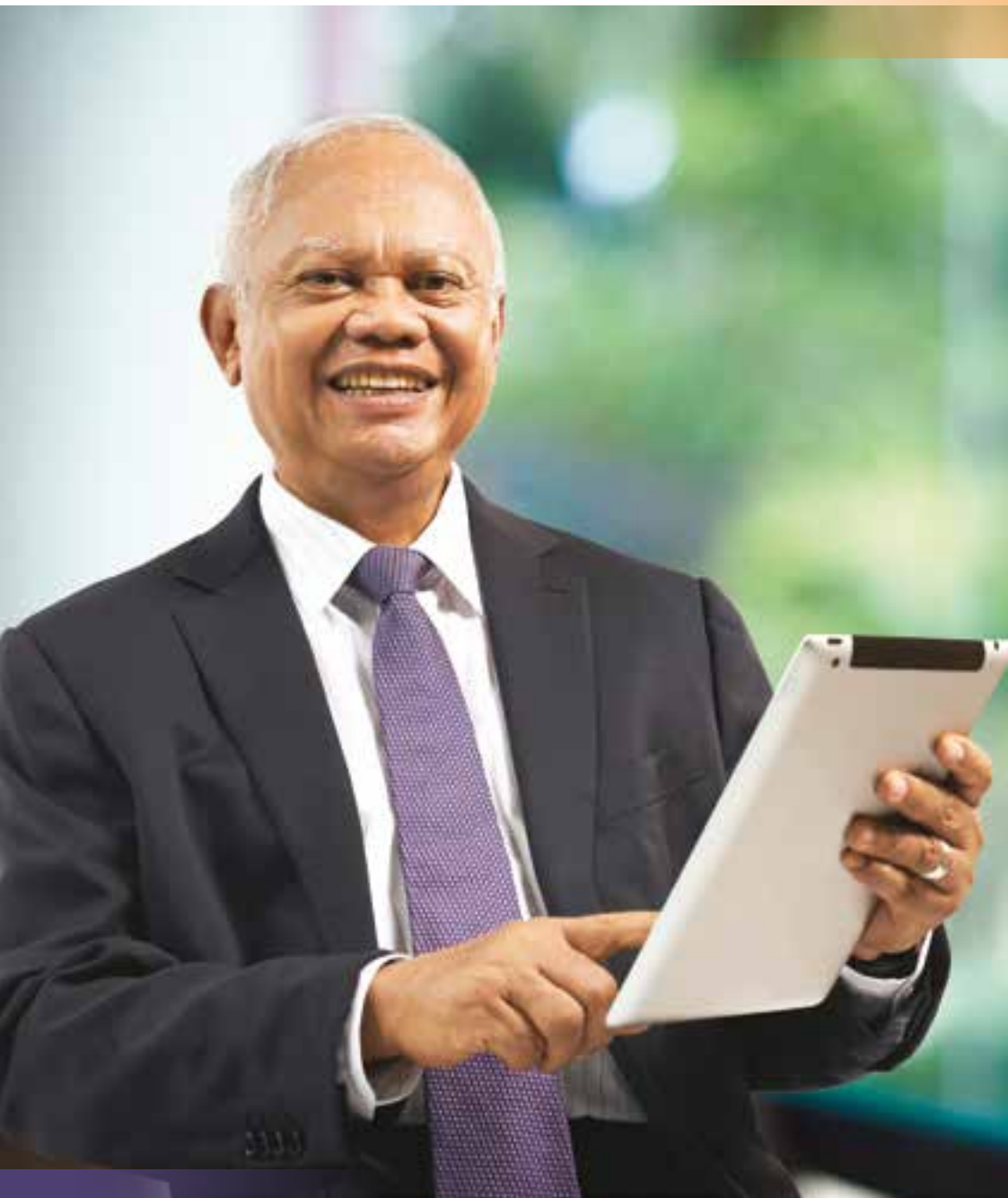
**Agum Gumelar**  
Independent  
Commissioner

**Farid Harianto**  
Independent  
Commissioner

**Prof. Dr. H. Muladi, SH**  
Independent  
Commissioner

**Sutiyoso**  
Independent  
Commissioner







# Report of the Board of Directors

“

As reflected in the incremental of 24% of our organic revenue growth, the Company believes that strengthening our recurring revenue, especially from our hospitals, is a proper strategy for us.

”

**Ketut Budi Wijaya**  
President Director

## Dear Shareholders,

**I**t is a pleasure to report to you the progress of PT Lippo Karawaci Tbk ('Lippo Karawaci' or the 'Company') during the course of its business in 2015.

Business circumstances in 2015 were not in our favor due to a combination of domestic political, economic and tax issues as well as a slowing down of the global economy which also impacted on the Indonesian economy. Nevertheless, the Company remains firmly on track in implementing a balanced but defensive business model, and building strong recurring business.

### PERFORMANCE AND STRATEGY

Lippo Karawaci's diversified operations in the 4 business units remain productive and work as an integrated strategy, in the areas of property, healthcare, commercial and assets management. Recurring revenue grew by 18% and represents 62% of total revenues.

## REPORT OF THE BOARD OF DIRECTORS



# 24%

Hospital's revenue growth  
reached 24%

We had set bullish 2015 targets for property sales at IDR6 trillion but had to revise this downwards to IDR4 trillion as conditions worsened.

Our efforts to build strong recurring business especially through the hospitals business gives assurance of the right strategic direction as the organic growth of the hospitals revenues is promising at 24% in 2015. The hospitals strategy to support the government in providing healthcare services for all Indonesians through the BPJS national health care program has been effective and sustainable. Building the new hospitals network across the country will further enhance potentials despite challenges in dealing with the operational hospitals permits.

Our malls and hotels business continue to perform well supported by a strong consumption-based economy and changes in lifestyles, especially in major cities in Indonesia.

Our assets management business, which mainly consists of two REITs managers and a property management business, performed in line with our expectations. Total assets managed by the two REITs increased from SGD3.0 billion to SGD3.1 billion, while property management revenue increased by 14% from IDR665 billion to IDR756 billion.

Global financial volatility has impacted the Indonesian macro economy and resulted in a weakening Rupiah, eventually creating a foreign exchange loss in 2015 for the Company despite our efforts to mitigate the foreign exchange volatility through hedging.

### 2015 PERFORMANCE

Total revenue from the ordinary businesses increased 8% from 2014 to IDR8,910 billion driven by increasing hospitals revenue at 24% from last year. 2015's recognition of property revenue, excluding assets divestment, was IDR3,403 billion, slightly lower than last year by 5%, with fee based recurring revenue of IDR337 billion, slightly higher by IDR31 billion or 10%. Gross profit from ordinary businesses increased by 3% from 2014 to IDR4,119 billion whilst operating expenses increased 13% from the previous year to IDR2,391 billion as most of our hospitals were still in growing stages.

The Rupiah volatility resulted in the Company's foreign exchange loss, though not significant, of IDR155 billion, a significant difference from last year when we enjoyed a foreign exchange gain of IDR397 billion, reflecting a swing of IDR552 billion.

Due to the above, 2015 net profit after tax from ordinary businesses was IDR535 billion compared to IDR1,341 billion the year before.

Two asset divestments which were supposed to be divested in 2015 were postponed to 2016 due to the delays in the administration and permits process.

Overall, including the asset divestment, our revenue this year decreased by 24% from IDR11,655 billion to IDR8,910 billion and net profit after tax decreased from IDR2,556 billion to IDR535 billion.

The balance sheet of the Company remains solid with assets increasing by 9% to IDR41,327 billion and liabilities increasing by 11% from the previous year, reaching IDR22,410 billion.

Lippo Karawaci's share price remained relatively stable in 2015, and was in fact marginally higher than end of last year. Given the movement in stock markets around the world and in emerging economies specifically, the Company's potential with extensive geographically diversified land banks and strong recurring revenue confirm the positive sentiment mentioned earlier.

Again in 2015, Lippo Karawaci has demonstrated that its business model and strategy is flexible and resilient.

## THE CHALLENGES OF BALANCING RISK AND REWARD

Lippo Karawaci management are aware of a number of risks in three main areas: business risk, financial risk and other operational risk. We work to balance these and wherever possible mitigate the risks to reach the reward of a more solid performance.

The pre-selling of housing property has been done to avoid build-up of inventory in the balance sheet.

Geographically diversified land banks provide more flexibility in launching new projects and catering to broader markets. As such, we deferred some product launching of high rise apartments given the market uncertainty avoiding the unnecessary compromise of our pricing model and land bank strategy.

Foreign exchange fluctuations affect the Company, and primarily occur on the USD debt instruments the Company had issued. To mitigate risks, the principal of debts had been 100% hedged from inception to maturity and we closely monitor the currency fluctuation to adjust our hedging policy.

Our asset light strategy remains effective in mitigating the build-up of assets in our balance sheet, especially when most of our projects are mixed-use types of property developments.

## GOVERNANCE

The Company has been consistently expanding its corporate governance systems, and setting those limits for itself that will result in stakeholders getting transparent updates of the performance and outlook in line with our purpose of long term sustainability and resilience, and competitiveness to attract foreign investment.

## REPORT OF THE BOARD OF DIRECTORS

Empowering our business units to be transparent by bringing major units to be listed not only in Indonesia but also regionally is among our long term strategies to ensure governance in all our businesses. Three of our business units are listed on the Indonesia Stock Exchange (IDX), while two Real Estate Investment Trusts (REITs) we sponsor and a total of USD 803 million bonds are listed on the Singapore Stock Exchange (SGX), showing our cross border compliance responsibilities.

Our proactive investor relations strategy reaches domestic and international investors through active participation in investment seminars and initiating non deal road shows (NDR) to provide latest updates of the Company. We also continuously improve public communications by informing all Company developments through press releases and our website.

While it was an honor to be selected in the top 50 publicly listed companies – Indonesia for the ASEAN CG Scorecard in 2014, we are continuing to investigate ways to further our disclosure and practices to generate greater investor and other shareholders trust. Maintaining

good ratings from domestic and international ratings agencies have confirmed that the Company has followed strict financial control procedures and has ultimately and consistently delivered value.

Throughout 2015 the Board of Directors was functioning as an effective team to navigate the changing business currents. One Director was added to the Board of Directors ('BoD') to strengthen the BoD to handle the complexity of Lippo Karawaci businesses. To provide a guideline for each BoD member in performing roles and governance, we are finalizing our BoD Charter as part of our roadmap to an improved GCG practice.

### CORPORATE SOCIAL RESPONSIBILITY

A central feature of all Lippo Karawaci's housing and integrated developments is a deep recognition of holistic values, especially integrating the environment, building design and construction. This message of quality social living has been expanded to include out-reach programs in education through scholarships, sponsoring education in remote areas through non profit organizations such as in Papua, and also through allocation of space in each development for education purposes.

Lippo Group also magnified its CSR profile with the increasing size and ability of Siloam Hospitals to effect positive change in health matters, both through independent health out-reach programs and through participation in the national health care program, BPJS, in which Siloam Hospital's participating hospitals are offering access to dedicated medical staff with access to top quality medical equipments. Alongside this, Siloam provides active support of doctors and services in the event of a natural disaster. By offering new options especially in remote areas, Siloam Hospitals is serving a valuable social purpose and is lifting the benchmark for expectations in health care access.



9%

Company's Balance Sheet remains solid with a 9% increase in assets, valued at IDR41,327 billion.



## PROSPECTS FOR 2016

Predictions for continuing economic volatility in 2016 have set the stage for caution. While we acknowledge the uncertainty in the direction any macro indicator may go in 2016, the strong Indonesian GDP growth for 2015 at 4.79% bodes well for continued strength in recurring business and the potential for a pick-up in residential housing sales for the Company.

Following our governance and risk guidances, we will focus and improve efficiency to be more competitive and sustainable while cautiously developing our businesses as we are confident that consumers will continue to spend at a sustainable rate. We are ready to meet their needs by providing products and services they desire, housing, business and leisure (malls and hotels), and last but not least in healthcare (hospitals). The defensiveness of the business model cater to their primary needs as in the hospital business, while surviving even in the most challenging situation and being resilient to macro situations.

We look forward in 2016 to effective government investment and encouragement in infrastructure and are hoping to see continuation throughout 2016 for the expansion of government spending to boost growth.

Due to the volatility in the global markets that inevitably although indirectly will have some impact on our business, for 2016 the Company will mindfully monitor the market and will be prepared to adapt to the changes. However, in management's view, 2016 will be more promising than 2015.

## APPRECIATION

On behalf of the Board of Directors, I wish to express strong satisfaction with the resilience of all employees who maintained the focus of providing first class living environments in an exciting and challenging year. All our contractors and suppliers deserve our thanks and best wishes in effectively partnering with us this year and every year. I wish to thank to the regulators for their earnestness in building infrastructure and improving the investment climate, and to steer a steady course to accelerate the nation's economic growth amid sluggish global economic conditions. I wish also to thank to the Board of Commissioners, shareholders and investors for their trust and constructive inputs. Finally, I wish to give our commitment to customers and potential customers and say that the Company is prepared as always to give the best we can to positively impact our lives.



**Ketut Budi Wijaya**  
President Director

Seated

Ketut Budi Wijaya  
President Director

Standing (from left to right)

Rahmawaty  
Director

Stephen Choo Kooi Yoon  
Director

Tjokro Libianto  
Director

Board of Directors



**Johanes Jany**  
Director

**Ninik Prajitno**  
Director

**Jenny Kuistono**  
Independent  
Director

**Alwi Sjaaf**  
Independent  
Director



**2015** Annual Report  
**Lippo Karawaci**

# Management Discussion & Analysis







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# Business Review

“

Despite the challenging situation in **2015**, the Company was able to generate significant revenue from its **recurring business while recording a total revenue of IDR8.9 trillion.**

”

# 62%

**Recurring revenue's contribution stood at 62%. With the slowdown in properties, recurring revenue become an important part of business sustainability.**

## BUSINESS REVIEW

Surpassing property revenue earnings by a wide margin, 2015's recurring revenue increased by 18% year on year (YoY), helping to bolster overall performance in a year of muted enthusiasm for property purchases.

Lippo Karawaci Tbk (LPKR) reported revenues of IDR8.9 trillion and net profit of IDR535 billion in 2015. The ability to keep revenues buoyant during a pause in aggressive property purchases by market participants and consumers reflects the success of the Company's four pillar diversified strategy. While we navigate the obstacles as a result of delayed asset divestments into the Singapore REIT, the Company has re-engineered its approach to property developments that are still on the design table while boosting efforts to optimize recurring revenue sources, all in response to shifting trends.



BUSINESS  
REVIEW

14%

Growth of asset management consists of town and portfolio management as a result of the enlarged in assets under management in the REITs' portfolios.

4 PROPERTY BUSINESS UNITS  
OVERVIEW

The Residential and Urban Development business unit generated revenue of IDR3.4 trillion, a decrease of 51% YoY, mainly due to the sale of assets of IDR3.4 trillion to REIT in 2014. When compared with ordinary revenue (without assets divestment ), revenue from property business was 5% lower than in 2014.

The strong and growing interest in the Orange Country Central Business District has fueled even greater interest in Lippo Cikarang's other property developments, highlighted by three towers launched in the year. A high profile agreement with one prominent global company to jointly develop two residential towers in the Orange County, further testament to Lippo Cikarang's vision to make the Orange Country the residential heart of the Cikarang Industrial Center.

Revenue from our Large Scale Integrated Development business units stalled last year. Revenue decreased by 42% YoY to IDR773 billion.

38%

Contribution of property revenue declined from the previous year due to delays in the sale of two assets to REIT in 2015.



18%

Increase of recurring revenue supported by healthcare growth of 24% and asset management of 14%.





# 16%

Revenue from Town Management increased by 16% to IDR418 billion triggered by the growing townships managed by the Company.

In 2015, 8 hotels managed by Lippo Karawaci under Aryaduta brand had an average occupancy rate of 68%.

While interest in ongoing projects across the country remains strong, uptake of new developments has slowed due to the general malaise created by mostly external-to-Indonesia economic factors spilling over into formerly dynamic industrial sectors, notably commodities such as coal. Nevertheless, steady domestic consumption and increased activity in new areas across Indonesia especially by new manufacturing is building a resurgence to be symbolized especially in Monaco Bay and Holland Village in Manado, North Sulawesi.

## Health Care

Siloam Hospitals is Indonesia's leading private hospital network. With so many of its hospitals moving into the mature phase, revenues increased strongly in 2015. Gross Operating Revenue in the Healthcare Business unit accordingly increased by 24% to IDR4.1 trillion.

## Commercial

The Commercial Business Unit comprising Malls and Hotels revenue decreased by 9% YoY to IDR607 billion, with that Indonesian optimism for household purchases appearing front



and center. The new malls, spread across Java and the main islands, expanded further into second-tier cities with a new mall in Kupang, to solidify supply chain expansion. Overall, with the average occupancy of 85%, the malls recorded a 22% revenue decline to IDR240 billion, since the revenues generated from the sales of Mall Kemang to LMIRT cannot be compensated by existing malls. In addition, licensing constraints has resulted in the delayed opening of some malls. Hotel revenue was stable, at IDR367 billion.

## Asset Management

The Asset Management Business Unit experienced good growth with Town Management revenue increasing by 16% to IDR418 billion and the Portfolio and Property Management revenue increasing by 10% to IDR337 billion, due to enlarged assets under management from the REIT.





“

Total revenues in 2015 decreased compared with 2014. Without taking into account the extraordinary revenue from the sale of assets to the REIT, the Company's revenue from ordinary business slightly **increased by 8% to IDR8.9 trillion** from IDR8.3 trillion in 2014.

”



# present

## Business

8%

revenue from ordinary business increased by 8% to IDR8.9 trillion in 2015 compared with IDR8.3 trillion in 2014.

### THE BUSINESSES

Lippo Karawaci continued to move forward with existing property developments and to achieve set completion targets. The achievements in impacting lives with high profile integrated developments that focus on natural lifestyles will be furthered with the completion of on-going projects and the launching of new projects in the future.



pioneering memorial park San Diego Hills. At the end of 2015, these independent townships had total population of 120,716 people with total employment reaching 508,967 people.

The burgeoning Indonesian middle class segment is directing new property

developments into city centers. To capitalize on these trends, our Large Scale Integrated Developments offer customers an urbanization concept themed “work, live and play,” combining our residential, mall, hospital, hotel, office and school expertise into a single location. Our prominent Large Scale Integrated Developments are located in Kemang Village, Park View and The Nine Residences, in South Jakarta, Embarcadero Suites in Bintaro Tangerang, The St. Moritz Penthouses and Residences in West Jakarta, Holland Village in Central Jakarta, Millennium Village in Tangerang, Orange County in Cikarang, City of Tomorrow in Surabaya, East Java, The St. Moritz Makassar in South Sulawesi, and Monaco Bay and Holland Village, in Manado, North Sulawesi.

### Properties

LPKR maintains a sufficient landbank of 1,559 hectares, with roughly three-quarters of this within the Greater Jakarta area as at the end of 2015. The Company is thus well-situated to target developments in Indonesia’s main growth area, as well as in other key growth areas across Indonesia. This sizable and diversified landbank, if not added to, is sufficient for sustainable profitable development for the next 15 years; the Company, however, remains open for land acquisitions at the right location with the right price.

Due to the slower than expected uptake of properties in 2015, the Company is adopting a cautious stance regarding speed of new developments and land acquisition. However, with confidence in the government’s commitment to infrastructure development, and with the success in recent projects, many short and medium term opportunities for the Company to capture.

Early focus on Lippo Karawaci’s property business was in developing the self-contained cities of Lippo Village, the Lippo Cikarang Township, and Tanjung Bunga, as well as the







8

Hotels managed by the Company under the Aryaduta brand.



“ By the end of **2015**, **Lippo Karawaci** manages several townships with total population of **120,716** people and provided total employment for **508,967** people. ”

#### LIPPO VILLAGE: THE INCOMPARABLE CITY

This flagship urban township, located 30 kilometers west of Jakarta CBD, is a renowned satellite city offering outstanding properties and services to meet the dynamic demands of urban living. Launched in 1993, Lippo Village has developed into a well-managed modern city with comprehensive infrastructure and facilities.

Lippo Village, which has long been recognized by industry watchers and the public, is home to more than 59,175 residents and serves as a place to work for more than 48,640 people. Lippo Village has successfully integrated eco-living with international standard facilities and infrastructure including an international school, a national plus school, a university, five apartment towers with a total of 1,120 units, an internationally accredited hospital, a general hospital, a 198 room five star hotel, a 240,000 sqm shopping mall, and a 59 ha golf course and club house. Blending well with its modern surroundings, the township allocates 21% to green space and has planted approximately 58,069 trees.

#### LIPPO CIKARANG: GLOBALLY CONNECTED CITY

Lippo Cikarang, a self-sustaining township located 40 kilometers east of Jakarta in Cikarang, Bekasi Regency, offers a wide range of infrastructure and services to position itself as an integrated real estate and light industrial township. With a 54.4% ownership of this subsidiary, the Company has developed homes for more than 47,700 residents in 14,000 landed houses and five towers of residential apartments, serviced by more than 1,216 shop houses and amenities such as a 49,250m<sup>2</sup> mall, a school, a hospital, office buildings, a recreation park, 200 room five star Lippo hotel and a 400 room boutique hotel. More than 448,000 workers are employed by the more than 920 factories that include global wellknown manufacturers such as Kia, Hankook, Danone, Epson, Toyota Tsusho. The expanding township has been interconnected by 281 km of roads and shaded by more

BUSINESS  
REVIEW



*Lippo Cikarang has 233  
hectares of landbank  
for residential area and  
420 hectares for the  
industrial area.*

than 93,800 trees. As of 31 December 2015, Lippo Cikarang has a landbank of 233 hectares for residential area and 420 hectares for industrial area development, all recently connected to a new toll highway exit.

Through commitment and professionalism, Lippo Cikarang provides well-balanced living spaces with strategically designed industrial and commercial areas, offering functionality and a magnet for foreign investors. With the recent launch of the massive Orange County integrated development, Lippo Cikarang is well on its way to cementing its position as the “work, live and play” destination hub in the Cikarang Industrial Corridor, just east of Jakarta.

**TANJUNG BUNGA: THE PRIDE OF  
MAKASSAR**

Since 1997, LPKR through its 54% owned subsidiary PT Gowa Makassar Tourism Development Tbk (GMTD), has been developing Tanjung Bunga, the first and largest integrated township in Makassar, South Sulawesi, the

gateway to East Indonesia. GMTD has acquired large tracts of undeveloped land, installed key infrastructure, including a four and half kilometer causeway connecting the township to Makassar, constructed 27 km of roads and planted 8,454 trees. GMTD has developed more than 6,303 houses and 172 shop houses, home to more than 13,841 residents and provided employment to approximately 12,327 people. The township has supporting amenities such as five-star Aryaduta Hotel with 224 rooms and the GTC Makassar Shopping Center, managed and operated by PT Aryaduta International Management and PT Lippo Mall Indonesia respectively.



**1,559 ha**

Size of landbank owned by the Company in 2015 that will be sufficient for the next 15 years of development



### SAN DIEGO HILLS MEMORIAL PARK

LPKR pioneered the development of modern memorial parks in Indonesia when it embarked on the San Diego Hills Memorial Park project. This memorial park has an area of 125 ha that is beautifully landscaped and equipped with a 14 ha family recreation facility including an 8 ha man-made lake, a multipurpose building, a chapel, a food mart, a gift shop and a restaurant. Since San Diego Hills Memorial Park was launched in 2007, more than 39,000 cemetery plots have been sold.

### CITY OF TOMORROW

As our first Large Scale Integrated Development, CITO, was developed on a 2.6 ha land in Surabaya, East Java. It is located in a high traffic commercial area in Surabaya between upper income residential areas in West Surabaya and the Juanda International Airport. The development consists of seven high rise towers including: a four story 111,633 sqm strata-title mall with 1,300 retail units, a five star hotel with 200 rooms, condominiums offering approximately 200 residential units with a total built up area of approximately 19,963 sqm and six office towers offering 45,523 sqm of office space. The total built up area is approximately 206,438 sqm, with approximately 85% of the retail area sold to date.

### KEMANG VILLAGE

The award winning Kemang Village is strategically located on a 15 ha site in a prominent and elite expatriate residential area in South Jakarta, targeting the upper middle class market that lives and works in this vibrant and dynamic urban area. The first phase of Kemang Village is a blend of residential and commercial development on an 8.8 ha area, comprising a leased mall with 56,000 sqm that opened in September 2012, a five-star hotel to be managed by JW Marriott Hotel, seven condominium towers where most of the units offered have been sold: and all have been completed and the units handed over to the buyers. Pelita Harapan school with 1,200 students, a country club, and a spa are some of the amenities.

### THE ST. MORITZ JAKARTA

The St. Moritz Jakarta is built on 11.4 ha land in Puri Indah, at the CBD hub of West Jakarta, using major global cities such as London, New York and Hong Kong as benchmarks for its master plan. The city-block concept allows residents to conveniently walk around in close proximity to amenities and is travel-friendly through well-coordinated planning. The development was launched in 2008 consisting of six condominium towers, of which four towers have been completed and over 94% sold. A 200 suite five star JW Marriott

Hotel, one of Indonesia's tallest office buildings, a high-end 125,000 sqm shopping area, a convention center, Sea World, an international school catering to 1,000 students, a sports and country club, a chapel and a spa are within easy walking distance.

### PARK VIEW APARTMENTS

Park View Apartments, launched in 2011, comprises two apartment towers constructed above Depok Town Square, and a strata title mall built. The first tower has an area of 14,500 sqm with 450 units and the second tower has an area of 14,000 sqm with 389 units. The residential towers are targeted at the middle-class income segment in Jakarta and were completed at the end of 2014.

### THE NINE RESIDENCE

Located in North Kemang, minutes away from the established business hubs of the CBD, SCBD and Kuningan, Nine Residence is the perfect residential place for the dynamic urbanite. The Kemang neighborhood is the lifestyle hub of Jakarta, with an abundance of hip restaurants, local independent & international clothing labels, art galleries and international schools. Nine Residence, launched in August 2012, is a modern residential complex with 352 condominiums with a complementary commercial facility. The project has been fully completed at the end of 2015 and fully sold.

### HOLLAND VILLAGE

Located in Central Jakarta, this IDR5 trillion project was pre sold in May 2013. Holland Village was designed by DP Architects and comprises a complete suite of products such as two apartment towers of 42,034 sqm with 239 units, a grade A office tower, a shopping mall, a hotel and grand ballroom, world class healthcare via Siloam Hospitals and a national plus school. This mixed-use superblock caters to the demand of Jakarta residents, especially those residing in Cempaka Putih, Kelapa Gading and the immediate surrounding areas, for an integrated area suitable for modern living.

## BUSINESS REVIEW

### LIPPO THAMRIN

This development, located in the heart of CBD Jakarta, was launched in October 2013. It provides businesses a rare opportunity to own prime-class A office space, and was fully sold. The 18-storey building, with an area of 16,476 sqm, was designed by a team led by DP Architect Singapore, using high-end materials to provide customers a luxury experience.

### MILLENNIUM VILLAGE

Millennium Village is an integrated 71 ha masterpiece development in the middle of the 132 ha Lippo Village CBD. With an IDR200 trillion investment and adopting the concept of a Global Smart City, it will be comparable to the world's best global city. The green area covering 70% of the area will be the balancing factor for Millennium Village, and includes a 470,000 sqm Lippo Grand Mall, university, various exclusive high-rise buildings, including three landmark towers; the 75-storey Gateway Tower, the 100-storey Iconic Tower and the 75-storey Super Tower. The launch of the first residential tower received an overwhelming response resulting in an additional tower being launched on the launch date.

### ORANGE COUNTY

Through Lippo Cikarang, LPKR embarked on another superblock project on 19.5 ha land as the centerpiece of the 322 ha Orange County city in Cikarang. East of Jakarta at KM 34.7 of the Jakarta-Cikampek toll highway, Orange County will be a melting-pot that will be a haven for expatriates and their families, pampering them with 32 world-class facilities. The first phase of the superblock comprises a 61-storey iconic tower, 12 residential towers built above a 210,000 sqm mall, a 1,000-room hospital providing private and general healthcare facilities, a full-fledged university, 4 schools including a new Japanese school, a hotel and convention center with an estimated total project value of IDR250 trillion. The launch of the first residential tower was an overwhelming success, with two towers fully sold in a single day.

### EMBARCADERO

This mixed use development of 210,000 sqm requires an IDR2.5 trillion investment on a 2.4 ha site in Bintaro, Tangerang. The project will have a 46,000 sqm mall, school, a 300 room hospital, a 3 star hotel and two apartment towers. The development targets middle and upper-class residents, including expatriates due to the presence of 3 international schools in the area. The development will provide key infrastructure and amenities, amidst a high-density area currently lacking such conveniences. Following the success of our Kemang Village, the two apartment towers were 90% sold within 5 hours of the day of the initial sales launch.

### ST MORITZ MAKASSAR

The IDR3.5 trillion project will be built on a 2.7 ha property on Boulevard Street, Panakkukang, Makassar. LPKR's planned 51-storey building would be the tallest in Eastern Indonesia. The project will include residential towers, a 210-suite Lippo Hotel, a 227,000 sqm Lippo Mall and a private members' club. There will also be a 250-bed Siloam Hospital, a school managed by Yayasan Pelita Harapan for 600 students, a pool, multi-function lounge, cineplex with 10 theatres, an entertainment and food and beverage hub as well as helicopter service. This project shows LPKR's real commitment to present a quality project at international standards and is expected to be completed by mid-2018.

### MONACO BAY

PT Lippo Karawaci Tbk, launched its latest prestigious project, an integrated development in the prime CBD of Manado, North Sulawesi, called Monaco Bay, a Luxurious Resort Integrated Development with a value of IDR6 trillion. Monaco Bay will have a total area of 8 hectares, and the first phase will be built on 2.2 ha area. The first phase development of Monaco Bay was started with the launch of Monaco Suites, a 40th floor condominium tower which will be the most magnificent landmark in Manado.

### HOLLAND VILLAGE MANADO

Lippo Homes, launched its latest prestigious project "Holland Village", a premier Mixed-Use Smart City Integrated Development worth IDR1.3 trillion in Manado, North Sulawesi. This residential and commercial area concept is located in the prime new CBD area in Manado. Holland Village Manado will be developed on 11.6 hectares area and according to the plan, there will be approximately 500 residential units in it. Out of the 220,000 sqm development area, 80,000 sqm is for residential complex and the remaining 140,000 sqm is for smart city facilities.



# Recurring



# Business





While the Company plans to retain its rank as Indonesia's largest property developer by total assets, the objective is to continue investing in Healthcare, Commercial and Asset Management business units in order to reach a 50:50 contribution between property development and recurring business revenues.

A key pillar to LPKR's success is its unique business model which are the innovative asset light strategy, and capital recycling through the Real Estate Investment Trusts (REIT), with the two publicly listed REITs on the Singapore Stock Exchange, generating returns in Singapore Dollars.

# 50:50

Lippo Karawaci's strategy to maintain the balance of contribution between development revenue with recurring revenue

“

**In 2015, Lippo Karawaci** booked a recurring revenue amounting to IDR5.5 trillion, an **increase of 18%**. This achievement showed the importance of managing the balance between contribution from development revenue with recurring revenue **to ensure the growth** of the Company within the downturn of the properties business.

”



RECURRING  
BUSINESS

Siloam manages 20 hospitals in 14 cities nationwide from Medan to Kupang, with a bed capacity more than 4,800 beds, 2,100 general practitioners and specialists and 8,200 nurses and other healthcare staff to serve more than 2 million patients annually. Once again in 2015, Siloam Hospitals was honored with a prestigious award Indonesian Hospital of the Year from Frost and Sullivan.

Our Healthcare Business Unit, through Siloam Hospitals Group (Siloam), is the leader in integrated healthcare services in Indonesia. Siloam's philosophy is underpinned by a strong vision and a business strategy centered on a 4 pillar foundation which integrates its network through a hub and spoke telecommunication system, facilitating consistent and affordable access to holistic quality care for all socio economic segments of the population and at every Siloam Hospital in Indonesia.



# Healthcare



**Siloam manages 20 hospitals**  
in 14 cities, ranging from Medan to  
Kupang with more than 4,800 beds  
capacities.



Siloam Hospitals has garnered numerous awards and accolades, with the Siloam Hospital Lippo Village being the first Indonesian Hospital to receive JCI accreditation. LPKR is focused on further development of its hospitals, injecting capital through a share private placement in February 2015, and is on track to meet its target to operate fifty hospitals and clinics with capacity of 10,000 beds serving over 15 million patients by the end of 2017.



In 2015, **First REIT** owns **12 Siloam Hospitals** of which **9** of them are leased back by LPKR for a period of 15 years.



In 2015, **13 of the hospitals** have participated in BPJS Program and 5 hospitals currently in a process of joining the BPJS program.

2,100

8,200

[illegible]

## RECURRING BUSINESS

# Commercial

LPKR's Commercial business unit is made up of its Retail Malls and Hotels.

### RETAIL MALLS

With an annual footfall exceeding 220 million customers, our malls are designed as a one-stop shopping, entertainment, dining and leisure destination. Lippo Malls manages 43 existing shopping malls, strategically located in major cities across the archipelago, comprising more than 12,000 retailers occupying 1.16 million sqm of net leasable retail space. Lippo Malls is the largest mall operator in Indonesia.

Out of these 43 malls, 9 malls are owned by LPKR, 19 malls are owned by LMIR Trust in Singapore, 9 strata-title malls were built and sold, 2 malls are owned by First REIT and the other 4 malls are owned by third parties. With its vast experience in developing malls and unique capability to divest malls to its Singapore listed REITs, LPKR is able to recycle capital to continue building exciting destinations for growing numbers of Indonesians.



LPKR is on the right path to meet its five-year plan of managing 50 malls by 2017.

### HOTELS

LPKR manages eight five-star Aryaduta Hotels with a total of 1,664 rooms, of which three hotels are owned by LPKR. Three hotels are located in Greater Jakarta, with the other hotels located in Medan, Palembang, Pekanbaru, Manado and Makassar.





# Asset Management

LPKR Asset Management business unit consists of the Town Management Division (TMD) and the management of two Real Estate Investment Trusts (REIT). TMD focuses in prioritizing comfort and ease of living for all residents in the townships and integrated projects. In 2015, assets under management of both REITs are valued SGD 3.1 billion.

## TOWN MANAGEMENT

LPKR demonstrates its commitment to its loyal customers by managing the properties it sells through the TMD. TMD focuses and prioritizes the well-being and convenience of residents in our townships and integrated developments, safeguarding the community's quality of life through superior services, which include:

- Road maintenance;
- Drainage and flood control;
- Potable water treatment and network;
- Sewage treatment and 100% recycling;
- 24 hour and 7 days a week 5-layer town-wide security;
- Smooth traffic and control, and road safety;
- Internal and external public transport systems that focuses on pedestrians;
- Walkways and cycling paths;
- Planning and building regulations;
- Environmental enhancements, maintenance and sustainability, with shaded areas a priority.



## SGD3.1

billion is value of total assets managed by two public listed REITs at the Singapore Stock Exchange.

RECURRING  
BUSINESS



The successful provision of effective town management services via TMD is the key to raising land values and retaining the loyalty of residents.

INVESTMENT REITs

This fee-based income unit is anchored by fees earned from managing two public listed Singapore REITs that LPKR sponsors, First REIT for healthcare assets and LMIR Trust for retail malls. The management and acquisition fees earned from these REITs grow in line with the larger asset base, which have multiplied 15-fold since the inception of the respective REITs. LPKR also manages and operates malls owned by LMIR Trust that are located in Indonesia on its behalf, via subsidiary PT Lippo Malls Indonesia.

15<sup>x</sup>

Since constituted, total portfolio of both REITs has grown by more than 15 folds.

At present, the Company manages First Real Estate Investment Trust (First REIT) through Bowsprit Capital Corporation Ltd, a subsidiary wholly owned by the Company established in 2006. The Lippo Malls Indonesia Retail Trust (LMIRT) is managed through LMIRT Management Ltd established in 2007. As of December 2015, First REIT owned 12 hospitals, two hotels in Indonesia, a hospital in South Korea and three nursing homes in Singapore with total

assets under management reaching SGD1.27 billion. Meanwhile LMIRT owns 19 retail malls in Indonesia with 781,622 square meters, 94% average occupancy and is the only REIT that focuses on the Indonesian retail market, with total assets under management amounting to SGD1.83 billion.

Aryaduta International Management receives management fees for the three hotels using the five-star hotel Aryaduta brand owned by third parties.

FUTURE OUTLOOK

The strategy and outlook of Lippo Karawaci has not changed over the course of the year; the Company remains responsive to trends, both economic and consumer. The short term outlook remains positive with growing recurring business sources playing an important role. The longer term outlook is very positive with property construction expected to increase to those levels needed to fulfill the existing aspirations for Indonesians to have modern, comfortable living and commercial spaces.

Lippo Kavaraci and its subsidiaries will continue to pursue a wide range of property, healthcare, commercial and asset management businesses in order to positively, and significantly impact lives, change lifestyles and open new opportunities across the archipelago.







## Development Revenues 2015

(in billion Rupiah)

IDR **3,403**  51%

## Recurring Revenues 2015

(in billion Rupiah)

IDR **5,507**  18%

### I. GENERAL MACROECONOMIC CONDITIONS AND INDONESIA

Indonesia experienced good GDP growth of 4.79%, roughly double the global average for 2015. Consumer optimism, however, was directed in 2015 not at property purchases, but rather at smaller purchases and discretionary purchases, notably of the kind available in malls. This year's low inflation at 3.35% and the drop in gasoline prices stimulated increased consumption and boosted revenues across the retail spectrum. This picture is in stark contrast to that witnessed last year.

International macro-economic events and concerns had effects on interest rates everywhere, especially in emerging economies, affecting exchange rates with the US Dollar strengthening against almost all other currencies, capital out flows from emerging economy equity markets, and volatile capital flows world-wide. The eventual move by the US Federal Reserve to raise interest rates 25 bps in December 2015 has not quelled the volatility, which is evidenced in continuing wide stock market fluctuations globally.

While the combination of exchange rate and Indonesian Stock Exchange performance did not fare well, Lippo Karawaci share prices managed to hold their price against the slumping IDX. Given the international volatility, in

# Financial Review

addition to effects of severely lower commodity and energy prices, the investment mood for property in Indonesia fell, as did the pace of uptake of assets in the Singapore REITs.

Nevertheless, the strong macro-economic indicators of Indonesia, its strong GDP and the positively directed demographics all point to a continuing mood of confidence in Indonesia's continuing construction and manufacturing expansions. The Company is thus confident in the foundation in value of its assets, viewed both domestically and internationally. A strong commitment by the government to keep infrastructure development on track and to keep the economy moving forward at a sustainable pace further supports positive prospects for Lippo Karawaci in 2016 and beyond.

## II. TARGET MARKET AND SPECIFIC ECONOMIC CONSIDERATIONS

LPKR's businesses and operational results are affected to greater or lesser extents in any given year by the following significant factors that influence our market share and overall business development.

### GROWING MIDDLE CLASS IN INDONESIA

As our real estate products, mall offerings and healthcare services predominantly target the middle and upper-middle income segment, LPKR will significantly benefit from a rising population trend and from the youthful composition of this rising economic force.

### INCREASE IN INTEREST RATES

LPKR's development revenue is sensitive to interest rate movements, with any small shift to lower interest rates easing conditions to secure financing and reducing mortgage obligations. The Company has a number of strategies to meet higher interest rates including offering attractive installment programs. With inflation rates tapering in line with global energy costs, a downward movement in interest rates in Indonesia is still expected, though international considerations have delayed this. The government is clearly balancing interests and as construction is an immediate and large employer, we are confident of positive movements in interest rates.

### IMPACT OF EXCHANGE RATE MOVEMENTS

LPKR is exposed to fluctuations in the value of the Rupiah against other foreign currencies, especially the US Dollar. For the purposes of preparing its consolidated financial statements, the accounts of foreign subsidiaries are translated into Rupiah at each balance sheet date. Rupiah fluctuations against other foreign currency exchange rates result in the recording of a moderate net foreign exchange gain or loss, in any given period.

### GOVERNMENT SPENDING

The government's commitment to develop infrastructure is key to the success of LPKR's developments. Development of mass transportation and improvement of road systems, will improve access to city centers from neighbouring suburbs, opening new opportunity to boost pre-sales and occupancy levels in LPKR's developments. Furthermore, the launch of a national healthcare program, BPJS, has opened accessibility for all Indonesians to basic healthcare treatment. Siloam Hospitals' participation in this program is providing a large base for patients, while extending its quality healthcare options to more and more people.

### GOVERNMENT REGULATIONS

All of LPKR's business units are subject to government regulations and require licenses and permits to operate. In particular, healthcare is subject to extensive government regulations. New regulations could have a significant impact on either or both price and availability.

### CONSTRUCTION AND RAW MATERIAL EXPENSES

LPKR's property development businesses are subject to fluctuations in construction costs, especially for raw materials necessary to complete projects. Construction typically commences when pre-sales cover construction costs. Increases or decreases in specific materials costs after the project has commenced will result in missing or exceeding budgeted targets.

FINANCIAL  
REVIEW

INPATIENT AND OUTPATIENT  
SERVICES AND DEMAND

LPKR derives a significant portion of its recurring revenue from the operation of its hospitals, notably in providing inpatient and outpatient services. A number of competitive and social factors will influence the bed occupancy rate and average revenue earned per patient day; thus, among other measures, the Company pursues policies to support the hospitals' image and brand reputation, the type of services offered, the state of the art medical equipment, clinical reputation of accredited specialists and doctors, and acceptance of health insurance programs.

HOTEL OCCUPANCY RATES  
AND ROOM RATES

LPKR derives a portion of its revenue from its hotel operations. Occupancy rates, room rates and the number of rooms available at each of our hotels are key factors affecting the revenue stream. The Company monitors tourist arrivals and business travel trends to ensure a fit with each hotel as concerns the quality of services and facilities on offer, the timing and type of booking, and the offer of wholesale room bookings and travel group bookings. Future hotel locations are likewise sensitive to customer trends.

FUNDING POSITION OF FIRST  
REIT AND LMIR TRUST

A key part of LPKR's funding plan involves the sale of revenue-stabilized development properties to First REIT and LMIR Trust, the two publicly listed REITs in Singapore sponsored and managed by LPKR. The ability of these REITs to purchase the properties from LPKR, enabling it to recycle capital for further development, depends on the financial positions of the REITs, including their ability to raise additional capital through the issuance of equity or debt.

PERFORMANCE OF REITS THAT LIPPO KARAWACI HOLDS

LPKR is the single largest shareholder of the two REITs that it manages. The shares were obtained via purchase of units, participation in rights offering, and in lieu of management fees due to it. As a liquid security, it is required by Indonesian GAAP to hold these units as an available for sale financial asset and revalue these units at each balance sheet date. Changes in the value of these units are reflected in its Statement of Comprehensive Income as other comprehensive income net of tax. Accordingly, its total comprehensive income may fluctuate significantly according to the performance of these REIT units in any given year.

III. BUSINESS OVERVIEW

LPKR achieved net profit of IDR535 billion on revenues of IDR8.9 trillion. The preservation of the gross profit margin at 46% in 2015. Overall property market enthusiasm was significantly reduced, which pulled down property development revenues, while strong consumer spending heightened recurring revenue.

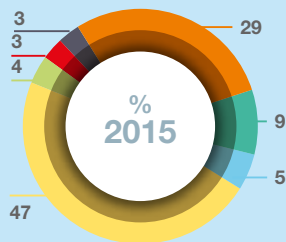
Going forward, the revenue diversification strategy will be bolstered and property developments will continue as planned with select targeted new projects brought into the pipeline as conditions warrant.

Consolidated Financial Review (in billion Rupiah)

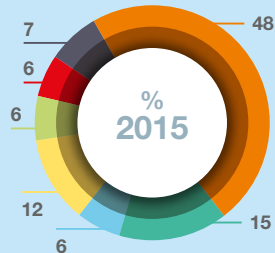
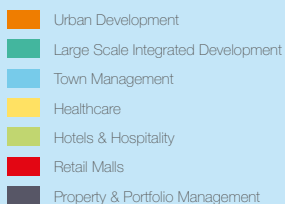
Consolidated	2015	2014	Incr./Decr. %
Revenue	8,910	11,655	-24%
Gross Profit	4,119	5,397	-24%
Operating Profit	1,727	3,278	-47%
EBITDA	2,223	3,633	-39%
Net Profit	535	2,556	-79%

Consolidated	2015	2014*	Incr./Decr. %
Revenue	8,910	8,283	8%
Gross Profit	4,119	4,014	3%
Operating Profit	1,727	1,895	-9%
EBITDA	2,223	2,250	-1%
Net Profit	535	1,341	-60%

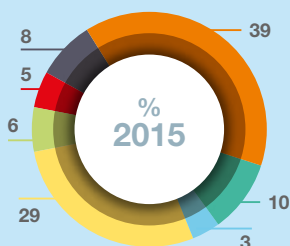
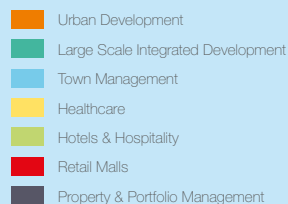
\* Financial Figures in 2014 do not include the sale of Lippo Mall Kemang to LMIRT



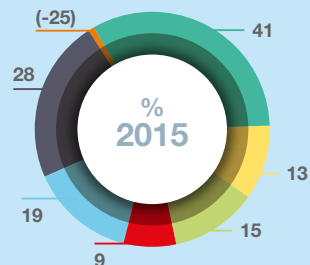
## REVENUES



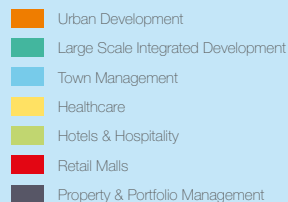
## OPERATING PROFIT



## GROSS PROFIT



## NET PROFIT

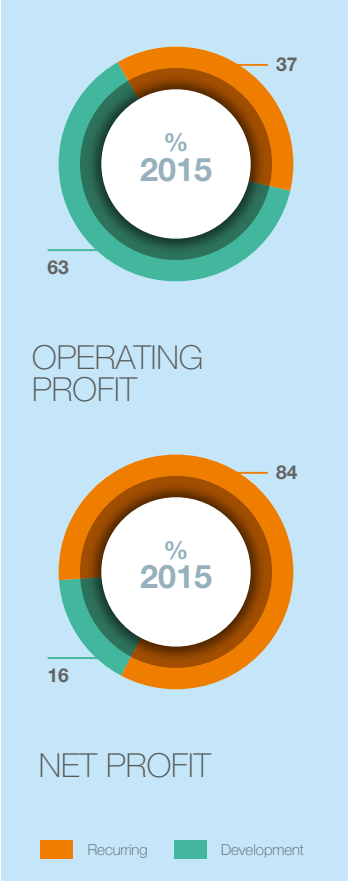
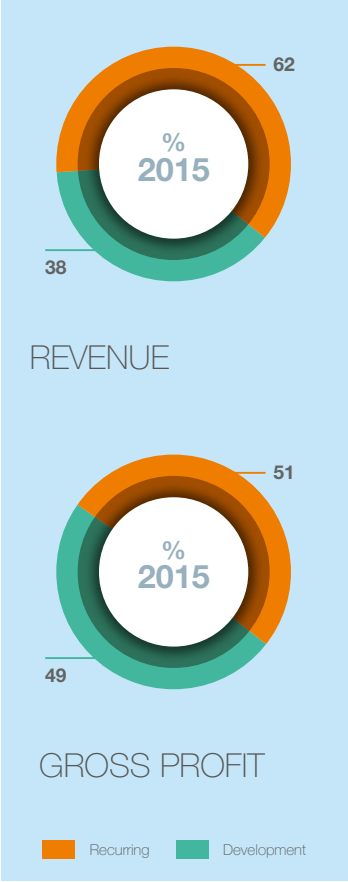




FINANCIAL  
REVIEW

4 Business Units

Lippo Karawaci's business operations are structured into four main business units: Property, Healthcare, Commercial, and Asset Management. This business model is significantly different than other Indonesian developers, as a substantial proportion of revenue is derived from recurring revenue sources. Our goal of having a balance between property revenue and recurring revenue of 50:50 is based on continuing strong property sales, a situation that did not occur in 2015. Nevertheless, the smoothing out of the revenue stream with substantially higher recurring revenue in 2015 has demonstrated the value of pursuing this diversification strategy.



For financial year 2015, 38% of LPKR's revenues came from development and sale of residential, commercial and light industrial properties from our Urban Development and Large Scale Integrated Development business unit. Recurring revenue, consisting of revenues from our hospitals, commercial and asset management contributed 62% of total revenue.

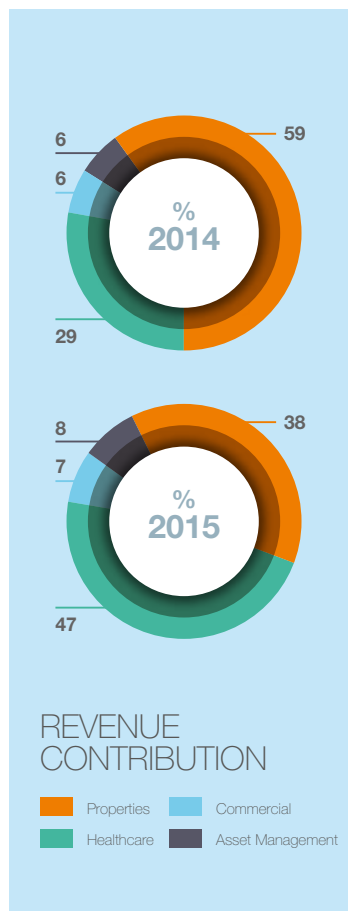
LPKR continues to leverage its core competency as a property developer in facilitating hospital, and mall construction to be later injected into the REITs, managed or sold. The great potential in both primary and secondary cities for LPKR's brand of property products including residential, both landed houses and high rise condominiums and office towers, will continue to boost Company revenues in tandem with the mood of the marketplace.

At end 2015, LPKR managed 20 hospitals in the Siloam Hospitals network, 43 malls, and 8 five-star hotels under the Aryaduta brand and was the single largest shareholder in two public listed REITs in Singapore, namely First REIT for healthcare assets and LMIR Trust for retail malls, with total Assets Under Management of SGD 3.1 billion. LPKR provides infrastructure management services and amenities to residents in our township and integrated developments.

LPKR consistently posts strong revenues and profit and for financial year ending 2015 the Company had revenue, EBITDA and net profit of IDR8.9 trillion, IDR2.2 trillion and IDR535 billion respectively. LPKR's market capitalization as of 30 December 2015 was IDR23.9 trillion based on the closing price per ordinary share on the IDX of IDR1,035.

#### Major Investment

On 6 February 2015, Company subsidiaries PT Safira Prima Utama and PT Kalimaya Pundi Bumi released 75,300,000 shares, or 6.51%, and 17,500,000 shares or 1.51%, respectively in PT Siloam International Hospital Tbk (SILO) at the price of IDR12,250 per share, amounting to IDR1,136,800,000,000. Following the sales, the Group's ownership in SILO stood at 70.83%. These funds were used to facilitate the expansion of the Siloam Hospitals targeted expansion plan.



## FINANCIAL REVIEW

### IV. BUSINESS UNIT SEGMENT ANALYSIS

#### 1. Property Development

Indonesia's property market has been recently diversifying geographically out of the Greater Jakarta area and off Java. Comprising office space, residential and integrated developments, the major property offerings have stimulated tight competition among large developers to provide the right space for the right customer. The customer base comprises lower, middle and high income groups for residential apartments and landed housing, with specific market factors for each. Moves two years ago by the government to cool the property market by tightening loan-to-value requirements were effective in slowing down a property boom, while the general international economic situation in 2015 has put the property market into low gear. The result in 2015 was a slower uptake of properties and increased price competition.

#### Development Business (in billion Rupiah)

Development Business	2015	2014	Incr./Decr. %
Revenue	3,403	6,979	-51%
Gross Profit	2,012	3,484	-42%
Operating Profit	1,081	2,583	-58%
EBITDA	1,117	2,625	-57%
Net Profit	83	2,007	-96%

#### PROPERTY MARKETING SALES

Projects (in billion Rupiah)	2011	2012	2013	2014	2015
<b>Urban Development</b>					
Lippo Village	152	241	113	80	55
Lippo Cikarang*	1,301	2,061	1,698	1,505	984
Residential	410	805	1,150	638	652
Commercial		115	159	133	53
Industrial	891	1,141	389	158	29
Delta Silicon 8 (JV)	-	-	-	576	250
Holland Village Manado	-	-	-	-	352
Tanjung Bunga	303	577	433	357	144
San Diego Memorial Park	126	185	156	173	178
<b>Sub Total</b>	<b>1,882</b>	<b>3,064</b>	<b>2,400</b>	<b>2,115</b>	<b>1,713</b>
<b>Condominium</b>					
Kemang Village	495	747	310	6	-
Millenium Village (LV)	-	-	-	864	22
Orange County (LC)	-	-	-	386	1,708
St. Moritz (JKT)	444	555	136	191	2
Park View	222	17	11	-	-
Nine Residence	-	182	67	4	0
St. Moritz Makassar	-	-	-	180	5
Embarcadero	-	-	-	544	5
Holland Village	-	-	510	502	-
Monaco Bay	-	-	-	-	168
<b>Sub Total</b>	<b>1,161</b>	<b>1,501</b>	<b>1,034</b>	<b>2,677</b>	<b>1,910</b>

Projects (in billion Rupiah)	2011	2012	2013	2014	2015
<b>Office</b>					
St Moritz Office (JKT)	124	100	52	-	-
Lippo Office Thamrin	-	-	619	-	-
Holland Village Office	-	-	-	388	-
<b>Sub Total</b>	<b>124</b>	<b>100</b>	<b>671</b>	<b>388</b>	-
Retail Inventories	11	18	11	5	-
<b>Sub Total</b>	<b>11</b>	<b>18</b>	<b>11</b>	<b>5</b>	-
<b>Sub Total</b>	<b>3,178</b>	<b>4,683</b>	<b>4,116</b>	<b>5,185</b>	<b>3,623</b>
Asset Sold to the REIT	-	2,077	1,482	3,330	-
<b>Total Marketing Sales</b>	<b>3,178</b>	<b>6,760</b>	<b>5,598</b>	<b>8,515</b>	<b>3,623</b>

Note: \* Lippo Cikarang in 2014 included JV DS-8 of IDR576 billion, which in 2015 was IDR250 billion

### Business Review

Lippo Karawaci is Indonesia's largest property developer in terms of Revenues and Total Assets, with a long track record and an established reputation of building high impact eco-friendly residential, office and integrated developments. In 2015, the Company continued forward with existing ongoing projects and launched several projects namely: Monaco Bay and Holland Village both in Manado, North Sulawesi and Three towers in Orange County, Cikarang.

### A. URBAN DEVELOPMENT

#### Financial Review (in billion Rupiah)

Urban Development	2015	2014	Incr./Decr. %
Revenue	2,630	5,644	-53%
Gross Profit	1,599	2,772	-42%
Operating Profit	822	2,040	-60%
EBITDA	852	2,076	-59%
Net Profit	-135	1,540	-109%

Urban Development	2015	2014 *	Incr./Decr. %
Revenue	2,630	2,272	16%
Gross Profit	1,599	1,389	15%
Operating Profit	822	656	25%
EBITDA	852	693	23%
Net Profit	-135	325	-141%

\* Financial figures in 2014 do not include the sale of Lippo Mall Kemang to LMIPT

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Via its listed subsidiary, LPCK, the Urban Development business unit last year entered into joint operations with third parties to market and sell industrial land, Delta Silicon 8, with a profit sharing arrangement, contributing IDR250 billion or 7% of current year's marketing sales.

Revenue for Urban Development decreased from IDR5.6 trillion last year to IDR2.6 trillion in 2015. Gross profit decreased from IDR2.8 trillion in 2014 to IDR1.6 trillion in 2015 with net loss of IDR135 billion in 2015, compared to net profit of IDR1.5 trillion in 2014.

B. LARGE SCALE INTEGRATED DEVELOPMENT

Financial Review (in billion Rupiah)			
Large Scale Integrated	2015	2014	Incr./Decr. %
Revenue	773	1,335	-42%
Gross Profit	413	712	-42%
Operating Profit	259	543	-52%
EBITDA	265	549	-52%
Net Profit	218	467	-53%

BUSINESS REVIEW

In 2015, the Company continued the construction of 200 projects, in various location and various stages of completion.

New projects launched were Monaco Bay and Holland Village in Manado, South Sulawesi and three condominium towers at Orange County, Lippo Cikarang.

FINANCIAL REVIEW

Revenue for Large Scale Integrated business decreased from IDR1.3 trillion last year to IDR773 billion in 2015. Gross profit decreased from IDR712 billion in 2014 to IDR413 billion in 2015 with net profit decreasing to IDR218 billion from IDR467 billion.

2. Recurring Revenue

Financial Review (in billion Rupiah)			
Recurring Business	2015	2014	Incr./Decr. %
Revenue	5,507	4,676	18%
Gross Profit	2,107	1,914	10%
Operating Profit	647	696	-7%
EBITDA	1,106	1,008	10%
Net Profit	452	549	-18%

A. HEALTHCARE

INDUSTRY REVIEW

Healthcare spending growth is fueled by both higher incomes of young workforces who are able to afford a higher quality of medical services, and seek this from the private sector. The older demographics have also shown increasing trends in this direction, increasing demand for medical services.

Two issues are placing pressure on health care delivery. The first is the government universal health care which has opened access widely to basic health care, and the second is the shortage of qualified medical professionals to meet the previous demand for medical treatments. WHO data for the 2015 period shows that the country only has 2 physicians per 10,000 people, compared to 6.5 in India and 12 in neighbouring Malaysia. There is a current building and training boom in the medical area, which involves Siloam Hospitals, the nation's largest hospital network.



## BUSINESS REVIEW

### Financial Review (in billion Rupiah)

Healthcare	2015	2014	Incr./Decr. %
Revenue	4,144	3,341	24%
Gross Profit	1,177	952	24%
Operating Profit	211	180	17%
EBITDA	617	448	38%
Net Profit	70	72	-2%

During 2015, LPKR Healthcare business unit Siloam Hospitals continued to expand with more hospitals and new format medical clinics in the pipeline. With an integrated approach to training, medical delivery and the national emergency services number 1-500-911, the highly trained medical staff and state of the art equipment, situate Siloam Hospitals in a good position to expand further into this growing healthcare market.

Siloam operates 20 hospitals in 14 cities across Indonesia, with a bed capacity exceeding 4,800 beds, with more than 2,100 specialist and general practitioners, 8,200 nurses and support staff providing services to almost two million patients seeking comfort and care at Siloam Hospitals. Siloam is on track to achieve its pipeline development goal of having 50 hospitals and medical clinics by 2017 with a total bed capacity of 10,000 beds reaching over fifteen million patients annually.

## FINANCIAL REVIEW

In 2015, revenue from the Healthcare business unit increased to IDR4.1 trillion from the IDR3.3 trillion in 2014. This increase was in line with inpatient admission and outpatient admission of 27% and 25% respectively compared to last year.

Gross profit increased to IDR1.2 trillion from last year's IDR952 billion. The gross profit margin was maintained at 28% in 2015, with the EBITDA margin increased to 15% in 2015 from 13% in 2014. Net profit decreased 2% from 2014's IDR72 billion to IDR70 billion in 2015.

## FINANCIAL REVIEW

### B. COMMERCIAL BUSINESS

Commercial business comprises Retail Malls and hotels under the Aryaduta brand. In 2015, commercial business had revenues of IDR607 billion, with EBITDA amounting to IDR253 billion and EBITDA margin of 42%.

#### Financial Review (in billion Rupiah)

Commercial Business	2015	2014	Incr./Decr. %
Revenue	607	670	-9%
Gross Profit	464	534	-13%
Operating Profit	212	322	-34%
EBITDA	253	359	-29%
Net Profit	132	281	-53%

#### a. RETAIL MALL

##### BUSINESS REVIEW

In 2015, PT Lippo Malls Indonesia opened 3 new malls: Maxxbox Karawaci, Lippo Plaza Jogja and Lippo Plaza Kupang.

##### FINANCIAL REVIEW

#### Financial Review (in billion Rupiah)

Retail Mall	2015	2014	Incr./Decr. %
Revenue	240	308	-22%
Gross Profit	227	297	-24%
Operating Profit	102	199	-49%
EBITDA	108	203	-47%
Net Profit	49	166	-70%

Revenue for Retail Mall decreased from IDR308 billion last year to IDR240 billion in 2015. Gross profit decreased from IDR297 billion in 2014 to IDR227 billion in 2015 with net income decreasing to IDR49 billion in 2015 from IDR166 billion in 2014.

#### b. HOSPITALITY

##### BUSINESS REVIEW

Our hospitality business comprises room occupancy as well as food and beverage service generated by the 8 hotels operated and managed under the Aryaduta brand. With a total of 1,664 rooms, and 5-star service and meetings capability, these hotels meet a market demand which has developing. Average occupancy in our hotels went down from 69% in 2014 to 68% in 2015. Average Room Revenue increased to IDR623,076 from previous year's IDR626,176.

At end 2015, several hotel projects remain under construction at Kuta Bali, St Moritz Jakarta and Kemang Village Jakarta.

## FINANCIAL REVIEW

### Financial Review (in billion Rupiah)

Hospitality	2015	2014	Incr./Decr. %
Revenue	367	362	1%
Gross Profit	236	237	-0.2%
Operating Profit	110	123	-11%
EBITDA	145	156	-7%
Net Profit	82	116	-29%

Revenue for Hospitality increased from IDR362 billion last year to IDR367 billion in 2015. Gross profit decreased to IDR236 billion in 2015 from IDR237 billion in 2014. Net income decreased to IDR82 billion in 2015 from IDR116 billion in 2014.

## C. ASSET MANAGEMENT

### BUSINESS REVIEW

Our Asset Management business comprises Town Management and Property and Portfolio Management units. Property and Portfolio Management comprises fund management fees derived from the two public listed Singapore REITs that LPKR sponsors, namely First REIT and LMIR Trust and the mall management fees earned by our subsidiary, LMI to manage malls owned by third parties, including LMIR Trust. In addition, LKPR derives management fees for the three hotels owned by third parties being managed by Aryaduta International Management (AIM), using its five-star Aryaduta hotel brand. Our Town Management focuses and prioritizes the well being and convenience of residents in our townships and integrated developments. The division safeguards the community's quality of life through provision of superior services.

### FINANCIAL REVIEW

Revenue for Asset Management increased from IDR665 billion last year to IDR756 billion in 2015. Gross profit was increased to IDR467 billion in 2015 from IDR427 billion in 2014. Net income increased to IDR250 billion from IDR196 billion.

### Financial Review (in billion Rupiah)

Asset Management	2015	2014	Incr./Decr. %
Revenue	756	665	14%
Gross Profit	467	427	9%
Operating Profit	224	193	16%
EBITDA	236	202	17%
Net Profit	250	196	27%

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REVIEW

a. PROPERTY & PORTFOLIO MANAGEMENT

Financial Review (in billion Rupiah)			
Property & Portfolio Management	2015	2014	Incr./Decr. %
Revenue	337	306	10%
Gross Profit	320	292	10%
Operating Profit	122	102	19%
EBITDA	124	103	20%
Net Profit	150	121	24%

BUSINESS REVIEW

In 2015, FIRST REIT managed 17 assets consisting of 12 Hospitals in Indonesia and 2 Hotels, 3 Nursing Homes in Singapore and 1 Hospital in South Korea. Meanwhile LMIRT manages 19 Retail Malls and 7 Retail Spaces. The total assets under management of First REIT and LMIR Trust were SGD 3.1 billion in 2015 up from SGD 3 billion in 2014.

FINANCIAL REVIEW

Revenue for Property and Portfolio Management increased from IDR306 billion last year to IDR337 billion in 2015. Gross profit increased from IDR292 billion in 2014 to IDR320 billion in 2015. Net income increased from IDR121 billion in 2014 to IDR150 billion in 2015.

b. TOWN MANAGEMENT

BUSINESS REVIEW

Our Town Management Division provides comprehensive management services to our townships and mixed use developments spanning the range of city services, including especially maintenance, water and waste water services.

Financial Review (in billion Rupiah)			
Town Management	2015	2014	Incr./Decr. %
Revenue	418	359	16%
Gross Profit	147	136	8%
Operating Profit	102	91	12%
EBITDA	112	98	14%
Net Profit	99	75	32%

FINANCIAL REVIEW

Revenue for Town Management increased from IDR359 billion in 2014 to IDR418 billion in 2015. In line with increased revenue, gross profit increased to IDR147 billion in 2015 from IDR136 billion in 2014. Net profit increased from IDR75 billion in 2014 to IDR99 billion in 2015.

V. FINANCIAL REVIEW

1. Financial Positions

A. ASSETS

Current assets increased by 12% to IDR34 trillion at year end 2015 from IDR30 trillion at year end 2014, mostly due to the increase in the inventory from IDR17 trillion in 2014 to IDR20 trillion in 2015.

LPKR's current ratio at year end 2015 was 6.9x compared to 5.2x in 2014.

Non-current assets were stable at IDR7.7 trillion in 2015 and IDR7.8 trillion in 2014.

**Consolidated Current Assets** (in billion Rupiah)

Consolidated Current Assets	2015	2014	Incr./Decr. %
Current Assets	33,577	30,042	12%
Cash and Cash Equivalent	1,839	3,583	-49%
Inventory	20,459	16,579	23%
Urban Development	12,876	10,607	21%
Large Scale Integrated Development	5,445	4,525	20%
Retail Malls	1,991	1,335	49%
Healthcare	140	106	32%
Hotel & Hospitality	7	6	16%
Other Current Financial Assets	11,279	9,880	14%

**Consolidated Non-Current Assets** (in billion Rupiah)

Consolidated Non-Current Assets	2015	2014	Incr./Decr. %
Non Current Assets	7,750	7,814	-1%
Other Non-Current Financial	754	620	22%
Property & Equipment	2,732	3,209	-15%
Intangibles Assets	535	528	1%
Advances	1,430	1,710	-16%
Land for Development	1,370	1,136	21%
Other Non Current Assets	929	611	52%

**B. LIABILITIES**

Current liabilities decreased by 16% from IDR5.8 trillion in 2014 to IDR4.9 trillion in 2015. Non-current liabilities increased by 22% to IDR17.6 trillion in 2015 from IDR14.4 trillion in 2014. The increase in liabilities was mainly driven by the increase in customer advances by 61% from IDR2.7 trillion in 2014 to IDR4.3 trillion in 2015.

In line with its prudent financial management policies, LPKR hedges the entire principal of its USD bonds until maturity.

**Consolidated Current Liabilities** (in billion Rupiah)

Consolidated Current Liabilities	2015	2014	Incr./Decr. %
Current Liabilities	4,857	5,809	-16%
Accrued Expenses	1,006	1,130	-11%
Taxes Payable	229	648	-65%
Short-Term Bank Loans	962	174	454%
Advances from Customers	863	2,524	-66%
Deferred Income	480	362	33%
Other Current Liabilities	1,317	971	37%



## FINANCIAL REVIEW

### Consolidated Non-Current Liabilities (in billion Rupiah)

Consolidated Non-Current Liabilities	2015	2014	Incr./Decr. %
Non Current Liabilities	17,553	14,427	22%
Bonds Payable	10,883	9,781	11%
Advances from Customers	4,349	2,696	61%
Deferred Income	1,047	1,147	-9%
Other Non Current Liabilities	1,274	803	59%

### C. EQUITY

LPKR's shareholder equity increased by 5% to IDR16.4 trillion in 2015 from IDR15.6 trillion in 2014. Retained earnings were up 2% in 2015 from 2014, contributing IDR7.1 trillion to the shareholder equity.

### Equity (in billion Rupiah)

Total Equity	2015	2014	Incr./Decr. %
Capital Stock	2,308	2,308	0%
Additional Paid-in Capital - Net	4,063	4,063	0%
Other Equity	2,922	2,259	29%
Retained Earnings	7,101	6,958	2%
<b>Total Equity Attributable to the Parent</b>	<b>16,394</b>	<b>15,588</b>	<b>5%</b>

## 2. Cash Flow Analysis

### A. CASH FLOW FROM OPERATING ACTIVITIES

In 2015, Cash flow from operations was outflow of IDR2.7 trillion, compared to positive cash flow from operations in 2014 of IDR786 billion. The deficit was primarily caused by the decrease of collection from customers from IDR10.9 trillion to IDR8.6 trillion in 2015.

### B. CASH FLOW FROM INVESTING ACTIVITIES

Cash provided from investing activities in 2015 was IDR205 billion, compared to cash used for investing activities in 2014 of IDR350 billion. The cash provided from investing activities in 2015 was primarily caused by the sale of 8% ownership in SILO.

### C. CASH FLOW FROM FINANCING ACTIVITIES

Cash provided by financing activities was decreased to IDR753 billion in 2015 from IDR1.3 trillion in 2014, primarily due to the absence of bonds issuance in 2015, as compared to 2014.

## 3. Statement of Profit and Loss

### CONSOLIDATED PROFITABILITY

Gross profit decreased to IDR4.1 trillion in 2015 from the IDR5.4 trillion in 2014.

Recurring business revenue posted strong growth of 18% in 2015 up from the IDR4.7 trillion of 2014 to IDR5.5 trillion in 2015, with the Healthcare business unit contributing IDR4.1 trillion, up from the IDR3.3 trillion of the previous year. Net income decreased in 2015 to IDR535 billion from 2014's IDR2.6 trillion, primarily driven by delays in the sale of assets to REIT in 2015 and the weakening of the rupiah against the US Dollar.

The Company's operating profit margin was 19% in 2015, a decrease from 28% in 2014. Operating profit accordingly decreased from IDR3.3 trillion in 2014 to IDR1.7 trillion in 2015. EBITDA followed this trend and decreased from IDR3.6 trillion in 2014 to IDR2.2 trillion in 2015. The resulting EBITDA/interest expense (including capitalized interest expense) down to 2.0x from the 5.9x in 2014, due to the increase in the interest expense and coupled with the decrease in the EBITDA.

Current year net profit decreased to IDR535 billion from the IDR2.6 trillion in 2014. The resulting ROA and ROE decreased from 7% and 16% in 2014 to 1% and 3%, respectively, in 2015.

**Margin Table (%)**

Business Units	2015				2014			
	GPM	OPM	NPM	RC	GPM	OPM	NPM	RC
Consolidated	46%	19%	6%	100%	46	28	22	100
Urban Development	61%	31%	-5%	29%	49	36	27	48
Large Scale Integrated Development	53%	33%	28%	9%	53	41	35	11
Retail Malls	94%	42%	21%	3%	97	65	54	3
Healthcare	28%	5%	2%	47%	28	5	2	29
Hotel & Hospitality	64%	30%	22%	4%	66	34	32	3
Town Management	35%	24%	24%	5%	38	25	21	3
Property & Portfolio Management	95%	36%	45%	3%	95	33	40	3

Note: **GPM** = Gross Profit Margin, **OPM**= Operating Profit Margin, **NPM** = Net Profit Margin, **RC** = Revenue Contribution

**Consolidated Cash Flow** (in billion Rupiah)

Consolidated Cash Flow	2015	2014	Incr./Decr. %
Cash Flow from Operating Activities	(2,711)	786	-445%
Collections From Customer	8,639	10,927	-21%
Payment To Suppliers	(8,598)	(7,668)	12%
Cash Flow from Investing Activities	205	(350)	-158%
Disposal Property & Equipment	0	1	-87%
Acquisition Property & Equipment	(497)	(625)	-21%
Disposal Share in Subsidiary	1,137	858	32%
Cash Flow from Financing Activities	753	1,320	-43%
Proceed from Bond Issuance	-	1,590	-100%
Proceed from IPO of Subsidiary	-	(2)	n.a.
Ending Cash Balance	1,839	3,583	-49%

#### 4. Revenue and Expense Recognition

LPKR recognizes revenue from the sale of real estate using the full accrual method, where specified criteria are met.

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:

- Total payments by the buyer are at least 20% of the agreed selling price and the amount is not refundable;
- The selling price is collectible;
- The receivable is not subordinated to other loans in the future;
- 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

- Only the lots are sold, without any requirement of the seller's involvement in the construction of building on the lots.

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 sale is consummated;
- The selling price is collectible;
- The seller's receivable is not subject to future subordination against other loans which will be obtained by the buyer; and
- 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.

Revenues from sales shopping center and, apartments are recognized using the percentage of completion method if all of the following conditions are met:

- 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;
- Total payments by the buyer are at least 20% of the agreed selling price and the amount is not refundable; and
- The amount of revenue and the cost of the property can be reliably estimated.

## FINANCIAL REVIEW

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 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 year.

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 years 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 year 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 year of its membership.

Expenses are recognised as incurred on an accruals basis.

### 5. Ratios

#### A. SOLVENCY (Capacity to pay debts in long term and short term)

Solvency ratios show LPKR's ability to fulfill its overall liabilities including its financial liabilities such as interest bearing liabilities. Two ratios are used: total liabilities to total assets (Debt to Assets Ratio), and total financial liabilities to equity (Debt to Equity Ratio).

LPKR's Debt to Assets Ratio as at 31 December 2015 was 0.3x and as at 31 December 2014 was 0.26x while Debt to Equity Ratio was 0.75x as at 31 December 2015 and 0.64x as at 31 December 2014.

It has been LPKR's policy to keep this ratio below the 1x level. In addition, its Net Gearing Ratio (Net Debt to Equity) at year end 2015 was 0.64x compared to 0.41x at year end 2014. The solvency ratios of LPKR are within targeted ranges and reflect sufficient amount of assets and equity to cover total liabilities.

### B. PROFITABILITY

To assess LPKR's ability to generate profit within a specified period of time, three profitability ratios are used: Net Profit Margin, Return on Assets (ROA) and Return on Equity (ROE). LPKR's Net Profit margin in 2015 was 6% compared to 22% in 2014. LPKR's ROA was 1% in 2015 and 7% in 2014 and the ROE was 3% in 2015 and 16% in 2014.

## 6. Currency Risk Protection

### A. HEDGING

LPKR has hedged 100% of its foreign currency debts of USD803 million through derivative contracts with several international banks, namely JP Morgan, BNP Paribas, Morgan Stanley, Deutsche Bank and Nomura.

## VI. SALES, MARKETING AND PRICING STRATEGY AND PRACTICE

### 1. Property

LPKR Urban Development and Large Scale Integrated Developments employs a marketing strategy of pre-selling its properties prior to commencement of construction. Pre-selling is conducted principally by freelance marketing teams consisting of approximately 5,000 club members who work on commission basis, in the Lippoland Club, instead of the traditional real estate brokers or mass media advertising approach. These club members participate in training courses to enable them to effectively market LPKR's properties and products with commissions calculated as a percentage of sales, starting at 1.5% and increasing depending on the number of properties sold. In 2015, more than 50% of sales of Urban Development, and Large Scale Integrated Development, were generated by the marketing efforts of Lippoland Club.

LPKR's internal sales and marketing department is responsible for managing the freelance marketing teams and the other sales and marketing approaches. Sales managers and marketing managers cooperate closely to determine the appropriate advertising and sales plans for each particular development, conducting market research, designing sales and pricing strategies, collecting customer data and preparing feasibility studies. Print and broadcast media, as well as promotional events, are included in LPKR's successful property marketing approach.

#### 1. Marketing and Promotion:

- To prospective buyers (end users and investors), particularly those living in Lippo Karawaci and surroundings (Tangerang, Serpong, Alam Sutera and BSD) and West Jakarta, North Jakarta
  - References from satisfied buyers who live in Lippo Karawaci
  - Promotion through billboards, newspapers, magazines, email blasts, sms blast, Banners (internal magazine), What's on Lippo Village
2. Market Segment: middle to high end
  3. Strategy Price: according to location, facilities, service, security, management area so that it can be accepted by prospective buyers
  4. Promotion channels: Marketing Office, Show Unit, Billboard, Sales Event, newspapers, magazines, email blasts, SMS blast, banners, Whats' on Lippo Village.

LPKR offers three payment alternatives to its purchasers: cash sales, mortgages and up to 48 months installment plans. The Company's strategy considers many factors including target market, amenities, market conditions and competition, integrating strategic discount pricing when effective.

Below are details of payment methods for the properties in 2015.

Projects	Cash	Mortgages	Installments
Lippo Village	27%	29%	44%
Millenium Village (LV)	7%	11%	82%
Lippo Cikarang Residential	9%	68%	23%
Lippo Cikarang Industrial	32%	0%	68%
Lippo Cikarang Commercial	73%	0%	27%
Orange County (LC)	14%	5%	81%
Tanjung Bunga	8%	53%	39%
San Diego Hills	57%	0%	43%
Holland Village Manado	13%	72%	15%
St Moritz Jakarta	100%	0%	0%
St Moritz Makassar	30%	0%	70%
Embarcadero	98%	0%	2%
Monaco Bay	12%	58%	30%
All Projects	15%	27%	58%

#### Cash Sales

Cash sales provide a source of financing through which LPKR can fund the building process without relying on third party financing. Cash sales, for which payment is made in full at closing, provide purchasers with the largest discount, typically 25%-30% off the listed price.

#### Mortgages

Purchasers of properties may choose to finance their purchases through mortgages or other bank financing. For this type of payment, LPKR offers a discount of approximately 20%-25% from listed price.

#### Installments

Purchasers of residential, certain commercial and retail property may elect to pay a portion of the purchase price at the time of sale, which ranges between 10% and 20%, and pay the remaining balance in equal monthly installments for up to 120 months. LPKR generally offers such purchasers a discount of approximately 10%-15% from listed price.

The Company intends to continue the installment sales arrangements, to be made available to all residential purchasers and certain purchasers of light industrial properties who make the requisite down payments. As the Company retains title of all property purchased on an installment basis until the purchase price has been fully paid, purchasers are motivated to fulfill their obligations under the sales contract, as a failure to pay the installments impels the Company to cancel the sales contract and re-sell the property, retaining a portion of any payments made prior to default.

#### 2. Healthcare

LPKR's target market in healthcare includes middle low, middle and upper middle income Indonesian consumers who require high quality healthcare services. Siloam Hospitals has developed strong brand recognition through effective advertising of its medical services and word of mouth. This national hospital network adheres to regulations in advertising as well as in all patient care governance procedures, establishing global best standards and achieving international accreditation. Allowable marketing approaches are determined the Indonesian Advertisement Code or Conduct, and based on this marketing is primarily done with insurance companies and corporations by offering medical check-ups, promoting its services through general practitioners, conducting informative and not comparative marketing, with hospital advertising allowable only if hospitals are presented as business entities that offer available services and facilities.

## FINANCIAL REVIEW

### 3. Retail Malls

LPKR's sales and marketing strategies for retail malls parallel those in its Urban Development and Large Scale Integrated Development business units. Advertising in the Indonesian print and broadcast media and arranging promotional events also play critical roles in the success of its retail property developments.

### 4. Hotels

LPKR's hotels are marketed under the Aryaduta brand, primarily aimed at business travellers with substantial income derived from Meetings, Incentives, Conventions and Exhibitions (MICE). Multiple advertising channels include Indonesian and international print media, direct contact with domestic and international travel agents and representation and participation at travel conferences and travel industry presentations.

## VII. OTHER MATERIAL INFORMATION

### Accounting Practices

LPKR prepares its financial statements using accounting principles and reporting practices in accordance with Indonesian GAAP. Preparation of the financial statements requires the management to make certain estimates and judgments including through the critical accounting policies described below.

### Changes in accounting policies adopted by the Company in the last Fiscal Year and its impact on the Financial Statements:

Changes in regulations that have an impact on the Group's consolidated interim financial statements are as follows:

- Actuarial gains (losses) recognition through other comprehensive revenues;
- All past service costs are recognized as expense on earlier date, between the date of amendment / curtailment program and the date when the entity recognizes costs associated with restructuring or severance. Hence, non vested past service cost can no longer be deferred and is recognized over the vesting period; and
- The interest expense and actual return on plan assets that were used in SFAS No. 24 is replaced by the concept of net interest, which is calculated using a discount rate liabilities (assets) net defined benefit determined at the beginning of each annual reporting period.

These changes have been applied retrospectively (Except for changes in carrying value of assets includes the cost of employee benefits in the carrying value) and the effect of the revised standard is presented in Note 3.

- 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 Group has reclassified the presentation of final income tax expense and comparative information has been restated accordingly (see Note 3).

- 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.

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 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 financial statements.

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

### Information on Independent Public Accountant

- Name of Independent Public Accountant:  
Amir Abadi Jusuf, Aryanto, Mawar & Partners
- Audit fees for each type of service rendered by the Public Accountants:  
Review Report in September 2015 IDR400,000,000 (four hundred million rupiah)  
General Audit report in 2015 IDR1.300.000.000 (one billion three hundred million rupiah)
- Other Accounting Services: None

## VIII. RISK MANAGEMENT

### A. Business Risk

In the normal course of its business, the Company remains exposed to certain risks that may affect the Company’s performance. These risks have been identified based on their potential to significantly impact company performance, as follow:

#### Risks Related to the Property Business

##### 1 Increased Interest Rate

An increase in the country’s interest rates has the potential to adversely affect LPKR property developments. However, the interest rate is currently declining and we expect some improvement in domestic conditions.

##### 2. Property Market Fluctuation

Cyclical in domestic and regional economies directly affect the real estate development industry in Indonesia. The variables that influence the industry include availability of financing, interest rates, and demand for residential, commercial, retail or industrial properties. Real estate sector in the regional market seems to be in decline.

## FINANCIAL REVIEW

### 3. Discontinuation of Current Projects and Suspension of Planned Projects

In order to succeed, the Company relies on its expertise in developing, marketing and selling its projects as well as sourcing funds and using them to cover needs in a timely manner. The risks that the Company is exposed to result from delays in obtaining the required permits, availability of raw materials, increasing construction costs, natural calamities, and dependency on third party contractors as well as the risk of decline in market demand during the course of project development.

### 4. The availability of, and interest rates on, financing for potential purchasers of our properties

A number of potential buyers of our residential properties finance their purchases through third-party mortgage financing. In the case of the purchase of a first residential property, Bank Indonesia requires a minimum down payment of 20% of the purchase price of the property. The minimum down payment requirement increases to 30% of the purchase price for the second residential property and to 40% of the purchase price for the third or any subsequent residential property. The changes in this regulation, and the increase in interest rates in Indonesia may potentially impact on a decrease in the demand of property.

### 5. The Risk of Increased Competition in Indonesia's Property Market

The Company's future projects face competition from the projects of other developers in terms of location, facilities, support infrastructure, services and price. Increased competition among property developers may result in increased in land acquisition prices causing an oversupply of properties which will then adversely affect the Company's profits.

### 6. The Risk of Failure in Obtaining All Business Permits

The Company's business units each require separate permits in order to operate. Not acquiring those permits brings a risk of government sanctions in the form of business closure, fines and even criminal prosecution.

### 7. Dependence on Contracting Agencies

The execution of the Company's residential and commercial development projects is awarded to third party contractors. These projects consist of construction work, piling and foundation, interior design, air conditioning and elevator installation, and landscaping. In general, contractors are paid fixed amounts but if costs exceed the agreed amount, contractors may renegotiate with the Company for a cost adjustment. The Company will then be forced to bear the additional costs in order for the project to be completed. There is also a risk that the contractor may encounter financial difficulties or other challenges which may affect its capability to fulfill its contract. Such an occurrence will cause a delay in the completion of the project or create additional costs that must be met by the Company.

### 8. Development of New Property Construction

New construction projects may face certain challenges, such as shortage of raw materials, shortage of quality manpower, technical issues, strikes, litigation, weather, floods and unanticipated increases in project costs. These risks play a significant part in putting a project over budget as well as delaying its completion.

### Risks Related to the Healthcare Business

#### 1. The Risk of Rapid Technological Advances related to our Medical Equipment

Our hospitals use sophisticated and expensive medical equipment to provide services. The equipment often needs to be upgraded frequently, as innovation can rapidly make existing equipment obsolete or unable to provide services that patients require or demand. If we are unable to keep up with technological advances, our doctors and patients may turn to other hospitals which have more advanced equipment.

#### 2. Inability to Recruit and Maintain Medical Personnel

The operation of the Company's hospital business depends greatly on the capabilities and skills of its doctors and other medical personnel. With the supply of these professionals being finite, the Company is in constant competition with other hospitals, especially those found in the immediate vicinity, to recruit and maintain doctors and

medical personnel. To add to this challenge, country regulations prohibit hospitals from outsourcing medical personnel who do not possess a License to Practice issued by Indonesia's Ministry of Health.

### 3. Malpractice Claims and Litigation

The Company's hospitals may face the risk confronting claims from both medical and legal fronts and action from the authorities stemming from medical services provided by the Company's hospitals. Such claims may adversely affect the reputation of the hospitals as well as the reputations of the doctors who work there.

### 4. Environmental Effluence within the Company's Hospital Business

Operational activities of the Company require the use of certain materials/chemicals, processes or installations that are environmentally regulated or require certain permits. Such materials/chemicals are part of medical sewage or toxic wastes, which according to the Government's environmental regulation, the Company is required to manage to avoid environmental pollution or public safety. The mismanagement of such toxic wastes may result in sanctions such as fines or payments to cover public damage and the surrounding natural resources or properties.

### 5. Emerging External Factors that Affect the Company's Healthcare Business

The Company's healthcare business faces a number of challenges commonly faced by the healthcare industry. Most important is the need to provide quality treatment while managing costs.

Aside from this, the healthcare business unit is affected by factors such as: (i) Development of technology and drugs that may minimize the need for medical services (ii) Demographic changes and (iii) Changes in the distribution of medical services or other factors that may increase the cost of medical services.

The Company's revenue from its medical facilities as well as the number of patients that seek treatment is affected by the economy. It is part of a cycle determined by external factors, such as: (i) Unemployment rate (ii) Weather conditions disease cycles (iii) Competition and (iv) Patient's decision to undergo medical treatment or procedures.

## Risks Related to the Retail Business

### 1. Business Crises Affecting the Indonesian Retail Industry

The Company historically develops retail projects and commercial spaces based on strata titles.

Now however, the Company develops leased retail and commercial property where the Company still possesses both land and property rights.

The financial performance of the Company's Retail unit is tied closely to the Country's economic condition as well as to its retail property industry. This makes demand for retail and commercial space especially vulnerable to: the weakening of national, regional and local economies; declines in the financial condition of major retail companies; consolidation of the retail sector in Indonesia; oversupply of retail space in certain regions in Indonesia; increase in consumerism through catalogues and the internet; change in the tenants' mode of sales from occupying retail spaces to e-commerce; changes in tax regulations; and changes in government regulations.

### 2. Losing Anchor Tenants

The Company relies on the pulling power of its anchor tenants to help it sell and lease spaces in its malls. Stated simply, if an anchor tenant is lost, a decline in leases or sales will be experienced.

## Risks Related to the Hotel Industry

There are a number of factors affecting the hotel industry that are beyond the Company's control. These factors, though unrelated to the Company's hotel management, may nonetheless create negative perceptions towards the Company's hotels. These factors include: terrorism, the spread of contagious diseases, increase in air ticket prices, travel costs and other occurrences that may reduce the amount of tourists or business travellers, increase in competition by other hotels leading to reductions in occupancy and revenue levels, increase in costs due to inflation, salary adjustments and other incidentals, conditions outside of Indonesia that are not conducive to the country's tourism and business travel atmosphere as well as adverse economic conditions at a national or regional level as well as changes in government regulations that may affect the permits needed to operate the Company's hotels and negative effects of a hotel industry crisis.

## FINANCIAL REVIEW

### B. Financial Risk

Predominantly, the financial risks faced by the Company are credit risk, foreign exchange risk, interest rate risk, liquidity risk and price risk. Attention on Risk Management increased significantly with the changes and volatility in financial markets in Indonesia and internationally.

#### 1. Credit Risk

Credit risk is the risk when the Company incur losses arising from customers, clients or counterparties that fail to meet their contractual obligations. The Company manages credit risk by setting limits on the amount of risk acceptable for each customer and be more selective in choosing banks and financial institutions, only reputable banks and financial institutions are chosen.

#### 2. Foreign Exchange Rate Risk

The Company is exposed to fluctuation of Rupiah exchange rate to the USD. The resulting profit or loss from these discrepancies will be reflected in the Company's net profit. This is evident in the preparation of the Company's consolidated financial statements, where the financial statements of Lippo Karawaci's offshore subsidiaries must first be converted to Rupiah. The inevitable fluctuation in exchange rates may result in a negative implication of the Company's financial condition and operational output.

Management of this risk is being done through several derivative agreements with third parties. The Company continues to monitor the movement of the exchange rate in order to adjust the coverage of derivative contract right on time.

#### 3. Interest Rate Risk

Interest rate risk arising primarily due to loans with floating interest rates. The Company manages interest rate risk through a combination of fixed and floating interest rate loans, along with consistent monitoring on the impact of interest rate movements to minimize the negative impact on the Company. On 31 December 2015, 100% of the Company's loan was fixed interest.

#### 4. Liquidity Risk

Liquidity risk is the risk arising when the Company's cash flow position shows that its short-term earnings are not enough to cover short-term expenses. The Company manages its liquidity risk by maintaining an adequate level of cash and cash equivalents to cover its commitments in normal operations and continuously evaluates projected and actual cash flows, factoring in the maturity dates of its financial assets and liabilities.

#### 5. Price Risk

Price risk is the risk of fluctuations in the value of financial instruments as a result of changes in market prices. The Company is exposed to price risk as it owns investments classified as Available For Sale financial assets. The Company manages this risk by regularly evaluating the financial performance and market price of its investments while continuously monitoring global market developments.

### C. Other Risks

#### 1. Unavailability of Funding

In order to cover the capital needed for business operations as well as for expansion, the Company requires external funding. The Company's ability to procure funds from outside sources is influenced by economic conditions, capital markets, interest rates, availability of funds from banks or other creditors, Bank Indonesia policies in terms of distribution of credit to the property sector and other factors.

## 2. Dependency on the Regional Governments in Renewing the Company's Agreements

The continuity of the Company's agreements is dependent on renewals issued by regional governments. For example, The Aryaduta Hotel Pekanbaru is operated by the Company under a BOT (build, operate and transfer) agreement in accordance with the Cooperation Agreement No. 55 dated 17 September 1993 between the Company and the Regional Government. The BOT agreement gives the Company rights to build and operate the hotel, but not to own the land. The BOT agreement's term is 25 years, with an option for a 10-year renewal but there is no guarantee that the Regional Government will approve the renewal of the agreement.

## 3. Additional Expenses Relating to Environmental Problems

The Company is subject to the laws and regulations governing the environment, which among other things require the Company to monitor and dispose of its toxic wastes properly all the while bearing the cost of this endeavour, which can be quite significant. Non-compliance with this directive may lead to hefty fines, litigation and other sanctions. The Company prepared various strategic measures to reduce the impact of the risks of performance as well as sustainability of the Company.

Among the strategies are the asset light and capital-recycling strategies, the landbank for the next 10 year development period, a relatively large funding requirement, recurring business development in order to balance the fluctuating property market and the strategy to benefit from hedging to reduce the exchange rate fluctuations.

## EVENTS AFTER THE REPORTING DATE

- On 8 January 2016, PT Pamor Paramita Utama, a subsidiary, entered into a conditional sales and purchase agreement of Lippo Mall Kuta (Bali) with Lippo Mall Indonesia Retail Trust (LMIRT) at a price of SGD81.8 Million (equivalent to Rp800 Billion). As of the date of the consolidated financial statements was issued no payment is received yet from LMIRT.
- On 20 January 2016, PT Kreasi Tunas Bangsa and PT Mega Indah Gemilang, subsidiaries, entirely acquired PT Prima Cipta Lestari from PT Mitra Prima Kreasi and PT Matahari Pasific, related parties, at an acquisition cost of Rp4,700,000,000.
- On 3 February 2016 PT Mulia Citra Abadi, a subsidiary, entered into a conditional sales and purchase agreement of Siloam Yogyakarta Hospitals and Lippo Plaza Yogyakarta, respectively, with First REIT and LMIRT at price of SGD40.82 Million and SGD51 Million respectively (equivalent to a total of Rp900 Billion). As of the date of the consolidated financial statements was issued no payment is received yet from First REIT and LMIRT.

## DIVIDEND POLICY

The current dividend policy of the Company is:

Distribution Basis	Percentage Distribution
Net profit up to IDR300 billion	10%
> IDR300 billion	15%-30%





In 2015, the Human Resources Division strengthened and sharpened the corporate culture, improving Talent Management and increasing the Performance Culture to achieve sustainable growth.

# Human Resources

In 2015, the Human Resources Division strengthened and sharpened the corporate culture, improving Talent Management and increasing the Performance Culture to achieve sustainable growth.

Lippo Karawaci operates in various business sectors with continuous expansion in its strive for becoming a market leader. In 2015, the Company faced economic dilution and uncertainty of the investment climate. To create synergy for business acceleration that shares a common culture, the Company has set the main strategy of human resources to refine and strengthen the Corporate Value.

“Growing in Stewardship. Transforming Lives.” is the Company’s Corporate Value, set to be a work culture to realize sustainable growth and resistance to various economic situations. Based on these key strategies, the Company set 3 (three) main pillars to support the objectives of the Company and sustained growth, namely:

1. Implementation of the Corporate Value as the Corporate Culture to be internalized by all employees, thus encouraging the creation of a comfortable and conducive working environment, creating a healthy competition for employees to perform optimally.
2. Management of talent, both the existing and the new recruits, to ensure the availability of future leaders in various business units.
3. Strengthen and sharpen sustainable Performance Culture in improving employee productivity and performance.





### IMPLEMENTATION OF SUSTAINABLE CORPORATE CULTURE

In 2015, HR had the initiative to sharpen the Corporate Value by conducting interviews with leaders and stakeholders in various business units under PT Lippo Karawaci. Result of the interviews confirm “Growing in Stewardship. Transforming Lives.” as the Corporate Value, to serve as the main basis for the Corporate Culture.

To ensure uniform perception of its application, HR conducted a socialization process to all levels of employees, starting from the Top Management to the leaders in all business units. These leaders were obliged to disseminate the value to all employees under their coordination.

The Management believes that the application of the Corporate Value will support its business transformation process to face business competition that is getting tighter. Consistently applying the Corporate Value will form a corporate culture that is very competitive to continuously win business competition and to grow in accordance with the vision and mission of the Company. This Corporate Culture is expected to sustain the Company's optimum performance as well as strengthening the Company's market position as the leader in each industry it enters.

2015 was the first step in deepening the roots of the Corporate Culture, to be conducted on an ongoing basis every year. A total of 229 batches of socialization process was conducted by the Company for all the employees to internalize the Corporate Value in 2015. The participants included all employees from various business sectors, ie. Lippo Homes, Lippo Cikarang, Lippo Malls, Siloam, Hotels, DMT, and Corporate. Our on boarding program for the new employees also contained this Corporate Value to socialize and in still the work ethics. This program covered approximately 1,412 new employees.

## Human Resources

### TALENT MANAGEMENT TO PREPARE OUR FUTURE LEADER

A Company that is able to compete in business in the long term is one that has and maintains a continuity of available leaders in accordance with the vision, mission and values of the company. Therefore, the second pillar endorsed by HR was managing internal talents as well as attracting new ones in order to prepare future leaders in each business unit. Lippo Karawaci sets the Corporate Value as the basic criteria in its talent management to compliment the leadership criteria that are expected to face, answer, and win the competition in future.

Below are some programs that were conducted by the Company in 2015 in managing its talents:

- Identification of the needs for leaders, in the short term, medium term and long term by taking into account growth strategies and alignment of all business units and subsidiary Companies.
  - Selection of talents by considering the performance and potential of selected employees in accordance with the needs of the Company. The talent selection also considered the internal resources through the process of selection, evaluation and assessment by a committee involving the top management. Similarly in attracting external talent, HR performed rigorous selection of candidates as tailored to the Corporate Value and criteria as future leaders.
  - Development of talent through structured programs such as on the job, assignment, mentoring programs by the CEO of the business units, and leadership programs either through in-house training, external training, as well as through cooperation with the University of Pelita Harapan in preparing future leaders. This cooperation included scholarship for dual degree programs for the Executive Masters in Business Administration (EMBA) and Master of Hospital Management (MHM) in collaboration with Peking University and MIT University. Up to 2015, the Company had provided the EMBA and MHM programs for 50 participants.
- Aside from the aforementioned programs, the Company prepared Leaders from all business units by engaging Dunamis for leadership programs, such as: “7 Habits for Executives” and

“7 Habits for Managers”. As many as 49 batches were delivered in 2015. Other training programs, including “Coaching for Performance” and “Coaching Skills program” were also conducted for 74 batches, “Stepping Up training for Supervisors & Manager” for 35 batches, POAC program for 10 batches, “Workshop LK Top Team” by Louis Allen Worldwide for 85 batches.

- Maintaining existing talents through a remuneration strategy that was integrated with the acceleration of placements as a step towards future leaders, according to the needs and strategies of the Company in the various business units.
- HR has restructured the Human Resources Information System (HRIS) to track the career movement of all talents and to obtain accurate information in the management of talent development.
- The Company conducted various innovations in hiring the best talents to prepare future leaders in various business units through programs such as the Management Development Program (MDP), Project Trainee (PT), Management Trainee (MT), Management Associate (MA). The participants for these programs were the best talents from various universities around the nation and from abroad. In doing so, the Company has maintained good cooperation with selected universities, such as Binus, UPH, Petra Christian University, Catholic University of Atma Jaya Yogyakarta, University of Soegijia Pranata, National University of Singapore, and University of Melbourne. Best talents to strengthen the Company were selected from a variety of well-known universities like UI, ITB, UPH, Unpar, Untar, UGM, ITS, Petra, Atma Jaya Yogyakarta, RMIT Australia, Seattle University, Curtin University Singapore, Monash University in Australia, Monash Malaysia, and Melbourne University. In 2015, the Company has managed as many as 79 participants.
- Maintaining existing talents through an integrated remuneration strategy to accelerate placements as a step to develop future leaders in accordance with the needs and strategies of the various business units.

In addition to what have been mentioned above, one of the important aspects in the management of talent in preparing for future leaders is the process of recruiting the right talent, based on “the most suitable for the job”. This means the candidates must possess the most suitable qualifications with the job requirement.

During the recruitment process, an important stage in the initial screening was assessment of the education profiles and work experience of candidates as well as their suitability with the Corporate Culture. When done, the Human Resources Division and the user manager conducted interviews to see whether the candidates matched with the jobs offered. Several tests were also conducted to observe their personality traits to assess job suitability, especially for the critical positions.

Orientation for new recruits was also very important, one of which were done through the appointment of a “buddy” or mentor, so the new employee could speed up the familiarization process with the system and how to work in the Company. By doing so, it was expected that they could soon be productive.

The recruitment process or workflow conducted by the Company was based on Manpower Planning in each division, with user managers asking for additional new talent by filling in the ERF (Employee Requisition Form) to be approved by the supervisor and HR Business Partner (HRBP). The data would then be inputted into the system in the Recruitment Center. If the request is beyond what has been approved in the Manpower Planning, approval from the Business Unit CEO

would be required on the ERF. The next process was sourcing for candidates, interviews with HR, psychological tests, interviews with the user manager, providing the offer, and hiring.

## STRENGTHENING AND SHARPENING SUSTAINABLE CULTURE PERFORMANCE

In doing this transformation on an ongoing basis, the Company consistently created a Performance Culture so that the behaviour of each individual employee was always focused on the concept of performance. In 2015 the Company continued to sharpen the Performance Culture for each business unit by giving rewards to employees who demonstrated consistent achievement. The underachievers would be provided with adequate coaching from the superior so that they are motivated to improve their performance.

The Performance Culture that is always executed by the Company is a cycle that is executed consistently and continuously, from the establishment of the annual target, work objectives, Key Performance Indicator (KPI) in the beginning of the year, which is then followed by monitoring the performance accompanied by coaching throughout the year, mid-year performance evaluation and year-end performance appraisal process. The results of the performance appraisal will be used a major factor in developing the competencies and careers of the employee. To encourage individual performance to impact improvement in productivity and performance, the Company undertook a measurement of individual performance against work unit performance and business unit performance. Thus, a performance culture is able to impact the performance of the Company on an ongoing basis to enable the Company to win the competition.

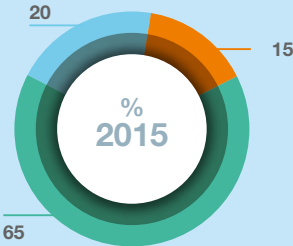
### Career Development

Program		2015	2014
Management Development Program	Corporate	40	18
Project Trainee	DMT *)	15	11
Management Trainee	LC **)	17	
Management Associate	Siloam	7	9
Executive Master of Business Administration	All	50	14
<b>Total</b>		<b>129</b>	<b>52</b>

\*) DMT = Development Management & Technology

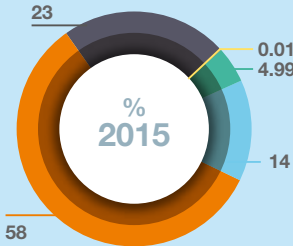
\*\*) LC = Lippo Cikarang

Human  
Resources



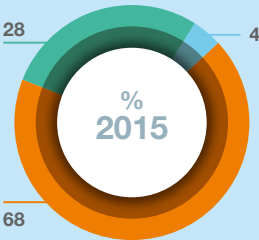
NUMBER OF  
EMPLOYEES  
BY BUSINESS UNIT

- Residential
- Hospitals
- Commercial



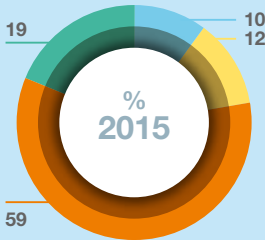
NUMBER OF  
EMPLOYEES  
BY JOB LEVELS

- Executive
- Management
- Supervisor
- Staff
- Non-Staff



NUMBER OF  
EMPLOYEES BY  
EMPLOYMENT  
STATUS

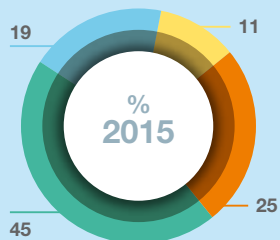
- Permanent
- Contract
- Outsourcing



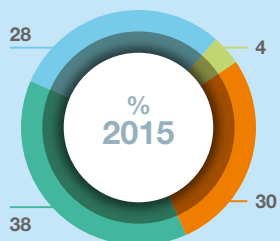
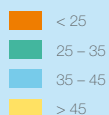
NUMBER OF  
EMPLOYEES  
BY YEARS OF  
SERVICE

- < 3
- 3 - 5
- 5 - 10
- > 10

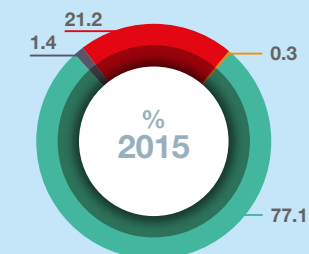
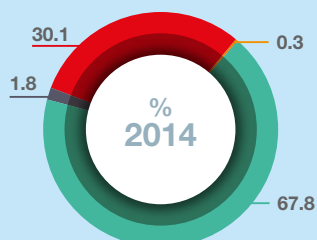
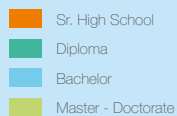




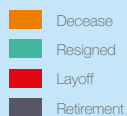
### NUMBER OF EMPLOYEES BY AGE



### NUMBER OF EMPLOYEES BY EDUCATION LEVEL



### EMPLOYEE TURNOVER DATA



“

To be the best world class IT organization with a center of excellence in leveraging information technology to stimulate high productivity and transforming business value internally and externally.

”



# Information Technology

The Information Technology division at Lippo Karawaci has recently undergone a strategic IT realignment based upon IT's growing importance in driving corporate value. The IT Master Plan establishes the vision, direction, and priorities for multi-platform investments in knowledge management, infrastructure, architecture, software systems, and IT operations so as to promote the achievement of Lippo Karawaci's mission and business outcomes. Efforts in 2015 consisted in integrating and systemizing processes among the Company's many subsidiaries, expanding our cloud capability and introducing a knowledge management portal.

## IT ROLES:

The challenges of controlling many different Company divisions and businesses, require a strong communications and data collection capability, for management and on-site personnel. To this end, the Company has instituted an IT roadmap in fulfilling the IT vision, which is:

To be the best world class IT organization with a center of excellence in leveraging information technology to stimulate high productivity and transforming business value internally and externally.

And mission that:

We are committed to delivering innovative, cost effective IT solutions and infrastructure to support business strategic goals.



### IT STRATEGY

In this roadmap, programs to integrate and strengthen technology include identifying ways to manage complexities through communication, teamwork and continuous learning in: the integration of change, knowledge management, meeting customer needs, work processes, objective clarity and market forces analysis. The roadmap has specifically outlined standard operating procedures for land acquisition, permit management, project costing & contract management, project support & delivery services, property sales administration and town management system.

The overall strategy of this roadmap and master plan is for the Company to have:

1. Diversified and high growth businesses: in all areas of development, sales, and operations;
2. Diversified geographic reach;
3. Dashboard control in real time with daily balances and incident reports;
4. Seamless financial consolidation;
5. Cross-utilization of talent and facilities.

### IT INVESTMENTS AND ACHIEVEMENTS IN 2015

The IT Division continued with integrating the communications network in 2015. With roughly 1,000 CCTV cameras installed throughout the townships, malls and construction sites, we installed about 200 more, with the launching of one new CCTV command center.

Multipoint Video conference, has been deployed in 6 sites, including in Jakarta, Tangerang, Cikarang, Makassar and Ambon. This has resulted in better and easier cost effective communications, with savings and efficiencies across the business units.

For IT infrastructure, the Company implements private cloud and manages a services strategy to deliver IT services and applications to both internal and mobile users. Guaranteed server SLA is 99.7%, data backup is onsite and offsite to protect integrity and availability. High availability solutions are deployed in critical communication and database system. A fiber optics network connects large and medium offices to private cloud, with small offices connected to private cloud via site-to-site VPN.

## Information Technology

The Company, with continued support of vendors, is expanding its Oracle E-Business Suite Financial, with the on-going implementation of Oracle Hyperion Financial. As a consolidation tool, this program will allow decision-makers a consistent and systematic view of all subsidiaries within the Group. While this project is in the final phases of user acceptance testing, hopes are to further integrate all business units under this framework.

In 2015 IT focused on designing and implementing a knowledge management portal. As a central depository portal that stores and retrieves knowledge with various access security rights, opening potential for effective and efficient information exchange across the whole system. A systematic approach to provide reuse of knowledge will increase productivity. The knowledge will remain as corporate memories to improve business continuity.

Up and running also in 2015, the new Customer Relationship Management application will help the various divisions in collecting and collating data on the Company's many and varied customers. This application will also help decision-makers to understand and communicate to the Company's customers better.

### IT GOVERNANCE

By remembering that “Whatever we build, we sell. Whatever we sell, we manage” is a workable adage, and the IT Division has an IT governance plan that guides investment in IT towards facilitating high growth business; optimizing effectiveness, efficiencies, and profitability; enabling high quality asset management; leveraging the core business into services businesses; and empowering people.

### GOING FORWARD

The IT team will be working to establish new foundations for value growth and systems control through installing and overseeing operations in a number of key areas including: Enterprise Project Management Framework, E-Procurement, Asset Maintenance & Tracking system, Customer Relation Management System, Human Capital Management System, and focus to enhance the customer experience through digital transformation.









2015 Annual Report  
Lippo Karawaci

# Good Corporate Governance





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Report of

# Corporate Governance

“

The **Company** has been consistently expanding its corporate governance systems, and setting those limits for itself that will result in stakeholders getting **transparent** updates of the performance and outlook in line with our purpose of long term sustainability and resilience, and **competitiveness** to attract foreign investment.

”

As a mechanism that governs the management of the Company in generating long-term and sustainable economic values, the implementation of Good Corporate Governance (GCG) is supported by a strong corporate governance structure. Driven by this understanding, Lippo Karawaci commits to continuously develop and enhance the implementation of corporate governance principles at all levels of the organization and its operations. The Company has undertaken various initiatives in improving the implementation of corporate governance in order to lay a strong foundation for its governance practices.

Adopting an integrated GCG policy, the Company encourages all of its business units to also improve the quality of their GCG implementation in their operating environments. Although each unit may have their own considerations, the overall approach taken is coordinated by Head Office, with effective internal controls.

## FOUNDATION OF GCG IMPLEMENTATION

Proving its strong commitment to expand business growth within the good governance norms, the Company conducted benchmarking against the best practices in the implementation of GCG in various national and multinational companies. By benchmarking, the Company aimed at an effective good governance that helps improve its implementation throughout the organization and operational lines.

In the Company's GCG design, Lippo Karawaci also incorporates guidelines from various institutions and regulators, including:

- Indonesia Institute for Corporate Governance;
- National Committee on Governance;
- ASEAN Corporate Governance Scorecard.

The above guidelines are in compliance with the Law No. 40 on Limited Liability Companies, regulations issued by the Financial Services Authority (OJK), and the Company's Articles of Association.

Lippo Karawaci's GCG principles are reflected in the established Code of Conduct which was formalized in 2000, revised in 2005, and adjusted and renewed in 2014. The Company has developed the Commissioners and Directors Code, which will be effective in 2016. Together, these code serve as effective guides to how all Board members of the Company should work and act.

### **PURPOSE OF GCG IMPLEMENTATION**

In managing its resources and businesses, Lippo Karawaci always adheres to the principles of good corporate governance, serving the following objectives:

- Maximizing the Company's value through improvement of the implementation of corporate governance principles in all of its activities;
- Managing the Company in a professional and independent manner to further enhance its image;
- Developing a decision-making process based on the values of ethics and compliance with applicable laws and regulations;

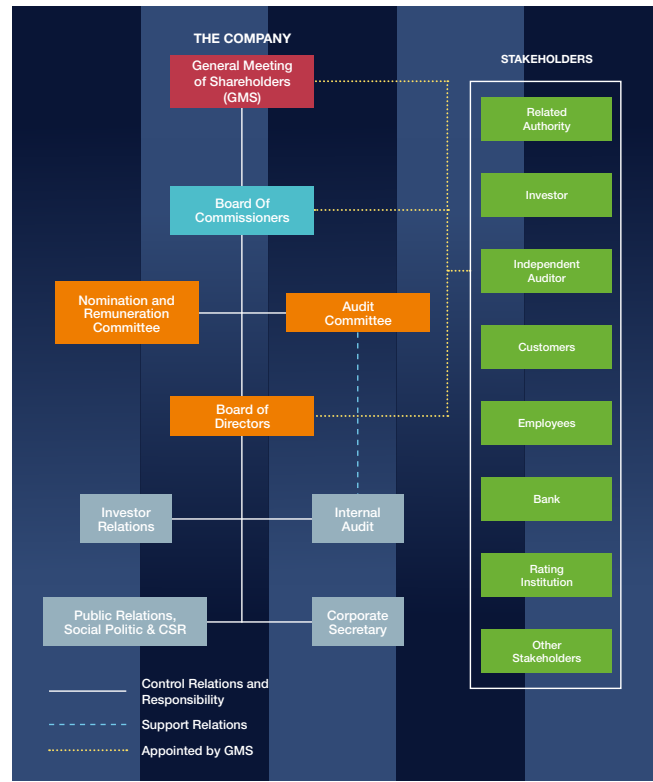
- Supporting its Corporate Social Responsibility program, and Business Sustainability program;
- Promoting a conducive investment climate in the country, particularly in the property and hospital sectors.

### **CORPORATE GOVERNANCE STRUCTURE AND FRAMEWORK**

The Company's organs play critical roles in the effective implementation of Corporate Governance. Each organ carries out functions based on the principle of independence with responsibility to carry out activities in the interest of the Company, in accordance with the provisions in the Articles of Association, and compliant with prevailing legislation.

The Company has organs to ensure that the Company's GCG principles are properly implemented across all of Lippo Karawaci's operational and strategic activities. The core of Lippo Karawaci's GCG structure is the GMS, BoC and BoD. These organs ensure that the Company's GCG principles are properly implemented within all Lippo Karawaci's operational and strategic activities. Each body has specific authorities and works independently to meet their function, role and responsibility.

REPORT OF  
CORPORATE GOVERNANCE



**GENERAL MEETING OF SHAREHOLDERS (GMS)**

The Company held 1 GMS in 2015, the Annual General Meeting of Shareholders (AGM) held on 12 June 2015. The AGM was attended by shareholders representing 19,843,452,595 shares, or 87.14% of the total 22,771,585,119 shares, constituting total issued shares minus the treasury stock up to the recording date of the AGM.

In each agenda item of the meeting, the shareholders had the opportunity to raise questions after the explanation or proposed resolutions were conveyed pursuant to the Meeting Rules distributed to the meeting participants during the registration, which were approved by the attending shareholders prior to the discussion of the Meeting Agenda commencing. At the AGM, the resolutions were made through consensus or majority vote.



## The AGM's Agenda

### The AGM's Agenda

The AGM's agenda among others were:

1. Approval and ratification of the Annual Report of the Company for the Fiscal Year ended 31 December 2014, and granting full release and discharge (acquit et de charge) to the Board of Directors and the Board of Commissioners for the management and supervision conducted during the fiscal year ended 31 December 2014.
2. Determination of the appropriation of the Company's profit for the fiscal year ended 31 December 2014.
3. Changes in the composition of the Board of Commissioners and / or the Board of Directors, including Independent Commissioner, and the determination of the honorarium and other benefits for members of the Board of Commissioners as well as salaries and other allowances for the members of the Board of Directors.
4. The appointment of Registered Public Accounting Firm that will audit the books of the Company for the fiscal year ended on 31 December 2015.
5. Approval on the Amendment and Restatement of the Articles of Association to comply with the Regulation of the Financial Services Authority.

### The AGM's Resolution

#### First Agenda Item

1. To approve and ratify the Annual Report of the Company on its position and course of business actions, including among others the Company's Consolidated and Subsidiaries Financial Statements for the year ended 31 December 2014, covering business activities derived from the Company's main business activities and the Supervisory Report of the Board of Commissioners.
2. To approve and ratify the Consolidated Financial Statements of the Company and Subsidiaries, which comprise the Consolidated Statements of Financial Position for the fiscal year ended 31 December 2014, as well as the Comprehensive Income Statements, Statements of Changes in Equity, and the Consolidated Statements of Cash Flows for the year ended at the date, audited by Public Accounting Firm Aryanto, Amir Jusuf, Mawar & Saptoto with an unqualified opinion as stated in its report No.R/150.AGA/dwd.1/2015 dated 3 March 2015.
3. Granted full release and discharge to the Board of Directors and the Board of Commissioners for the management and supervision conducted during the fiscal year ended 31 December 2014 (acquit et de charge), provided that those actions including the actions relating to the business activities derived from the Company's main business activities are reflected in the Company's Consolidated Financial Statements and Annual Report for the year ended 31 December 2014

#### Second Agenda Item

1. Approved the distribution of final cash dividend amounting to a total of IDR380,000,000,000 (three hundred eighty billion Rupiah) or IDR16.68 per share.
2. To approve and resolve that IDR1,000,000,000 (one billion Rupiah) be allocated as reserve fund pursuant to Article 70 of Law No. 40 of 2007 concerning Limited Liability Companies.
3. To approve that the remaining Net Income after deducting the dividend and reserve funds amounting to IDR2,166,285,310,439 (two trillion one hundred and sixty-six billion two hundred and eighty five million three hundred ten thousand four hundred thirty nine Rupiah) be recorded as the Company's Retained Earnings.
4. To approve the disbursement of cash dividend by applying dividend tax deduction pursuant to the prevailing tax regulation.
5. Granted full power and authority to the Company's Directors to implement all matters relating to the disbursement of the cash dividend.
6. Approved the schedule and procedures for the disbursement of final cash dividend as follows:

#### SCHEDULE FOR FINAL CASH DIVIDEND PAYMENT

- 19 June 2015 : Cum Cash Dividend for Regular and Negotiation Market  
 22 June 2015 : Ex Cash Dividend for Regular and Negotiated Market  
 24 June 2015 : Cum Cash Dividend for Cash Market  
 25 June 2015 : Ex Cash Dividend for Cash Market  
 24 June 2015 : Recording Date for Shareholders entitled to dividend  
 14 July 2015 : Payment of Cash Dividend

## REPORT OF CORPORATE GOVERNANCE

### The AGM's Agenda

### The AGM's Resolution

#### Third Agenda Item

1. Approved the resignation of Mr. Djoko Harjono from his position as Director of the Company as of 15 September 2014 and Mr. Benny Haryanto Djie from his position as Commissioner of the Company respectively as of the closing of the AGM be accepted and ratified.
2. Appointed and assigned Mr. Johaness Jany as Director, and Mr. Alwi Sjaaf as Independent Director of the Company respectively as of the closing of the AGM be accepted, and the structure of the Company's Board of Commissioners and Board of Directors for the term of office until the closing of the Annual General Shareholder Meeting which will be held in 2017 be restated, as follows:

#### Board of Commissioners

President Commissioner	Theo Leo Sambuaga
Vice President Commissioner and Independent Commissioner	Surjadi Soedirdja
Independent Commissioner	Agum Gumelar
Independent Commissioner	Farid Harianto
Independent Commissioner	Prof. Dr. H. Muladi, SH
Independent Commissioner	Letjen TNI (Purn) DR. (HC) H. Sutiyoso, SH
Commissioner	Tanri Abeng
Commissioner	Viven Gouw Sitiabudi

#### Board of Directors

President Director	Ketut Budi Wijaya
Director	Tjokro Libianto
Director	Stephen Choo Kooi Yoon
Director	Johaness Jany
Director	Ninik Prajitno
Director	Rahmawaty
Independent Director	Alwi Rubidium Sjaaf
Independent Director	Jenny Kuistono

3. The authority and power of attorney with the substitution right to the Board of Directors of the Company to act severally or collectively to take any actions required relating to the resolutions herein, including but not limited to stating the appointment of Directors in a notarial deed, submitting a notification to the Minister of Law and Human Rights of the Republic of Indonesia and registering the structure of the Board of Commissioners and the Board of Directors restated herein in the Company's Registration pursuant to the prevailing law and regulation be approved and granted.
4. The authority to the Remuneration Committee of the Company to set the compensation, allowances and other facilities for the Board of Commissioners and the Board of Directors of the Company be approved and granted.

#### Fourth Agenda Item

To grant the authority to the Company's Board of Commissioners to appoint an Independent Public Accountant which will audit the Company's books for the fiscal year ended 31 December 2015, under requirement that the auditor is registered in the Financial Services Authority (OJK) and has good reputation as well as providing full authorization to the Company's Board of Directors to set the fee and other terms of the appointment.

## The AGM's Agenda

## The AGM's Resolution

**Fifth Agenda Item**

1. To approve the Company's plan to make amendment and adjustments to the Articles of Association, among others, to comply with the Regulation of the Financial Services Authority No. 32/POJK.04/2014 on the Planning and Organization of the General Meeting of Shareholders of Public Company and Regulation of the Financial Services Authority No. 33/POJK.04 /2014 on the Board of Directors and Board of Commissioners of Public Company.
2. Amend and restate the articles of the Articles of Association in connection with changes or adjustments referred to above.
3. To grant the power and authority to the Directors of the Company, severally and jointly with substitution right to execute any action required in order to effect the matters conveyed and/or resolved in the Meeting, including but not limited to restate part of or all of the resolutions of the Meeting in a notarial deed, to prepare and establish the amendment of the Articles of Association in form and content that is deemed necessary to the extent not inconsistent with the regulations from the authorized agency, to make or request to be made any and all deeds, letters and documents required, to appear before any authorized party/officer, to submit any application to the competent party/authority for approval, including the approval of the Minister of Justice and Human Rights of the Republic of Indonesia, to report such changes to the competent party/authority to make any adjustments and/or additions in any form necessary to the approval or acceptance of such report by the Ministry of Law and Human Rights of the Republic of Indonesia, to propose and sign any and all applications and other documents without any exemption, to choose a domicile and to perform other actions possibly required, as well as the registration and announcement as referred to in applicable legislation without any exemption.

All matters discussed and resolved at the Meeting are recorded and stated in the Minutes of the Annual General Meeting of Shareholders of PT Lippo Karawaci Tbk No. 39 dated 12 June 2015 made before Notary Sriwi B. Nawaksari, SH, MKn.

A result summary of the AGM, included the percentage approval of each agenda item, has been posted on the Company's website.

The realization of the AGM in 2015 can be seen in the Report from the Corporate Secretary at the end of this chapter.

**BOARD OF COMMISSIONERS****Duties and Responsibilities**

The Board of Commissioners (BoC) is responsible to exercise supervisory control over the management executed by the Board of Directors (BoD). The BoC dispenses advice as well as monitors and evaluates the implementation of strategic policies as well as ensuring that GCG and risk management practices are effectively implemented throughout the Company's operations.

The BoC's authority is stipulated in the Company's Articles of Association and granted to it by the General Meeting of Shareholders with tasks and responsibilities as follows:

- To supervise the BoD's undertaking of the overall management of the Company, as well as its businesses, and to provide advice to the BoD.
- To perform specific duties as mandated by the Company's Articles of Association, prevailing regulations and pertaining to the decisions drawn up in the General Meeting of Shareholders, such as appointment of the Public Accountant for the Company.
- To provide guidance, to monitor and to evaluate the implementation of the Company's strategic policies.
- To apply and ensure implementation of risk management and GCG principles in every activity of the Company to achieve a sustainable growth.
- To evaluate the annual work plan proposed by the BoD to ensure that the work plan is in line with the Company's vision, mission, and roadmap of long-term growth.
- To support and encourage the development of the Company's management and business.
- To execute its tasks and responsibilities independently without any conflict of interest that may affect the quality of its decisions, as part of the GCG practice.

REPORT OF  
CORPORATE GOVERNANCE

As a form of accountability for their duties and authorities, the BoC prepares a Supervisory Report on their supervisory role conducted throughout one fiscal year to be reported to the shareholders and subsequently endorsed by the Annual General Meeting of Shareholders.

Board of Commissioners Composition

Based on Lippo Karawaci's Articles of Association, the BoC is appointed by the General Meeting of Shareholders for a period of 1 (one) period effective from the closure of the General Meeting of Shareholders in which the BoC members are appointed and expiring of the closure of the third Annual General Meeting of Shareholders after the appointment. The members of BoC consists at least three persons. BoC composition considers complexities and scope of operations.

The Annual General Meeting of Shareholders held on 12 June 2015 accepted the resignation of Mr. Benny Haryanto Djie from his post as Commissioner and confirmed the composition of the Board of Commissioners for a term until the closure of the AGM 2017 consisting of:

Board of Commissioners	
President Commissioner	Theo Leo Sambuaga
Vice President Commissioner and Independent Commissioner	Surjadi Soedirdja
Independent Commissioner	Agum Gumelar
Independent Commissioner	Farid Harianto
Independent Commissioner	Prof. Dr. H. Muladi, SH
Independent Commissioner	Letjen TNI (Purn) DR. (HC) H. Sutiyoso, SH
Commissioner	Tanri Abeng
Commissioner	Viven Gouw Sitiabudi

All of the appointed members of the BoC were on the Board of Commissioners from the previous period. Five of eight members of the BoC are Independent Commissioners and all of those appointed members of the BoC have met all criteria set by law, Financial Services Authority (FSA) regulations and Articles of Association.

Criteria of BoC

The standard requires that a commissioner must:

- Possess good moral character
- Be capable of performing legal actions
- In the 5 (five) years prior to his appointment and during terms of office:
  1. Must not have been declared bankrupt
  2. Not a member of a board of commissioners or directs judged to cause the bankruptcy of a company.
  3. Must not have been sentenced for a criminal offense which caused financial loss to the state and/or related to financial sector.
  4. Not a member of a board of directors and / or member of the board of commissioners that during his/her tenure:
    - a. Had not held an annual general meeting of shareholders;
    - b. Had the accountability report as member of a board of directors or commissioners not accepted by a general meeting of shareholders or not submitted the accountability report as member of a board of directors or commissioners to a general meeting of shareholders; and
    - c. Had lead companies that obtained a permit, approval, or registration from the Financial Services Authority which did not fulfill the obligation to submit annual report and / or financial report to the Financial Services Authority.
- Possess commitment to comply with laws and regulations; and
- Possess knowledge and / or expertise in the required field of the public company.

## Meeting of BoC

As stipulated in the Articles of the Association, the BoC Meetings are based on necessity, and be convened at least once in 2 (two) months. In 2015, the BoC convened a total of 8 (eight) BoC meetings. The schedule, agenda, and list of attendees of the BoC members in the meetings are presented in the following table:

2015 BoC Meeting Agenda and Attendance List									
Name	27 January 2015	03 March 2015	24 March 2015	28 April 2015	26 May 2015	30 July 2015	10 September 2015	24 November 2015	(%) Attendance
Theo L. Sambuaga	✓	✓	✓	✓	✓	✓	✓	✓	100
Surjadi Soedirdja	✓	✓	✓	✓	✓	✓	✓	✓	100
Tanri Abeng	✓	✓	✓	✓	✓	✓	✓	✓	100
Agum Gumelar	✓	✓	✓	✓	✓	✓	✓	✓	100
Farid Harianto	✓	✓	✓	✓	-	✓	✓	✓	88
Muladi	✓	✓	✓	✓	✓	✓	✓	✓	100
Sutiyoso	✓	✓	✓	✓	✓	-	-	-	63
Benny Haryanto	✓	✓	✓	✓	✓				100
Viven Sitiabudi	✓	✓	✓	✓	✓	✓	✓	✓	100

Agenda	Agenda	Agenda	Agenda	Agenda	Agenda	Agenda	Agenda	Agenda
1. Approval to the minutes of BoC Meeting held on 8 November 2014.	1. Approval to the minutes of BoC Meeting held on 27 January 2015.	1. Approval to the minutes of BoC Meeting held on 3 March 2015.	1. Approval to the minutes of BoC Meeting held on 24 March 2015.	1. Approval to the minutes of BoC Meeting held on 28 April 2015.	1. Approval to the minutes of BoC Meeting held on 26 May 2015.	1. Approval to the minutes of BoC Meeting held on 30 July 2015.	1. Approval to the minutes of BoC Meeting held on 10 September 2015.	1. Approval to the minutes of BoC Meeting held on 24 November 2015.
2. Presentation from Mall Division.	2. Committee Audit Report.	2. Presentation from Homes Division	2. Committee Audit Report.	3. Presentation from Town Management Development.	2. Approval of Consolidated Financial Statements for the 6-month period ending 30 June 2015.	2. Business Update.	3. Project Update.	2. Approval of Consolidated Financial Statements for the 9-month period ending 30 September 2015.
3. Others.	3. Approval of Financial Statement as of 31 December 2014.	3. Presentation from Lippo Cikarang.	3. Approval of Financial Statements for the 3-month period ending 31 March 2015.	4. Others.	3. Others.	4. Others.	4. Others.	4. Others.

Note: Since the Annual General Shareholders Meeting on 12 June 2015, Mr. Benny Haryanto has no longer served as an Commissioner PT Lippo Karawaci Tbk.

The President Commissioner chairs every BoC meeting.

In his absence, the BoC Meeting shall be chaired by a Commissioner who is nominated by and from the Commissioners in attendance.

A member of the BoC may be represented in a BoC Meeting only by another member of the BoC by means of a power of attorney. A BoC Meeting is valid and shall be entitled to adopt binding resolutions if more than ½ (half) of the BoC members are in attendance or represented in the meeting.

Resolutions of BoC Meetings shall be drawn up based on consensus. In the event that consensus fails to be reached, the resolution shall be drawn by casting votes based on the approval of more than ½ (half) of the valid total votes cast in the meeting. Where the number of votes in favor for and against the decision is equal, the decision shall then be at the discretion of the Chairman of the BoC Meeting.

## BoC Training and Orientation Program

In 2015, the Company's Board of Commissioners did not take a part in any training.

## BoC Charter

The Company is formulating the Commissioners Code that contains, among others, guidelines for the member of BoC, to be effective in 2016. These rules serve as effective guides on how all members of the BoC should work and act.

The code is in the final process for approval from the BoC.

A copy of the approved code will be uploaded to the Company's official website, under the Investor Relations and Governance section.



## REPORT OF CORPORATE GOVERNANCE

### Affiliation with Directors, Other Commissioners and Shareholders

Name	Position	Family Relations with						Financial Relations with					
		Board of Commissioners		Board of Directors		Controlling Shareholders		Board of Commissioners		Board of Directors		Controlling Shareholders	
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
Theo Leo Sambuaga	President Commissioner	-	✓	-	✓	-	✓	-	✓	-	✓	-	✓
Surjadi Soedirdja	Vice President Commissioner and Independent Commissioner	-	✓	-	✓	-	✓	-	✓	-	✓	-	✓
Agum Gumelar	Independent Commissioner	-	✓	-	✓	-	✓	-	✓	-	✓	-	✓
Farid Harianto	Independent Commissioner	-	✓	-	✓	-	✓	-	✓	-	✓	-	✓
Prof. Dr. H. Muladi, SH	Independent Commissioner	-	✓	-	✓	-	✓	-	✓	-	✓	-	✓
Sutiyoso,	Independent Commissioner	-	✓	-	✓	-	✓	-	✓	-	✓	-	✓
Tanri Abeng	Commissioner	-	✓	-	✓	-	✓	-	✓	-	✓	-	✓
Viven Gouw Sitiabudi	Commissioner	-	✓	-	✓	-	✓	-	✓	-	✓	-	✓

### The Policy of the Board of Commissioners

#### Composition Diversity

Adopting the best practices in corporate governance, the Company realizes the need for diversity in the composition of the Board of Commissioners, and has established a non discrimination policy for Commissioner nomination.

The diversity of the composition of the Board of Commissioners includes academic qualifications, skills, age, and gender. The composition of the Board of Commissioners of Lippo Karawaci reflects such diversity.

#### Remuneration Policy for the Board of Commissioners

Remuneration for the Board of Commissioners is determined by the Nomination and Remuneration Committee based on the complexity of the oversight responsibilities of the Commissioners.

#### Independent Commissioners

Independent Commissioners provide a critical contribution in the process of decision making of the Board of Commissioners as he/her is expected to have an objective stance in assessing the performance of the Board of Directors. Currently, as mentioned above, Lippo Karawaci has 5 Independent Commissioners.

According to the Financial Services Authority Regulation No. 33/POJK.04/2014 on Board of Directors and Board of Commissioners of public companies, the criteria for independent commissioners include:

- Must not be a party working for or having an authority and responsibility to plan, lead, control or monitor activities of the listed or public company in the past 6 (six) months, except for reappointment as independent commissioner of the company in subsequent periods;
- Does not directly or indirectly own the shares of the listed or public company;
- Is not affiliated to the listed or public company, a member of the BoC or BoD or a majority shareholder of the Listed or Public Company; and
- Does not have ownership in a business directly or indirectly linked with the main activity of the company.

### **The Independence of Each Independent Commissioners**

The independence of each Independent Commissioner can be seen in the table of Affiliation with the Board of Directors and Other Members of the Board of Commissioners and Shareholders.

### **THE BOARD OF DIRECTORS**

The BoD is the Company's core component that manages and leads the Company in accordance with its purposes and objectives of as stipulated in the Articles of Association as well as ensuring that all assets and resources are functioning optimally. BoD performance is measured by the increasing operational profitability while maintaining Lippo Karawaci's sustainable growth.

### **The Duties, Responsibilities and Authorities of BOD**

The duties, responsibilities and authorities of the BoD, as governed by the Articles of Association, are to:

- Perform the administration and the management of the Company
- Manage the Company's assets
- Apply risk management and GCG principles in all activities for all levels of the organization.
- Organizing the Annual GMS and other GMS in accordance with the applicable rules and Articles of Association.
- Form an effective organizational structure that promotes fair and equal division of tasks in support of the Company's expansion.

The BoD has the right to represent the Company inside or outside of courts of justice for all matters and in any event, bind the Company with other parties or other parties with the Company and execute all management or ownership acts. However, the BoD's authority is limited as follows:

#### **A. Matters reserved for BoC approval:**

- a. To lend money from or lend out money on behalf of the Company (excluding withdrawal of funds from approved credit facilities and in the normal course of undertaking the Company's operational activities).

- b. To purchase/sell or obtain/release the rights of immovable goods owned by the Company, except in the normal course of undertaking the Company's operational activities.
- c. To encumber/guarantee in any form the Company's immovable goods
- d. To take part in capital participation or release capital participation in another company.
- e. To transfer and/or release rights or pledge the Company's assets as a security for a loan comprising more than 50% of the Company's net worth in one or more related or unrelated transaction within a period of 1 (one) financial year.

#### **B. Matters reserved for General Meeting of Shareholders approval:**

- a. To undertake Material Transactions or Conflict of Interest Transactions pursuant to the related regulations in the capital markets.
- b. To transfer or pledge as a security for a loan all or more than 50% of the Company's entire net assets in either one or more related or unrelated transactions within a period of 1 (one) financial year, save for the event when it is a normal course of business of the Company.
- c. To amend the Articles of Association.
- d. To undertake a merger, amalgamation, acquisition, dissolution or liquidation of the Company.

BoD members perform their duties on behalf of the Company and make their decisions in accordance with the division of tasks and authority; however, the tasks implemented by the individual members of the BoD are acknowledged as collective responsibility.

### **BOD Composition**

The Board of Directors are appointed and dismissed through the GMS for 1 (one) period after the close of the GMS which appointed the Directors until the close of the third AGMS after their appointment.

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The Annual GMS on 12 June 2015 accepted the resignation of Mr. Djoko Harjono as from 15 September 2014 and appointed two new Directors as needed to manage the Company, by taking into account the complexity of the Company's business activities.

Following is the composition of the Board of Directors as of 12 June 2015 until the close of the AGM 2017:

Board of Directors	
President Director	Ketut Budi Wijaya
Director	Tjokro Libianto
Director	Stephen Choo Kooi Yoon
Director	Johanes Jany
Director	Ninik Prajitno
Director	Rahmawaty
Independent Director	Alwi Sjaaf
Independent Director	Jenny Kuistono

All members of the BoD are required to meet specific criteria as stated in Article 15 of the Articles of Association:

- a. Possess good moral character
- b. Be capable of performing legal actions
- c. In the 5 (five) years prior to his appointment and during terms of office:
  - a. Must not have been declared bankrupt
  - b. Never became a member of a board of directors or commissioners judged to cause the bankruptcy of a company.
  - c. Must not have been sentenced for a criminal offense which caused financial loss to the state and/or related to financial sector.

- d. Not a member of a board of directors or commissioners that during his/her tenure:
  - (i) Had not held an annual general meeting of shareholders;
  - (ii) Had the accountability report as a member of a board of directors or commissioners not accepted by a general meeting of shareholders or not submitted the accountability report as member of aboard of directors or commissioners to a general meeting of shareholders; and
  - (iii) Had led a company that obtained a permit, approval, or registration from the Financial Services Authority which did not fulfill the obligation to submit annual reports and / or financial reports to the Financial Services Authority.
- e. Possess commitment to comply with laws and regulations; and
- f. Possess knowledge and / or expertise in the required field of public company.

BoD Meetings

A BoD meeting is convened whenever deemed necessary by its members and among other reasons, whenever a strategic policy, financial report or Company performance requires decisions to be made. The BoD meeting is chaired by the President Director or another member of the BoD who is appointed by members of the BoD in attendance at the meeting.

All decisions made by BoD Meetings are reached based on the principle of consensus. If consensus cannot be reached, decisions are made by casting a vote to obtain more than 1/2 (half) of the entire number of legitimate votes in the Meeting. Where the number of votes in favor and against is equal, the decision shall then be at the discretion of the Chairman of the BoD meeting.

The BoD convened 38 meetings during 2015, with agenda and attendance of the meeting as follows:

BoD Meetings in 2015										
Quarter I - 2015										
Name	13 January 2015	20 January 2015	03 February 2015	10 February 2015	24 February 2015	10 March 2015	17 March 2015		(%)	
									Attendance	
Ketut Budi Wijaya	✓	✓	✓	-	-	✓	-		57	
Tjokro Libianto	✓	✓	✓	✓	✓	✓	✓		100	
Johanes Jany									0	
Jenny Kuistono	✓	-	✓	✓	✓	✓	-		71	
Rahmawaty	✓	✓	✓	✓	✓	✓	✓		100	
Stephen Choo	✓	✓	✓	✓	✓	✓	✓		100	
Ninik Prajitno	✓	-	✓	-	✓	✓	✓		71	
Alwi Sjaaf									0	
Agenda	Agenda	Agenda	Agenda	Agenda	Agenda	Agenda	Agenda	Agenda		
1. Follow-up to the previous meeting 2. Latest reports 3. Others	1. Follow-up to the previous meeting 2. Latest reports 3. Others	1. Follow-up to the previous meeting 2. Latest reports 3. Others	1. Follow-up to the previous meeting 2. Latest reports 3. Others	1. Follow-up to the previous meeting 2. Latest reports 3. Others	1. Follow-up to the previous meeting 2. Latest reports 3. Others	1. Follow-up to the previous meeting 2. Latest reports 3. Others	1. Follow-up to the previous meeting 2. Latest reports 3. Others	1. Follow-up to the previous meeting 2. Latest reports 3. Others		
Notes: Johanes Jany and Alwi Sjaaf were not yet in the Board of Directors of PT Lippo Karawaci Tbk.										
Quarter II - 2015										
Name	07 April 2015	21 April 2015	05 May 2015	12 May 2015	19 May 2015	09 June 2015	16 June 2015	23 June 2015	30 June 2015	(%)
										Attendance
Ketut Budi Wijaya	-	-	-	✓	✓	✓	✓	✓	-	56
Tjokro Libianto	✓	✓	✓	✓	✓	✓	✓	✓	✓	100
Johanes Jany							✓	-	✓	67
Jenny Kuistono	✓	✓	✓	✓	✓	✓	✓	✓	-	89
Rahmawaty	✓	✓	✓	✓	✓	✓	-	✓	✓	89
Stephen Choo	-	-	✓	✓	✓	✓	✓	✓	✓	78
Ninik Prajitno	✓	✓	✓	✓	✓	✓	✓	✓	-	89
Alwi Sjaaf							✓	✓	✓	100
Agenda	Agenda	Agenda	Agenda	Agenda	Agenda	Agenda	Agenda	Agenda	Agenda	
1. Follow-up to the previous meeting 2. Latest reports 3. Others	1. Follow-up to the previous meeting 2. Latest reports 3. Others	1. Follow-up to the previous meeting 2. Latest reports 3. Others	1. Follow-up to the previous meeting 2. Latest reports 3. Others	1. Follow-up to the previous meeting 2. Latest reports 3. Others	1. Follow-up to the previous meeting 2. Latest reports 3. Others	1. Follow-up to the previous meeting 2. Latest reports 3. Others	1. Follow-up to the previous meeting 2. Latest reports 3. Others	1. Follow-up to the previous meeting 2. Latest reports 3. Others	1. Follow-up to the previous meeting 2. Latest reports 3. Others	
Notes: Johanes Jany and Alwi Sjaaf were not yet in the Board of Directors of PT Lippo Karawaci Tbk.										

# REPORT OF CORPORATE GOVERNANCE

## Quarter III - 2015

Name	07 July 2015	14 July 2015	21 July 2015	28 July 2015	11 August 2015	18 August 2015	25 August 2015	01 September 2015	08 September 2015	15 September 2015	29 September 2015	(%) Attendance																																																																	
Keut Budi Wijaya	-	✓	✓	-	✓	✓	✓	✓	✓	✓	✓	83																																																																	
Tjokro Libianto	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	100																																																																	
Johanes Jary	-	✓	✓	-	✓	✓	-	✓	✓	✓	✓	75																																																																	
Jenny Kulistono	✓	-	✓	✓	✓	✓	✓	✓	✓	✓	✓	92																																																																	
Rahmawaty	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	100																																																																	
Stephen Choo	-	-	✓	✓	✓	✓	✓	✓	✓	✓	✓	83																																																																	
Ninik Pralitno	-	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	92																																																																	
Alwi Sjaaf	✓	-	✓	-	✓	✓	✓	✓	✓	✓	-	75																																																																	
<table> <tr> <th>Agenda</th><th>Agenda</th><th>Agenda</th><th>Agenda</th><th>Agenda</th><th>Agenda</th><th>Agenda</th><th>Agenda</th><th>Agenda</th><th>Agenda</th><th>Agenda</th><th>Agenda</th><th></th></tr> <tr> <td>1. Follow-up to the previous meeting</td><td>1. Follow-up to the previous meeting</td><td>1. Follow-up to the previous meeting</td><td>1. Follow-up to the previous meeting</td><td>1. Follow-up to the previous meeting</td><td>1. Follow-up to the previous meeting</td><td>1. Follow-up to the previous meeting</td><td>1. Follow-up to the previous meeting</td><td>1. Follow-up to the previous meeting</td><td>1. Follow-up to the previous meeting</td><td>1. Follow-up to the previous meeting</td><td>1. Follow-up to the previous meeting</td><td></td></tr> <tr> <td>2. First-Half Financial Statements</td><td>2. Latest reports</td><td>2. Latest reports</td><td>2. First-Half Financial Statements</td><td>2. Latest reports</td><td>2. Latest reports</td><td>2. Latest reports</td><td>2. Latest reports</td><td>2. Latest reports</td><td>2. Latest reports</td><td>2. Latest reports</td><td>2. Latest report of status of project divestment</td><td></td></tr> <tr> <td>3. Latest reports</td><td>3. Others</td><td>3. Others</td><td>3. Latest reports</td><td>3. Lippo Mail Sentral The Plaza</td><td>3. Others</td><td>3. Others</td><td>3. Others</td><td>3. Others</td><td>3. Sloan</td><td>3. Summary of business problems in the Property</td><td>3. Others</td><td></td></tr> <tr> <td>4. Others</td><td>4. Others</td><td>4. Others</td><td>4. Others</td><td>4. Requirement to use Rupiah</td><td>4. Others</td><td>4. Others</td><td>4. Others</td><td>4. Others</td><td>4. Others</td><td>4. Others</td><td>4. Others</td><td></td></tr> </table>													Agenda	Agenda	Agenda	Agenda	Agenda	Agenda	Agenda	Agenda	Agenda	Agenda	Agenda	Agenda		1. Follow-up to the previous meeting	1. Follow-up to the previous meeting	1. Follow-up to the previous meeting	1. Follow-up to the previous meeting	1. Follow-up to the previous meeting	1. Follow-up to the previous meeting	1. Follow-up to the previous meeting	1. Follow-up to the previous meeting	1. Follow-up to the previous meeting	1. Follow-up to the previous meeting	1. Follow-up to the previous meeting	1. Follow-up to the previous meeting		2. First-Half Financial Statements	2. Latest reports	2. Latest reports	2. First-Half Financial Statements	2. Latest reports	2. Latest reports	2. Latest reports	2. Latest reports	2. Latest reports	2. Latest reports	2. Latest reports	2. Latest report of status of project divestment		3. Latest reports	3. Others	3. Others	3. Latest reports	3. Lippo Mail Sentral The Plaza	3. Others	3. Others	3. Others	3. Others	3. Sloan	3. Summary of business problems in the Property	3. Others		4. Others	4. Others	4. Others	4. Others	4. Requirement to use Rupiah	4. Others	4. Others	4. Others	4. Others	4. Others	4. Others	4. Others	
Agenda	Agenda	Agenda	Agenda	Agenda	Agenda	Agenda	Agenda	Agenda	Agenda	Agenda	Agenda																																																																		
1. Follow-up to the previous meeting	1. Follow-up to the previous meeting	1. Follow-up to the previous meeting	1. Follow-up to the previous meeting	1. Follow-up to the previous meeting	1. Follow-up to the previous meeting	1. Follow-up to the previous meeting	1. Follow-up to the previous meeting	1. Follow-up to the previous meeting	1. Follow-up to the previous meeting	1. Follow-up to the previous meeting	1. Follow-up to the previous meeting																																																																		
2. First-Half Financial Statements	2. Latest reports	2. Latest reports	2. First-Half Financial Statements	2. Latest reports	2. Latest reports	2. Latest reports	2. Latest reports	2. Latest reports	2. Latest reports	2. Latest reports	2. Latest report of status of project divestment																																																																		
3. Latest reports	3. Others	3. Others	3. Latest reports	3. Lippo Mail Sentral The Plaza	3. Others	3. Others	3. Others	3. Others	3. Sloan	3. Summary of business problems in the Property	3. Others																																																																		
4. Others	4. Others	4. Others	4. Others	4. Requirement to use Rupiah	4. Others	4. Others	4. Others	4. Others	4. Others	4. Others	4. Others																																																																		



**Quarter IV - 2015**

Name	20 October 2015	27 October 2015	03 November 2015	10 November 2015	17 November 2015	24 November 2015	01 December 2015	08 December 2015	15 December 2015	22 December 2015	(%) Attendance
Keut Budi Wijaya	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	100
Tjokro Libianto	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	100
Johanes Jany	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	100
Jerry Kuistono	✓	✓	✓	✓	✓	✓	✓	✓	-	✓	90
Rahmawaty	✓	✓	✓	✓	✓	✓	✓	-	✓	✓	90
Stephen Choo	✓	✓	✓	✓	-	✓	✓	✓	✓	✓	90
Nink Pradjito	✓	✓	✓	✓	✓	✓	✓	✓	-	✓	90
Alwi Sjiaf	-	✓	✓	✓	✓	✓	✓	-	✓	✓	80

Agenda	Agenda	Agenda	Agenda	Agenda	Agenda	Agenda	Agenda	Agenda	Agenda	Agenda
1. Follow-up to the previous meeting	1. Follow-up to the previous meeting	1. Follow-up to the previous meeting	1. Follow-up to the previous meeting	1. Follow-up to the previous meeting	1. Follow-up to the previous meeting	1. Follow-up to the previous meeting	1. Follow-up to the previous meeting	1. Follow-up to the previous meeting	1. Follow-up to the previous meeting	1. Follow-up to the previous meeting
2. Latest report on status of project divestment	2. Latest report on status of project divestment	2. Latest report on status of project divestment	2. Latest report on status of project divestment	2. Latest report on status of project divestment	2. Latest report on status of project divestment	2. Latest report on status of project divestment	2. Latest report on status of project divestment	2. Latest report on status of project divestment	2. Latest report on status of project divestment	2. Latest report on status of project divestment
3. Others	3. Others	3. Others	3. Others	3. Others	3. Others	3. Others	3. Others	3. Others	3. Others	3. Others

## REPORT OF CORPORATE GOVERNANCE

### BoD Charter

The Company has finished the process of formulating the BoD Charter that contains, among others, guidelines for members of the BoD, to be effective in 2016. These rules serve as effective guides on how all members of the BoD should work and act.

The copy of which have been uploaded to the Company's official website, "<http://www.lippokarawaci.co.id/investor-center/committee-charter>".

### List of Seminar/Training/Conference Attended by BoD/BoC

Name	Day/Date	Name of Seminar/Training/ Conference/Workshop	Venue	Organized By
Tjokro Libianto	Fri, 23 Jan 2015	Training Management "Large Scale Transformation"	Imperial Klub Golf, Lippo Village, Tangerang	Ian Buchanan
	Mon - Wed, 21 -23 Sept 2015	"Management System Workshop"	Aryaduta Country Club Lippo Village, Tangerang	J.P Miller - Louis Allen Worldwide
Johanes Jany	Mon - Wed, 21 -23 Sept 2015	"Management System Workshop"	Aryaduta Country Club Lippo Village, Tangerang	J.P Miller - Louis Allen Worldwide
Rahmawaty	Fri, 20 March 2015	"Tax Sharing Series"	Menara Matahari - Lippo Karawaci Office, Tangerang	PB Taxand
	Wed - Thur, 20 - 22 May 2015	"7 Habits of Highly Effective People"	Aryaduta Hotel Lippo Village, Tangerang	HR LK & Dunamis Organization
	Mon - Wed, 21 -23 Sept 2015	"Management System Workshop"	Aryaduta Country Club Lippo Village, Tangerang	J.P Miller - Louis Allen Worldwide
Ninik Prajitno	Wed, 24 June 2015	Seminar "Aspek Hukum Pertahanan & Hukum Kerjasama dengan Pemerintah - Perkembangan Peraturan BOT"	Aryaduta Hotel Lippo Village	Nindyo & Associates Law Firm & Prof. DR. Nurhasan Ismail, SH, M.SI
	Thur - Fri, 20 - 21 August 2015	Seminar "Kebijakan Pengadaan Tanah Kaitannya dengan Kepastian Hukum dan Keamanan Investasi"	Hotel Oasis Amir, Jl. Senen Raya Kav. 135, Central Jakarta	Lembaga Informasi & Manajemen (LIM) - SDM
	Mon - Wed, 21 -23 Sept 2015	"Management System Workshop"	Aryaduta Country Club Lippo Village, Tangerang	J.P Miller - Louis Allen Worldwide
	Thur - Fri, 26 -27 Nov & Fri, 4 Dec 2015	Leadership Greatness - The 7 Habits of Highly Effective People	Aryaduta Hotel Lippo Village	Dunamis - Organisation Services
	Mon - Wed, 21 -23 Sept 2015	"Management System Workshop"	Aryaduta Country Club Lippo Village, Tangerang	J.P Miller - Louis Allen Worldwide
Alwi Sjaaf	Mon - Wed, 21 -23 Sept 2015	"Management System Workshop"	Aryaduta Country Club Lippo Village, Tangerang	J.P Miller - Louis Allen Worldwide
Jenny Kuistono	Thur, 26 March 2015	"Financial Shenanigans and Whistleblower"	SCTV Tower - Jakarta	Indonesian Corporate Secretary Association (ICSA)
	Thur, 30 April 2015	"Business Transformation through GCG-based Leadership"	SCTV Tower - Jakarta	Indonesian Corporate Secretary Association (ICSA)
	Fri, 20 November 2015	"GCG atau Tata Kelola dalam Lingkup Family Business"	SCTV Tower - Jakarta	Indonesian Corporate Secretary Association (ICSA)
Ketut Budi Wijaya	Tue - Thur, 7-9 April 2015	"7 Habits of Highly Effective People"	Hotel Aryaduta Lippo Village	Dunamis - Organization Services
	Wed, 10 Jun 2015	"Vision Sharing on Township Development"	HOPE Building - UPH	Lippo Karawaci Tbk
	Mon - Wed, 21 -23 Sept 2015	"LPKR Management System: an Allen Management System Workshop"	Aryaduta Country Club - Lippo Village	J.P Miller - Louis Allen Worldwide

### Affiliation of Directors with Commissioners and Shareholders

Name	Position	Family Relationship with						Financial Relationship with					
		Board of Commissioners		Board of Directors		Controlling Shareholders		Board of Commissioners		Board of Directors		Controlling Shareholders	
		yes	no	yes	no	yes	no	yes	no	yes	no	yes	no
Ketut Budi Wijaya	President Director	-	√	-	√	-	√	-	√	-	√	-	√
Tjokro Libianto	Director	-	√	-	√	-	√	-	√	-	√	-	√
Stephen Choo Kooi Yoon	Director	-	√	-	√	-	√	-	√	-	√	-	√
Johanes Jany	Director	-	√	-	√	-	√	-	√	-	√	-	√
Ninik Prajitno	Director	-	√	-	√	-	√	-	√	-	√	-	√
Rahmawaty	Director	-	√	-	√	-	√	-	√	-	√	-	√
Alwi Sjaaf	Independent Director	-	√	-	√	-	√	-	√	-	√	-	√
Jenny Kuistono	Independent Director	-	√	-	√	-	√	-	√	-	√	-	√

### Policy of The Board of Directors' Composition Diversity

As with the Board of Commissioners, the diversity of the composition of the members of the Board of Directors is also a combination of characteristics that fit the needs of the Company, both in terms of organization and in terms of individuals. Such combination is determined by taking into account the diversity of skills, knowledge and experience relevant to the duties and functions of the Board of Directors in achieving business objectives. Thus, the diversity of the composition of the Board of Directors shall be to support the effective implementation of the duties of Directors collegially.

Composition of the Board of Directors of Lippo Karawaci reflects such diversity. 3 out of 8 members of BoD are women.

### Remuneration policy for the Board of Directors

The Nomination and Remuneration Committee determines the remuneration of the BoD based on the complexity of responsibilities and performance of the director.

## AUDIT COMMITTEE

### Composition of Audit Committee

a. Members of the Audit Committee appointed by the Board of Commissioners consist of:

- Chairman : Prof. DR. H. Muladi, SH
- Member : Mr. Herbudianto
- Member : Mr. Achmad Kurniadi

b. The legal basis for the establishment the Audit Committee is:

- i. Decision of the BoD of Jakarta Stock Exchange Number: Kep-305/BEJ/07-2004 dated 19 July 2004 On Rule Number I-A on Registration of Shares and Non-Shares Equity Stocks Issued by Listed Companies.
- ii. Financial Services Authority Regulation No. 33/POJK.04/2014 dated 8 December 2014 on the Board of Directors and Board of Commissioners of the Issuer or Public Company ('POJK No. 33/2014').
- iii. Financial Services Authority Regulation No. 55/POJK.04/2015 dated 23 December 2015 on the Establishment and Working Guidelines for the Audit Committee ('POJK No. 55/2015').

c. Educational qualifications and work experience

d. The tenure of the members of the Committee is similar to the tenure of the Board of Commissioners who conduct the appointment, namely until the close of the third AGMS after the appointment and can be reappointed for only one further period.

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Duties and Authorities of the Audit Committee

The main duties of the Audit Committee are to assist the Board of Commissioners in:

- 1. Improving the quality of financial reports prepared by the management of the Company, especially with regard to compliance with transparency and reporting standards.
- 2. Creating a disciplined environment and reviewing the internal control system in order to minimize the probability of irregularities in management by empowering the role of internal and external audit.
- 3. Reviewing the performance of the Public Accountant, particularly as to scope, accuracy, independence and objectivity.
- 4. Identifying matters that require the BoC’s attention by reviewing the internal audit reports and monitoring the corrective follow up actions.
- 5. Evaluating and empowering the role of risk management to mitigate the Company’s risks.
- 6. Ensuring that the financial statements of the Company comply with generally accepted accounting principles and that an internal auditing system as well as financial reporting procedures are adequately incorporated and applied.

In order to support the functions of the Audit Committee, its members are authorized to:

- a. Secure important and relevant information such as internal audit reports through communication, discussion or meeting with the Company’s Internal Audit at any time.
- b. Coordinate and meet with the external auditor to review significant or material findings or the possibility of any pitfalls for the external auditor to perform its audit assignment.
- c. Request explanation from the BoD.

Independence of the Audit Committee

The audit committee needs to be independent in overseeing the financial reporting process effectively. Therefore, the Audit Committee shall consist of at least three independent persons, and at least one of them is capable and possesses knowledge of accounting or finance. One member of the Audit Committee shall be an Independent Commissioner and serves as the chairman of the Audit Committee. The independence of the Audit Committee can help improve the effectiveness of the Audit Committee’s performance in reducing the likelihood of earnings management.

The composition of the Audit Committee of the Company has complied with the above requirements.

Audit Committee Activity Report

A report of the activities of the Audit Committee can be found in the Audit Committee Report to the Board of Commissioners at the end of this chapter.

Audit Committee Meetings

Throughout 2015, the Audit Committee convened 4 meetings with details of the agenda and attendance as follows:

Audit Committee Meetings in 2015					
Name	3 March 2015	28 April 2015	30 July 2015	24 November 2015	(%) Attendance
Muladi	✓	✓	-	✓	75
Herbudianto	✓	✓	✓	✓	100
Achmad Kurniadi	✓	✓	✓	✓	100
	Agenda	Agenda	Agenda	Agenda	
	1. Approval of meeting minutes of 28 October 2014. 2. Discussion of Financial Statements for the year ended 31 December 2014 and explanation from External and Internal Auditor.	1. Approval of meeting minutes of 3 March 2015. 2. Discussion of Financial Statements for Quarter I 2015. 3. Others.	1. Approval of meeting minutes of 28 April 2015. 2. Discussion of Half-Yearly Report 2015. 3. Others.	1. Approval of meeting minutes of 30/7/15 2. Discussion of Financial Statements for the period ended 30 September 2015 (limited review).	

## NOMINATION AND REMUNERATION COMMITTEE

### Nomination and Remuneration Committee Composition

- a. Members of the Nomination and Remuneration Committee of the Company as appointed by the Board of Commissioners consist of:
 

Chairman	: Mr. Surjadi Soedirdja
Member	: Mrs. Viven Gouw Sitiabudi
Member	: Mr. Ishak Kurniawan
- b. Legal Basis
 

The legal basis for the establishment of the Nomination and Remuneration Committee:

  - i. Financial Services Authority Regulation No. 33/POJK.04/2014 dated 8 December 2014 on the Board of Directors and Board of Commissioners of the Issuer or Public Company ('POJK No. 33/2014').
  - ii. Financial Services Authority Regulation No. 34/POJK.04/2014 dated 23 December 2015 on the NRC Issuer or Public Company ('POJK No. 34/2014').

### Nomination and Remuneration Committee Duties and Authorities

The Nomination and Remuneration Committee was established to support the BoC in upgrading the quality of the Company's Management through the development of an accurate nomination and remuneration mechanism based on achievement and contribution to the Company's growth. The Remuneration Committee is also mandated to ensure improvements in the Company's GCG practices, particularly in the implementation of the fairness principle.

### Nomination and Remuneration Committee Independence

To guarantee the quality of work, and uphold independence and objectivity, the Nomination and Remuneration Committee shall be free from all sorts of interventions from shareholders or other stakeholders. They shall also free from any conflict of interest that might interfere with the independence of the Committee members. Therefore, the Nomination and Remuneration Committee shall be chaired by an Independent Commissioner.

The composition of the Nomination and Remuneration Committee of the Company has complied with the above requirements.

### Determining the Remuneration

In determining the remuneration of Commissioners and Directors, the Nomination and Remuneration Committee shall perform the following procedures:

1. The Nomination and Remuneration Committee reviews the remuneration of BoC and BoD members while taking note of the work scope, and each member's responsibility.
2. The remuneration packages are designed with a purpose to reflect appreciation for the member's position as well as to convey expectations of outstanding performance.
3. The Nomination and Remuneration Committee evaluates the adoption of a merit system in order to encourage better performances.
4. The Nomination and Remuneration Committee, as authorized by the GMS, sets the remuneration amount for each member of the BoC and BoD through Nomination and Remuneration Committee meeting or by written consent of all Nomination and Remuneration Committee members.
5. The Nomination and Remuneration Committee reports the decision on the amount of remuneration given to the BoC and BoD with the BoC presenting this to the GMS.

### Report of the Nomination and Remuneration Committee Activities

Report of the activities of the Nomination and Remuneration Committee can be found in the Report of the Nomination and Remuneration Committee at the end of this chapter.

### Nomination and Remuneration Committee Meeting

In 2015, the Nomination Remuneration Committee convened 1 meeting to discuss the remuneration of the Board of Commissioners and the Board of Directors and to decide the remuneration of the Board of Commissioners and Directors, which totaled to IDR59,848,404,201 for the period of 2015.



## REPORT OF CORPORATE GOVERNANCE

### Nomination & Remuneration Committee Meetings in 2015

Name	Position	24 November 2015
Surjadi Soedirdja	Chairman	✓
Ishak Kurniawan	Member	✓
Viven Sitiabudi	Member	✓

### CORPORATE SECRETARY

The Company appointed Ms. Sri M. Handoyo as the Corporate Secretary based on BoD Decision No. 032/SK-DIR/COS-LK/V/2015 on the change of Corporate Secretary dated 4 May 2015.

#### Corporate Secretary Duties and Responsibilities

The Corporate Secretary holds a frontline position and is critical in ensuring transparency and compliance across the Company. The Corporate Secretary is responsible to maintain good relations and strategic partnerships with shareholders, capital market authorities, mass media and the public. Corporate Secretary monitors the Company's compliance with the capital market's rules and regulations and the Articles of Association.

The Corporate Secretary also provides assistance to the BoC and BoD in ensuring GCG practices are followed throughout the Company's business activities as well as for corporate actions.

#### Corporate Secretary Report

A report on the activities of the Corporate Secretary can be found in the Corporate Secretary Letter to the Board of Directors at the end of this chapter.

#### Competence Development Program for Corporate Secretary

A list of training sessions attended by the Corporate Secretary can be seen in the Report from the Corporate Secretary to the Board of Commissioners at the end of this chapter.

### List of Correspondences of Corporate Secretary

#### List of Corporate Secretary's Correspondences With Capital Market Authority During 2015

No	Date	Reference No.	Addressee	Subject	Regulation
1	10 January 2015	001/LK-COS/II/2015	PT BEI (via IDX Net e-reporting) cc: QJK	Monthly Report on the Shareholders Registry as of 31 December 2014.	IDX Regulation No. I-E Kep-306/ BEJ/07-2004 regarding Obligation of Information Submission.
2	10 January 2015	002/LK-COS/II/2015	QJK (Financial Services Authority)	Report of debt/liabilities in foreign currency as of 31 December 2014.	Letter of QJK No: S-124/ PM.23/2013
3	15 January 2015	004/LK-COS/II/2015	QJK (Financial Services Authority)	Confirmation on the use of SPE-QJK.	IDX Regulation No. I-E Kep-306/ BEJ/07-2004 regarding Obligation of Information Submission.
4	5 February 2015	010/LK-COS/II/2015	PT BEI (via IDX Net e-reporting) cc: QJK	Submission of Press Release PT Lippo Karawaci Tbk	IDX Regulation No. I-E Kep-306/ BEJ/07-2004 regarding Obligation of Information Submission.
5	5 February 2015	011/SPU-COS/II/2015	QJK (Financial Services Authority) cc: IDX	X.M.1. Disclosure of Information.	Bapepam Regulation No. X.M.1 regarding the Disclosure of Information by the certain shareholders.
6	10 February 2015	013/LK-COS/II/2015	QJK (Financial Services Authority)	Report of debt/liabilities in foreign currency as of 31 January 2015.	Letter of QJK No: S-124/ PM.23/2013

**List of Corporate Secretary's Correspondences With Capital Market Authority During 2015**

No	Date	Reference No.	Addressee	Subject	Regulation
7	10 February 2015	014/LK-COS/II/2015	PT BEI (via IDX Net e-reporting) cc: OJK	Monthly Report on the Shareholders Registry as of 31 January 2015.	IDX Regulation No. I-E Kep-306/ BEJ/07-2004 regarding Obligation of Information Submission.
8	3 March 2015	022/LK-COS/III/2015	OJK (Financial Services Authority)	Explanation of 20% Analyze of Change of PT Lippo Karawaci Tbk Financial Report for the period ended 31 December 2012.	Bapepam Regulation No. X.K.2 regarding Obligation to submit Periodical Financial Statement.
9	10 March 2015	023/LK-COS/III/2015	OJK (Financial Services Authority)	Report of debt/liabilities in foreign currency as of 28 February 2015.	Letter of OJK No: S-124/ PM.23/2013
10	10 March 2015	024/LK-COS/III/2015	PT BEI (via IDX Net e-reporting) cc: OJK	Monthly Report on the Shareholders Registry as of 28 February 2015.	IDX Regulation No. I-E Kep-306/ BEJ/07-2004 regarding Obligation of Information Submission.
11	11 March 2015	025/LK-COS/III/2015	PT BEI (via IDX Net e-reporting) cc: OJK	IDX and Macquire Joint Conference	IDX Regulation No. I-E Kep-306/ BEJ/07-2004 regarding Obligation of Information Submission.
12	27 March 2015	039/LK-COS/III/2015	OJK (Financial Services Authority) cc: IDX	Submission of PT Lippo Karawaci Tbk Consolidated Financial Statement as of 31 December 2014.	Bapepam Regulation No. X.K.2 regarding Obligation to submit Periodical Financial Statement.
13	27 March 2015	040/LK-COS/III/2015	OJK (Financial Services Authority) cc: IDX	Announcement of Consolidated Financial Statement of PT Lippo Karawaci Tbk and subsidiaries for the period ended 31 December 2014 published in the newspaper.	Bapepam Regulation No. X.K.2 regarding Obligation to submit Periodical Financial Statement.
14	27 March 2015	041/LK-COS/III/2015	PT BEI (via IDX Net e-reporting) cc: OJK	Submission of Press Release PT Lippo Karawaci Tbk Re : Financial Statement as of 31 December 2014.	IDX Regulation No. I-E Kep-306/ BEJ/07-2004 regarding Obligation of Information Submission.
15	10 April 2015	043/LK-COS/IV/2015	OJK (Financial Services Authority) cc: IDX	Report of debt/liabilities in foreign currency as of 31 March 2015.	Letter of OJK No: S-124/ PM.23/2013
16	10 April 2015	044/LK-COS/IV/2015	PT BEI (via IDX Net e-reporting) cc: OJK	Monthly Report on the Shareholders Registry as of 31 March 2015.	IDX Regulation No. I-E Kep-306/ BEJ/07-2004 regarding Obligation of Information Submission.
17	11 April 2015	045/LK-COS/IV/2015	PT BEI (via IDX Net e-reporting)	Explanation to OJK in relation with statement published in the newspaper.	Bapepam Regulation No. X.K.1 regarding the Disclosure of Information that must be made Public Immediately.
18	11 April 2015	046/LK-COS/IV/2015	OJK (Financial Services Authority) cc: IDX	X.M.1. Disclosure of Information.	Bapepam Regulation No. X.M.1 regarding the Disclosure of Information by the certain shareholders.
19	15 April 2015	050/LK-COS/IV/2015	OJK (Financial Services Authority) cc: IDX	Announcement of Corporate Secretary's Changes	Bapepam Regulation No. X.K.1 regarding the Disclosure of Information that must be made Public Immediately.
20	27 April 2015	056/LK-COS/IV/2015	OJK (Financial Services Authority)	Annual General Meeting of Shareholders Plan.	Bapepam Regulation No. X.K.1 regarding the Disclosure of Information that must be made Public Immediately.
21	30 April 2015	058/LK-COS/IV/2015	PT BEI (via IDX Net e-reporting) cc: OJK	Consolidated Financial Statement of PT Lippo Karawaci Tbk and subsidiaries for the period ended 31 March 2015.	Bapepam Regulation No. X.K.2 regarding Obligation to submit Periodical Financial Statement.

## REPORT OF CORPORATE GOVERNANCE

### List of Corporate Secretary's Correspondences With Capital Market Authority During 2015

No	Date	Reference No.	Addressee	Subject	Regulation
22	30 April 2015	059/LK-COS/IV/2015	OJK (Financial Services Authority)	Submission of LK 2014 Annual Report.	Bapepam Regulation No. X.K.2 regarding Obligation to submit Periodical Financial Statement.
23	30 April 2015	060/LK-COS/IV/2015	OJK (Financial Services Authority)	Submission of Press Release PT Lippo Karawaci Tbk Re : Financial Statement as of 31 March 2015.	IDX Regulation No. I-E Kep-306/ BEJ/07-2004 regarding Obligation of Information Submission.
24	4 May 2015	062/LK-COS/V/2015	OJK (Financial Services Authority)	Announcement of Corporate Secretary's Changes	Bapepam Regulation No. X.K.1 regarding the Disclosure of Information that must be made Public Immediately.
25	5 May 2015	063/LK-COS/V/2015	OJK (Financial Services Authority) cc: IDX	Announcement of the Annual General Meeting of Shareholders of PT Lippo Karawaci Tbk published in the newspaper.	OJK Regulation No.032/ POJK.04/2014 regarding Planning and Conducting the General Meeting of Shareholders.
26	8 May 2015	066/LK-COS/V/2015	OJK (Financial Services Authority) cc: IDX	Monthly Report on the Shareholders Registry as of 30 April 2015.	IDX Regulation No. I-E Kep-306/ BEJ/07-2004 regarding Obligation of Information Submission.
27	8 May 2015	067/LK-COS/V/2015	OJK (Financial Services Authority) cc: IDX	Report of debt/liabilities in foreign currency as of 30 April 2015.	Letter of OJK No: S-124/ PM.23/2013
28	20 May 2015	073/LK-COS/V/2015	PT BEI (via IDX Net e-reporting) cc: OJK	Invitation to the Annual General Meeting of Shareholders of PT Lippo Karawaci Tbk published in the newspaper.	OJK Regulation No.032/ POJK.04/2014 regarding Planning and Conducting the General Meeting of Shareholders.
29	10 June 2015	079/LK-COS/VI/2015	PT BEI (via IDX Net e-reporting) cc: OJK	Monthly Report on the Shareholders Registry as of 31 May 2015.	IDX Regulation No. I-E Kep-306/ BEJ/07-2004 regarding Obligation of Information Submission.
30	10 June 2015	080/LK-COS/VI/2015	OJK (Financial Services Authority)	Report of debt/liabilities in foreign currency as of 31 May 2015.	Letter of OJK No: S-124/ PM.23/2013
31	15 June 2015	082/LK-COS/VI/2015	OJK (Financial Services Authority)	Resolution of the Annual General Meeting of Shareholders of PT Lippo Karawaci Tbk's published in the newspaper.	OJK Regulation No.032/ POJK.04/2014 regarding Planning and Conducting the General Meeting of Shareholders.
32	15 June 2015	083/LK-COS/VI/2015	PT BEI (via IDX Net e-reporting) cc: OJK	Submission of Press Release PT Lippo Karawaci Tbk Re : Annual General Meeting of Shareholders.	IDX Regulation No. I-E Kep-306/ BEJ/07-2004 regarding Obligation of Information Submission.
33	15 June 2015	084/LK-COS/VI/2015	OJK (Financial Services Authority)	Summary of the Annual General Meeting of Shareholders Resolutions of PT Lippo Karawaci Tbk.	OJK Regulation No.032/ POJK.04/2014 regarding Planning and Conducting the General Meeting of Shareholders.
34	16 June 2015	085/LK-COS/VI/2015	OJK (Financial Services Authority)	Announcement of The Cash Dividend Distribution of PT Lippo Karawaci Tbk published in the newspaper.	IDX Regulation No. II-A Kep-565/ BEJ/11-2003 regarding Securities Trading.
35	17 June 2015	086/LK-COS/VI/2015	OJK (Financial Services Authority) cc: IDX	Explanation to OJK in relation with statement published in the newspaper.	Bapepam Regulation No. X.K.1 regarding the Disclosure of Information that must be made Public Immediately.
36	9 July 2015	089/LK-COS/VII/2015	OJK (Financial Services Authority)	Report of debt/liabilities in foreign currency as of 30 June 2015.	Letter of OJK No: S-124/ PM.23/2013
37	9 July 2015	090/LK-COS/VII/2015	PT BEI (via IDX Net e-reporting) cc: OJK	Monthly Report on the Shareholders Registry as of 30 June 2015.	IDX Regulation No. I-E Kep-306/ BEJ/07-2004 regarding Obligation of Information Submission.

## List of Corporate Secretary's Correspondences With Capital Market Authority During 2015

No	Date	Reference No.	Addressee	Subject	Regulation
38	31 July 2015	100/LK-COS/VII/2015	OJK (Financial Services Authority)	Consolidated Financial Statement of PT Lippo Karawaci Tbk and subsidiaries for the period ended 30 June 2015.	Bapepam Regulation No. X.K.2 regarding Obligation to submit Periodical Financial Statement.
39	31 July 2015	101/LK-COS/VII/2015	OJK (Financial Services Authority)	Advertisement of PT Lippo Karawaci Tbk Financial Report for the period ended 30 June 2015.	Bapepam Regulation No. X.K.2 regarding Obligation to submit Periodical Financial Statement.
40	31 July 2015	102/LK-COS/VII/2015	OJK (Financial Services Authority)	Submission of Press Release PT Lippo Karawaci Tbk Re : Financial Statement as of 30 June 2015.	IDX Regulation No. I-E Kep-306/ BEJ/07-2004 regarding Obligation of Information Submission.
41	4 August 2015	104/LK-COS/VIII/2015	OJK (Financial Services Authority)	Report of debt/liabilities in foreign currency as of 31 July 2015.	Letter of OJK No: S-124/ PM.23/2013
42	4 August 2015	105/LK-COS/VIII/2015	PT BEI (via IDX Net e-reporting)	Monthly Report on the Shareholders Registry as of 31 July 2015.	IDX Regulation No. I-E Kep-306/ BEJ/07-2004 regarding Obligation of Information Submission.
43	24 August 2015	109/LK-COS/VIII/2015	OJK (Financial Services Authority)	Lippo Karawaci's Documents requested by OJK.	Bapepam Regulation No. X.K.1 regarding the Disclosure of Information that must be made Public Immediately.
44	27 August 2015	112/LK-COS/VIII/2015	OJK (Financial Services Authority)	Lippo Karawaci's Documents requested by OJK.	Bapepam Regulation No. X.K.1 regarding the Disclosure of Information that must be made Public Immediately.
45	2 September 2015	115/LK-COS/IX/2015	OJK (Financial Services Authority) cc: IDX	Lippo Karawaci's Documents requested by OJK.	Bapepam Regulation No. X.K.1 regarding the Disclosure of Information that must be made Public Immediately.
46	10 September 2015	118/LK-COS/IX/2015	OJK (Financial Services Authority)	Report of debt/liabilities in foreign currency as of 31 August 2015.	Letter of OJK No: S-124/ PM.23/2013
47	10 September 2015	119/LK-COS/IX/2015	OJK (Financial Services Authority)	Monthly Report on the Shareholders Registry as of 31 August 2015.	IDX Regulation No. I-E Kep-306/ BEJ/07-2004 regarding Obligation of Information Submission.
48	10 September 2015	122/LK-COS/IX/2015	OJK (Financial Services Authority) cc: IDX	Lippo Karawaci's Documents requested by OJK.	Bapepam Regulation No. X.K.1 regarding the Disclosure of Information that must be made Public Immediately.
49	28 September 2015	126/LK-COS/IX/2015	OJK (Financial Services Authority) cc: IDX	Explanation to OJK in relation with statement published in the Jakarta Post on 15 September 2015.	Bapepam Regulation No. X.K.1 regarding the Disclosure of Information that must be made Public Immediately.
50	9 October 2015	135/LK-COS/X/2015	OJK (Financial Services Authority)	Report of debt/liabilities in foreign currency as of 30 September 2015.	Letter of OJK No: S-124/ PM.23/2013
51	9 October 2015	136/LK-COS/X/2015	PT BEI (via IDX Net e-reporting)	Monthly Report on the Shareholders Registry as of 30 September 2015.	IDX Regulation No. I-E Kep-306/ BEJ/07-2004 regarding Obligation of Information Submission.
52	22 October 2015	141/LK-COS/X/2015	OJK (Financial Services Authority) cc: IDX	X.K.1. Disclosure of Information.	Bapepam Regulation No. X.K.1 regarding the Disclosure of Information that must be made Public Immediately.
53	30 October 2015	149/LK-COS/X/2015	PT BEI (via IDX Net e-reporting) cc: OJK	Plan to do the Limited Review for the Financial Report of the period ended 30 September 2015.	Bapepam Regulation No. X.K.2 regarding Obligation to submit Periodical Financial Statement.

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### List of Corporate Secretary's Correspondences With Capital Market Authority During 2015

No	Date	Reference No.	Addressee	Subject	Regulation
54	4 November 2015	153/LK-COS/XI/2015	OJK (Financial Services Authority)	Submission of LPKR Public Expose Materials.	IDX Regulation No. I-E Kep-306/ BEJ/07-2004 regarding Obligation of Information Submission.
55	9 November 2015	155/LK-COS/XI/2015	PT BEI (via IDX Net e-reporting) cc: OJK	Submission of Press Release in relation with LPKR Public Expose.	IDX Regulation No. I-E Kep-306/ BEJ/07-2004 regarding Obligation of Information Submission.
56	10 November 2015	156/LK-COS/XI/2015	PT BEI	Monthly Report on the Shareholders Registry as of 31 October 2015.	IDX Regulation No. I-E Kep-306/ BEJ/07-2004 regarding Obligation of Information Submission.
57	10 November 2015	157/LK-COS/XI/2015	cq. Direktorat Standar Akuntansi dan Tata Kelola/Kepala Divisi Tata Kelola - OJK	Report of debt/liabilities in foreign currency as of 31 October 2015.	Letter of OJK No: S-124/ PM.23/2013
58	11 November 2015	158/LK-COS/XI/2015	PT BEI	Results of LPKR Public Expose.	IDX Regulation No. I-E Kep-306/ BEJ/07-2004 regarding Obligation of Information Submission.
59	11 November 2015	160/LK-COS/XI/2015	OJK (Financial Services Authority)	Explanation of LPKR Financial Limited Review for the period ended 30 September 2015.	Bapepam Regulation No. X.K.2 regarding Obligation to submit Periodical Financial Statement.
60	30 November 2015	167/LK-COS/XI/2015	OJK (Financial Services Authority) cc: IDX	Consolidated Financial Statement of PT Lippo Karawaci Tbk and subsidiaries for the period ended 30 September 2015 (limited review).	Bapepam Regulation No. X.K.2 regarding Obligation to submit Periodical Financial Statement.
61	30 November 2015	168/LK-COS/XI/2015	OJK (Financial Services Authority) cc: IDX	Submission of Press Release in relation with Financial Statement of PT Lippo Karawaci Tbk and subsidiaries for the period ended 30 September 2015 (limited review).	IDX Regulation No. I-E Kep-306/ BEJ/07-2004 regarding Obligation of Information Submission.
62	10 December 2015	173/LK-COS/XII/2015	PT BEI (via IDX Net e-reporting) cc: OJK	Monthly Report on the Shareholders Registry as of 30 November 2015.	IDX Regulation No. I-E Kep-306/ BEJ/07-2004 regarding Obligation of Information Submission.
63	10 December 2015	174/LK-COS/XII/2015	PT BEI (via IDX Net e-reporting) cc: OJK	Report of debt/liabilities in foreign currency as of 30 November 2015.	Letter of OJK No: S-124/ PM.23/2013

## 2015 Press Release

No.	Date	Letter No.	Press Release Title
1.	5 February 2015	010/LK-COS/II/2015	Lippo Karawaci Places IDR1.14 Trillion Siloam Shares.
2.	27 March 2015	041/LK-COS/III/2015	LPKR Audit Y2014 Financial Result.
3.	30 April 2015	060/LK-COS/IV/2015	LPKR Q1 YoY Revenues & EBITDA Grow Healthily.
4.	15 June 2015	083/LK-COS/VI/2015	AGM : LPKR Distributes IDR380 billion in dividends, IDR16.69/share.
5.	31 July 2015	102/LK-COS/VII/2015	LPKR 1st half 2015 Results.
6.	9 November 2015	155/LK-COS/XI/2015	LPKR Public Expose : SILO and LPCK Provide Boots to LPKR in Challenging Economic Conditions and Weakening Property Sales.
7.	30 November 2015	168/LK-COS/XI/2015	LPKR Limited Financial Review for Financial Results ended 30 September 2015.

## INVESTOR RELATIONS

The Company's Investor Relations (IR) Division is committed to communicate regularly with shareholders, investors, and analysts to provide timely and consistent updates on quarterly financial results and corporate activities. Investor Relations maintains a high level of interaction with its stakeholders through face-to-face meetings, teleconferences, investor conferences, roadshows, site visits and analyst meetings.

Interviews were done by senior management with key Indonesia print and broadcast media, helping to increase understanding of the Company's strategy and operations.

Investor Relations is committed to providing stakeholders with comprehensive, timely and equal access to information about its activities to enable them to make informed investment decisions.

The Company treats all its shareholders fairly and equally and keeps all of its shareholders, and other stakeholders and analysts, around the world informed on a timely and consistent basis, particularly on corporate action activities, particularly changes in the Company or its business which would be likely to materially affect the price or value of its shares.

The Company's website forms a key part of the Company's communication to stakeholders and the broader investment community. A section of the website "Investor Center" is especially dedicated to its shareholders. Press Releases, investor presentations and quarterly, biannual and full year financial reports are available for review on the corporate website. These documents are published on the Company's corporate website immediately after they have been released to the market. Stakeholders can also elect to be placed on IR mailing list to receive notifications of corporate information as soon as the information is released to the market.

Briefings and meetings for analysts and the media are held regularly, generally during the public expose held by end of the year. During the public expose, Senior Management reviews the Company's most recent performance and discusses the Company's outlook for the following year.

To communicate effectively with investment communities, in 2015 the Company's Investor Relations participated in 46 roadshows in Asia, Europe and the US.

In addition, the Investor Relations team also attended 95 meetings with analysts, representatives of institutional investors, brokers, fund managers, and investment bankers.



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### ROADSHOW SCHEDULE in 2015

No	Month	Date	Events	City/ Country
1	January	7-8	BNP Paribas - Regional FIG Conference 2015 - Property and Financial	Hong Kong
2		20	Nomura Indonesia All Access Indonesia	Jakarta, Indonesia
3		27-28	Mandiri- Barclays Investment Forum	Jakarta, Indonesia
4	February	10-12	CITI: 12 Annual Asia Pacific Investor Conference 2015	Singapore
5	March	4-6	BAML ASEAN Stars Conference	Singapore
6		9-10	UBS Corporate Invitation: Indonesia Conference 2015	Jakarta, Indonesia
7		25-27	Credit Suisse 18th Asian Investment Conference	Hong Kong
8		30	Result Lunch (HSBC)	Singapore
9		31	Maybank Kim Eng Invest ASEAN Conference	Singapore
10	April	1-2	JP Morgan Asia Pacific Real Estate 1x1 Conference 2015	Singapore
11		16-17	Macquarie ASEAN Corporate Days	Hong Kong
12		20-22	Macquarie ASEAN Corporate Days	Edinburgh (Sweden), London (UK)
13		21	1 <sup>st</sup> RHB Signature Conference	Phuket, Thailand
14		23-24	Invest Malaysia Kuala Lumpur 2015 in Partnership with CIMB	Kuala Lumpur, Malaysia
15		23-27	UBS NDR Europe	Stockholm (Sweden), Copenhagen (Denmark), Zurich (Switzerland)
16		28-30	UBS Asian Tour USA	New York, Boston, San Francisco (USA)
17	May	8	Bank of Singapore Equity Forum	Singapore
18		11-13	Daiva NDR	New York (USA) , Montreal (Canada)
19		18-22	6th Annual Deutsche Bank Access Asia Conference 2015	Singapore
20	June	2	Nomura Investment Forum Asia 2015 (NIFA)	Singapore
21		2-4	BAML Annual Global Emerging Markets One on One Investor Conference	California, USA
22		4-5	CITI Asean Investor Conference	Singapore
23		5-9	NDR Maybank	Los Angeles, San Diego, Kansas City (USA)
24		11	CIMB 9th Annual Indonesia Conference 2015	Bali, Indonesia
25		25-26	CITI APAC Corporate Access	Hong Kong
26		25-26	Macquarie Emerging Leaders Corporate Days	Hong Kong
27	July	3	2nd Annual Investor Relations Forum	Singapore
28		9	Pulse of Asia	Singapore
29		16-17	Tokyo NDR with NOMURA	Tokyo, Japan
30	August	24	Barclays Indonesia Corporate Day	Tokyo, Japan
31		26	Macquarie Asean Corporate Days	Singapore
32	September	2-3	UBS Asean Conference 2015	Singapore
33		8-9	RHB Inaugural Asian Sharia Investment Conference	Kuala Lumpur, Malaysia
34		10	CITI Indonesia Investor Conference 2015 in Jakarta	Jakarta, Indonesia
35		21-23	CITI Asia Corporate Day	New York, Boston (USA)
36	October	5-6	Mandiri Barclays	London, UK

**ROADSHOW SCHEDULE in 2015**

No	Month	Date	Events	City/ Country
37		6-8	JP Morgan Credit and Equities Emerging Market Conference	London, UK
38		12	UOB Asian Gems Conference 2015	Singapore
39	November	3-4	Deutsche Bank Access Indonesia	Jakarta, Indonesia
40		5	Barclays Asia Forum 2015	Singapore
41		9-10	CIMB 13TH ANNUAL ASIA PACIFIC LEADERS CONFERENCE	London, UK
42		12	IDX & Credit Suisse - Indonesia Corporate Day Conference	Singapore
43		12	Nomura Asian High Yield Corporate Day	Hong Kong
44		13	Daiwa Hongkong Conference	Hong Kong
45		17-19	Morgan Stanley Aspac Summit	Singapore
46	December	1-2	UBS Global Emerging Markets One-on-One Conference	New York, USA

**INTERNAL AUDIT**

Head of the Internal Audit Division is Arthur F. Kalesaran, appointed by the Board of Commissioners on 1 February 2012.

**Number of Personnel and Qualification**

There were 23 members of the Internal Audit team, who are fully dedicated and competent. Four members of Internal Audit have participated in specialized education and training for internal control heads organized by the Financial and Accounting Development Center (PPAK) in November 2013.

Arthur F. Kalesaran, Head of Internal Audit, obtained a certificate of Internal Auditor Head after attending the education and training held by PPAK in 2013 and is certified as a Professional Internal Auditor.

In September 2014, Arthur F. Kalesaran and 3 (three) members of Internal Audit were recognized as Professional Internal Auditors by PPAK.

**Duties and Responsibilities of Internal Audit**

The Internal Audit Division is charged with the task of internal control and risk management in the context of Good Corporate Governance practices. At this time, the Company has not formed a committee to manage risk control, and Internal Audit is assigned to also perform the risk management function.

Internal Audit is also tasked to actively assist the Audit Committee in monitoring, evaluating and providing recommendations for internal control as well as in identifying problems and preventing or reducing the Company's exposure to risk.

Internal Audit's main role lies in the assessment of whether or not the Company's internal control systems are functioning as they should. To gauge this, Internal Audit analyzes a variety of parameters which include but are not limited to the assessment of adherence to all established regulations, policies, work plans and budgets set up by the BoD, the assessment of the efficiency and effectiveness of the operational performance, investigation of any possibility of discrepancy, fraud or misused authority, identification, risk mapping and effectiveness of each business unit in managing and mitigating risk, and reviews of the financial reporting procedures to ensure timely reporting and compliance with prevailing regulation and guidelines.

The tasks assigned to Internal audit are based on an annual work plan approved by the President Director and the Audit Committee.

Internal Audit is also tasked with special examinations upon the discretion of the President Director.

In the performance of its duties, Internal Audit follows an Internal Audit Charter that has been approved by the Company's Audit Committee in consideration of the Internal Audit Code of Ethics as well as the Professional Practices Standard of Internal Audit and other pertinent regulations.

The activities of the Internal Audit are reflected in reports submitted to the President Director and the Audit Committee which hold meetings periodically to discuss and review the Internal Audit reports. The Audit Committee has meetings and discussions with

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Internal Audit for the BoC and gives feedback on its supervisory function.

Report of Duties

In 2015, in executing its duties Internal Audit convened 207 meetings with management of business divisions, and held four meetings with the Audit Committee. In the meetings, Internal Audit highlighted findings found during audits and follow ups on recovery actions taken by the management of relevant divisions.

In the meetings with the Audit Committee, Internal Audit reported their reviews of the quarterly, semesterly or annual financial statements, their findings and recommendations and the working plan for next term.

Appointment/Dismissal Head of Internal Audit

Head of Audit Internal is appointed and dismissed by the Board of Commissioners.

INDEPENDENT AUDITOR

The AGMS on 12 June 2015 gave authority to the BoC to commission the services of an Independent Public Accountant to audit the Company's financial statements for the fiscal year ended 31 December 2015 under the requirement that only Independent Public Accountants listed in good standing with OJK were to be considered for the post. To fulfil the AGMS mandate, and with recommendation from the Audit Committee, the Company's BoC commissioned Aryanto, Amir Jusuf, Mawar & Saptoto Public Accountant Firm to audit the Company's financial statements for the year ending 31 December 2015.

As stated in the report No. R/085.AGA/dwd:/2016, Aryanto, Amir Jusuf, Mawar & Saptoto Public Accounting Firm has provided an unqualified opinion for the consolidated financial statements of PT Lippo Karawaci Tbk and subsidiaries for the year ended 31 December 2015.

SHARE REGISTRAR

Type of Services	: Administrative management of Shares in the Secondary Market
Regular Fee	: IDR22,750,000
Period of Assignment	: 1 September 2014 – 31 August 2015 and renewed to 1 September 2015 – 31 August 2016

INTERNAL CONTROL SYSTEM

For the purpose of implementing internal control over risk management, Internal Audit was established and is tasked to ensure the implementation of risk management in all units. From time to time, the Company implements internal control activities that refer to the internationally recognized framework, namely COSO ERM (Internal Environment, Objective Setting, Event Identification, Risk Assessment, Risk Response, Control Activities, Information & Communication and Monitoring).

Such undertaking aims at ensuring the security of the Company's assets; availability of accurate reporting; improving compliance with applicable regulations; reducing the impact of financial losses, irregularities including fraud and violation of prudential aspects; and improving organizational effectiveness and cost efficiency.

The Company periodically evaluates the effectiveness of internal control systems to ensure compliance with all applicable regulations and laws in all operational activities, especially new regulations.

## LEGAL CASES

## LIST OF LEGAL PROCEEDINGS - PT LIPPO KARAWACI Tbk &amp; SUBSIDIARIES

No.	Litigant Parties		Legal Case Register	Object Case	Status
	Plaintiff	Defendant			
Lippo Village					
1.	Amsinah and Samsudin (heirs of Hasim)	PT Lippo Karawaci, Tbk (Lippo Village)	No.558/Pdt.G/2010/PN.TNG	Lawsuit over ownership of 4,310 m2 of land allegedly located in Taman Bromo, Tangerang	In Judicial Review process
2.	Mrs. Lies Herawati Hendro	PT Lippo Karawaci, Tbk	No. 32/Pdt.G/2014/PN.KBM	Lawsuit against execution of land located in Denpasar Bali.	In process at Kebumen District Court
PT Jagat Pertaia Nusantara					
3.	Iwan Leonardi et al. (heirs of Than Kwan Seng)	PT Jagat Pertaia Nusantara	No.161/Pdt.G/2010/PN.Cbn	Lawsuit of Default on PPJB Deed No. 6 dated 14 December 2005 between PT JPN and Heirs of Than Kwan Seng regarding the purchase of land of 5.808 M2	Appeal process at the Supreme Court
PT Jaya Makmur Bersama					
4.	PT Jaya Makmur Bersama (JMB)	PT Pengembangan Pariwisata Bali (Company)	No.419/Pdt.G/2012/PN.DPS	Lawsuit of Default on Cancellation of MoU (Lot C-5 Project) unilaterally by BTDC	Appeal verdict in favour of PT JMB
Siloam Hospital					
5.	AB Susanto	PT Siloam International Hospital	No.237/Pdt.G/2009/PN.Jkt.Ut	Lawsuit of malpractice with claims for compensation	Appeal verdict in favour of SIH
6.	Dr Liem et al.	PT Siloam International Hospital	No.147/Pdt.G/2009/PN.Jkt.Brt	Lawsuit by Dr Liem et al against Siloam Hospital Kebon Jeruk on account of cancellation of work contract of the doctors by Siloam Hospital Kebon Jeruk.	In Judicial Review process at the Supreme Court
7.	Wahju Indrawan	PT Golden First Atlanta	No.71/Pdt.G/2012/PN.JBI	Lawsuit with claims for compensation for alleged malpractice	Appeal process at the Supreme Court
8.	Drs. H. Akhmad Haris	PT Siloam International Hospital (Lippo Village)	No. 470/Pdt.G/2014/PN.TNG	Lawsuit with claims for compensation for alleged malpractice	Appeal process at the High Court
9.	Culiardy and Hasdy	PT Damarindo Perkasa	No. 24/Pdt.G/2015/PN.JBI	Lawsuit of land ownership and cancellation of rental contract	In process at Jambi District Court
10.	PT Almaron Perkasa	Ali Said and Agust Sofyan	No. 603/Pdt.G/2015/PN.Jak.Sel	Lawsuit of ownership of land located at Jl. Kemang VI South Jakarta	In process at South Jakarta District Court
PT Gowa Makassar Tourism Development					
11.	PT Gowa Makassar Tourism and Development (GMTD)	H. Jaja Salle cs.	No.234/Pdt.Plw/2009/PN.MKS	Lawsuit against Land Execution Verdict	Judicial Review process at the Supreme Court
12.	PT Gowa Makassar Tourism and Development (GMTD)	John Tandariy cs.	No.265/Pdt.G/2011/PN.Mks	Lawsuit on Cancellation of Land Certificate in the name of Johnny Tandariy over 51,577 M2 plot of land owned by PT GMTD	In appeal process at the Supreme Court

## REPORT OF CORPORATE GOVERNANCE

### LIST OF LEGAL PROCEEDINGS - PT LIPPO KARAWACI Tbk & SUBSIDIARIES

No.	Litigant Parties		Legal Case Register	Object Case	Status
	Plaintiff	Defendant			
13.	Yayasan Karya Dharma Legiun Veteran Gowa	PT Gowa Makassar Tourism Development (GMTD)	No.215/Pdt.G/2011/PN.MKS	Lawsuit on ownership of 510,610 M2 of land	In appeal process at the Supreme Court
14.	Ir. Mulyono	PT Gowa Makassar Tourism Development (GMTD)	No.254/Pdt.G/2004/PN.MKS	Lawsuit over ownership of 59,992 M2 of land	Appeal verdict in favour of GMTD
15.	Nurhayana Pamusureng	PT Gowa Makassar Tourism Development (GMTD)	No. 243/Pdt.G/2011/PN.Mks	Lawsuit over land ownership	Judicial Review process at the Supreme Court
16.	Syamsul Bunadi	PT Gowa Makassar Tourism Development (GMTD)	No. 20/G/2012/P. TUN.MKS	Lawsuit over cancellation of land certificate	Appeal verdict in favour of GMTD
17.	Walafiat Mora	PT Gowa Makassar Tourism Development (GMTD)	No. 18/G/2012/P. TUN.MKS	Lawsuit on cancellation of land certificate	Appeal verdict in favour of GMTD
18.	PT Gowa Makassar Tourism Development (GMTD)	Najmiah Muin	No. 207/Pdt.G/2010/PN.Mks	Lawsuit over land ownership	Appeal process at the Supreme Court
19.	PT Gowa Makassar Tourism Development (GMTD)	Gaddong bin Baddora dkk.	No. 126/Pdt.G/2007/PN.Mks.	Lawsuit over land ownership	Appeal verdict in favour of GMTD
20.	Dudding dg Lira	PT Gowa Makassar Tourism Development (GMTD)	No. 104/Pdt.G/2011/PN.Mks	Lawsuit over land ownership	Appeal verdict in favour of GMTD
21.	Lucyana	PT Gowa Makassar Tourism Development (GMTD)	No. 129/Pdt.G/2010/PN.Mks	Lawsuit over land ownership	Appeal process at the Supreme Court
22.	Hj. Najmiah Muin	PT Gowa Makassar Tourism Development (GMTD)	No. 318/Pdt.G/2013/PN.Mks	Lawsuit on cancellation of PPJB and land ownership	Appeal process at the Supreme Court
23.	Coeng Dg. Romo bin Daming	PT Gowa Makassar Tourism Development (GMTD)	No. 312/Pdt.G/2013/PN.Mks	Lawsuit over land ownership	Appeal process at the Supreme Court
24.	Andi Mappaturung	PT Gowa Makassar Tourism Development (GMTD)	No. 339/Pdt.G/2013/PN.Mks	Lawsuit on land eviction	Appeal process at the Supreme Court
25.	Budianto Pamussureng	PT Gowa Makassar Tourism Development (GMTD)	No. 80/G.Tun/2013/PTUN.Mks	Lawsuit over cancellation of HGB Certificate No. 20089/Mattoanging of PT GMTD	Appeal process at the Supreme Court
26.	Hj. Najmiah Muin	PT Gowa Makassar Tourism Development (GMTD)	No. 03/G.Tun/2013/PTUN.Mks	Lawsuit over cancellation of HGB Certificate of PT GMTD	Appeal process at the Supreme Court
27.	Hj. Diana Chaeruddin	PT Gowa Makassar Tourism Development (GMTD)	No. 57/G.Tun/2013/PTUN.Mks	Lawsuit over cancellation of HGB Certificate No. 20335 of PT GMTD	Appeal process at the Supreme Court
28.	Walafiat Mora	PT Gowa Makassar Tourism Development (GMTD)	No. 163/Pdt.G/2013/PN.Mks	Lawsuit over land ownership	Appeal process at Sulsei High Court
29.	Suttara Dg Tarring	PT Gowa Makassar Tourism Development (GMTD)	No. 218/Pdt.G/2014/PN.Mks	Lawsuit over land ownership	Appeal process at the High Court
30.	PT GMTD	Daeng Bani dkk.	No. 293/Pdt.G/2014/PN.Mks	Lawsuit over land ownership	Lawsuit revoked
31.	Daeng Bunga cs.	PT Gowa Makassar Tourism Development (GMTD)	No. 324/Pdt.G/2014/PN.Mks	Lawsuit over land ownership	Appeal process at the High Court
32.	PT GMTD	Heinsyari	No. 342/Pdt.G/2014/PN.Mks	Tort lawsuit of Defendant Unauthorized Selling of Land belonging to PT GMTD	Appeal process at the High Court

## ACCESS TO CORPORATE INFORMATION AND DATA

The Company treats its shareholders and investors in the highest regard and as an essential part of business growth. Therefore, for all updates pertaining to the Company's performance, reports the Company are submitted as part of compliance and transparency and are accessible on the Company's website [www.lippokarawaci.co.id](http://www.lippokarawaci.co.id). Inquiries may also be directed to:

PT Lippo Karawaci Tbk

Phone: +62 21 2566 9000

Fax : +62 21 2566 9098 / 99

E-mail: [corsec@lippokarawaci.co.id](mailto:corsec@lippokarawaci.co.id)

## DISCLOSURE

### Ownership of Shares in the Company

Each member of the BoC and BoD has declared that no member owns any shares in the Company.

### Transactions with Conflict of Interest, Material Transactions and Transactions with Affiliated Parties

In 2015, the Company was involved in none conflict of interest, materiality, or affiliated transaction as stipulated in OJK regulation.

## CODE OF CONDUCT

In line with the rapid growth of the property industry and Company's business spread in big cities, secondary cities as well as districts in Indonesia, in addition to the increasing number of employees coming from different culture and background, the Company thinks it is crucial to unite perception and form a strong corporate culture to support a sustainable growth and guard the Company's positive image in order to progress together.

Since being approved by the BoD in August 2014 and through the Human Capital division, the Company's recently revised Code of Conduct has been familiarized and distributed, being revised from previous versions and adjusted according to the Company's development.

The Code of Conduct is a foundation for all Company members to act ethically and consists of basic principles referred to the Company's vision, mission and values. With high standards of ethics and solid internal control, employees including Directors gain confidence and in making decisions based on professionalism while avoiding conflict of interest between themselves/groups and the Company.

The Code of Conduct comprises relations between employees, the Company, Customers, Suppliers, Vendors and Consultants, Competitors, Regulators, other Stakeholders as well as reporting of Violations or Potential Violations, and is aimed to be guidance for the basic norms, attitudes and actions of employees and Directors in performing their duties, including in decision making to reflect the Company's image and name as well as guidance to ensure uniform and consistent attitudes and actions in implementing daily tasks.

The Code of Conduct must be learned, understood and implemented by all employees, including the BoC for the interest and progress as well reputation of the Company. The BoC puts the Code of Conduct as a main priority to be implemented consistently in daily practices and an integral part of the orientation program for new employees.

To inform related parties, the Code of Conduct is available in the Company's web site, under the Investor Relation & Governance menu.

## RISK MANAGEMENT

Risk management can be found in the Business Review section.

## WHISTLEBLOWING SYSTEM

### A. Scope, Purposes and Objectives

#### Scope:

1. To outline all aspects necessary to build and implement a whistleblowing system as a tool to govern the reporting of violations.
2. This Whistleblowing system applies to the internal interest of the Company that includes all employees, Board of Directors, and the Board of Commissioners.

#### Purpose:

1. This Whistleblowing System is a consistent and continuous supervision mechanism designed by the Company in performing internal controls.
2. To provide a formal channel for employees in helping to create corporate governance in a professional manner to achieve good corporate governance.
3. The existence of standards for aspirations helps the Company to eradicate violations or potential violations.



## REPORT OF CORPORATE GOVERNANCE

### Objective:

1. To help the Company to improve labor productivity through eradication of all forms of violations and potential violations.
2. To reduce Company losses through early prevention as a follow-up action through various Whistleblowing channels.
3. To improve the image and reputation of the Company as one that has good corporate governance (GCG).
4. To improve the Company's ability to win the competition through increasingly efficient operational management.
5. To create a more conducive climate and encourage all employees in reporting situations that can cause financial or non-financial losses, including those that may undermine the values and image of the Company.
6. To simplify management to deal effectively with all forms of report violations and potential violations.
7. To protect the confidentiality of the reporter's identity and security of information as managed in a special data base.

### B. Reporter Protection Policy

The whistleblowing policy is part of the Company's implementation of the Code of Conduct on an ongoing basis; therefore, the Company has committed that any reports of violation or potential violation is set as follows:

#### 1. Reporter Protection Policy

This Whistleblowing Policy provides protection to the reporter as:

- The Company provides reporting channels such as: a written letter to Whistleblowing Team, Whistleblowing Box, Whistleblowing site at [www.lippokarawaci.co.id](http://www.lippokarawaci.co.id) sub menu Whistleblowing; Email Address [whistleblower@lippokarawaci.co.id](mailto:whistleblower@lippokarawaci.co.id); and Whistleblowing Team starts from the Committee, Management, Champion, and Facilitator. All these whistleblowing channels will protect each reporting by well-meaning reporter.

- A guarantee of the confidentiality of the identity of reporters who provide identity and information which can be used to contact the reporter if needed for clarification.
- The Company ensures information security and protection against actions of the reported or companies, in the form of threats of physical safety, psychological terror, the safety of property, legal protection, job security, pressure, delaying a promotion or a salary, demotion or promotion, unfair dismissal, harassment or discrimination in any form, and harmful notes in the employee files.

#### 2. Reporter Appreciation

The Company can give appreciation to every reporter who is contributing in an effort to help in the prevention or is capable of proving violation that can harm the Company and to minimize the risk of the Company .

#### 3. Sanctions to Reporter Who Abuses The System of Reporting on the Whistleblowing Channel

The Company aims to establish whistleblowing system that can run professionally and that the Company will give sanctions to any complainant who sends a report in the form of slander or false reports. The sanctions given follow regulation that applies in the Company, and the Company will not guarantee the confidentiality and protection of a reporter abusing the whistleblowing system including to criminal prosecution as well as related civil acts or defamation.

#### 4. Sanctions to Whistleblowing Team Who Leaked Reporting

The Company strongly protects the confidentiality of any report which was reported by the complainant; therefore, any member of the Whistleblowing Team leaking a report will be given sanctions in accordance with applicable regulations.

### C. Structure of Whistleblowing System

The Company established a whistleblowing system with the structure:

#### 1. Board of Commissioners

The Board of Commissioners is responsible as overseers of performance and effective implementations of Whistleblowing system in the Company and its subsidiaries. Monitoring the whistleblowing system implementation may be submitted to the Committee of the Board Commissioners.

#### 2. Whistleblowing Team:

##### a. Whistleblowing Committee

Whistleblowing Committee is chaired by the Director of Governance and Talent Admin (HRG) Corporate Director is responsible for ensuring this Whistleblowing system can be implemented throughout the Company and its subsidiaries. The Whistleblowing Committee Chairman may appoint members of the committee including the determination of the functions and duties of each member as well as future membership. The Committee Chairman shall ensure that all reporting is followed through until finished.

##### b. Person in Charge of Whistleblowing

The Whistleblowing Committee will appoint each year a Director or Senior Executive alternately who is responsible for accomplishing and socializing Whistleblowing system to the business units under its coordination.

##### c. Champion

Each person in charge of a designated business unit is responsible for establishing a Champion in the division unit under its coordination. The Champion is responsible for socializing the Whistleblowing culture to the units under its coordination.

##### d. Facilitator

The Champion can appoint a facilitator in the working unit which is smaller in particular for a unit that has a great number of subordinates. The task of the facilitators is to help create Whistleblowing culture in the work units.

#### e. Investigation Unit

Each entry must be coordinated by the Champions to be submitted to the relevant responsible person who hereinafter is the responsible to bring any of those reporting on meetings organized by the Whistleblowing Committee to determine the eligibility of the report to be followed up by the investigation unit. This investigation unit consists of Internal Control Unit (SPI) or Internal Audit, and assisted by an HR audit specifically for cases related to Human Resources. This investigation unit is responsible for investigating cases that have been assigned by the Committee to look for the facts, data, and processes that must be performed by an internal auditor.

### D. Violation Reports

Each employee as regulated in the Code of Conduct must conduct and have moral obligation to report violations or potential violations and are forbidden to remain silent when they see a violation or potential violation. The aspects that need to be considered:

#### 1. Reporting Principles

- Each report should be placed as a practice of Good Corporate Governance and Risk Management.
- The Company must receive reporting of violations and potential violations from the reporter.
- The principle of the report should contain goodwill and not be a personal grievance against policies or management practices or based on bad intentions, be defamatory and / or contain false statements that may defame a person's reputation.

#### 2. Reporter

Reporters are grouped into 2 (two) types:

- Internal: Board of Commissioners, Directors, Senior Executive, and all employees.
- External: working partner, supplier, customer, consultant, vendor, outsourcing, communities and other stakeholders.

REPORT OF  
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3. Form of Reports

- a. Violation or potential violation reports must be submitted in writing and shall include the identity of employees (for external parties with copy of ID and phone number) and chronological occurrence, and if possible supporting evidence.
- b. Reports with no identity (anonymous) or anonymous letters will not be followed up by the Company.

4. Potential Violations or Violations That Can Be Reported

- a. Corruption.
- b. Fraud.
- c. Money laundering.
- d. Insider dealing.
- e. Unlawful acts (including theft, use of force against an employee or leader, extortion, drug use, abuse, other criminal acts).
- f. Violations of tax regulations, or other legislation.
- g. Violations of the Code of Conduct or the Company Values or violations of the norms of decency in general.
- h. Acts that endanger the health and safety, or jeopardize the security of the Company.
- i. Actions that could lead to financial and / or non-financial losses against the Company or damage the interests of the Company.
- j. Violation of Company policies, including but not limited to Company regulations, codes of conduct, corporate policies, Standard Operating Procedures (SOP) and implementation instructions.
- k. Others who support the creation of Good Corporate Governance.

5. Time To Report A Violation or Potential Violation

The reporter should have a concern for the timing of reporting, the faster the report will further facilitate the follow-up investigation, the longer the reporting will enable the loss of evidence for an investigation. The reporter is expected to transmit reports within a period of 2 (two) months after the incident occurred, and specifically for fraud cases a maximum of 1 (one) month after the incident occurred.

E. Delivery Mechanism of Violation or Potential Violation Reports

1. Report Submission Infrastructure

The Company provides a wide range of Whistleblowing infrastructure channels that can facilitate the reporting immediately submit a report, namely:

- a. Written letter to Whistleblowing Team, by direct transfer or by mail.
- b. Email address: [whistleblower@lippokarawaci.co.id](mailto:whistleblower@lippokarawaci.co.id).
- c. Company website: [www.lippokarawaci.co.id](http://www.lippokarawaci.co.id) at the Whistleblowing menu.
- d. Whistleblowing box.

2. Authority to Handle Violation Reporting

In the case of violations committed by members of the Board of Directors or a person who has a special relationship with the members of the Board of Directors or by the Whistleblowing Team, the reporting of a violation or potential violation must be submitted to the Board of Commissioners and if necessary to an independent investigator or an independent auditor.

If the offense was committed by members of the Board of Commissioners or Whistleblowing Team, the report must be submitted to the Corporate CEO, with further handling of the follow-up carried out by the Board of Directors and when required may use an independent investigator or independent auditor.

In the case of violations committed by an employee, the report must be submitted to the Whistleblowing Team and then the Whistleblowing Team will decide whether or not to follow up or investigation conducted by the Internal Control Unit (SPI) or the internal auditor or by special audit HR for cases related to Human Resources.

For all reports that have been decided by the Whistleblowing Committee for further action through investigation, the investigation process will be conducted with the aim of gathering evidence to strengthen conclusions from each case that has been investigated. Results of these investigations allow violations or potential violations to be investigated further, or show that the violations are not proven or there is not enough evidence to support a follow up.

Considering objectivity and independence, the investigation will be conducted by Internal Control Unit (SPI) or the internal auditor or by a special Audit HR for cases related to Human Resources. In sensitive cases or certain cases for example that must be investigated involves Internal Audit (SPI) or the internal auditor or audit HR specifically, the Whistleblowing Committee can decide the investigation performed by other work units or an external party investigator or independent auditor

The process of investigation must be free from bias and not depend on who is reporting or who is the reported with a presumption of innocence. The reported must be given full opportunity to provide an explanation for proofs given against him, including defence if needed.

Results of an investigation will be returned to the Whistleblowing Committee for further action. If the result of the investigation shows positive violations or potential violations, the violator will be given applicable sanctions even to civil or criminal cases through reporting to the authorities as coordinated by the Company's Legal Division. On the other hand, if the result of the investigation shows no violations nor potential violations then the reported shall have his/her reputation redeemed by the Company, to the extent in which any defamation spread.

# Audit Committee Report

Lippo Karawaci, 26 February 2016

The Board of Commissioners  
PT Lippo Karawaci Tbk  
Menara Matahari 22<sup>nd</sup> Floor  
7 Palem Raya Boulevard  
Lippo Karawaci Central  
Tangerang 15811

Dear Commissioners,

## Re: 2015 Audit Committee Report

In compliance with the requirement stipulated in OJK Regulation No. 55/POJK.04/2015 regarding the Establishment and Operational Guidance of the Audit Committee and the Decision of the Board of Directors of PT Bursa Efek Jakarta No. Kep-305/BEJ/07/2004 dated 19 July 2004 regarding the Listing of Stocks and Equities Other than Stocks issued by Listed Companies, we as the Audit Committee of PT Lippo Karawaci Tbk ('the Company') hereby render the Audit Committee Report of activities held during 2015.

1. Reviewed the independency and objectivity of the Company's external auditor, Public Accountant Firm, Aryanto Amir Jusuf Mawar & Saptoto, in performing the audit of the Consolidated Financial Report of the Company and its subsidiaries for the period ending 31 December 2015. The external auditor who was appointed by the Board of Commissioner of the Company under the authority granted to them during the Annual General Shareholder Meeting held in 12 June 2015.
2. Reviewed the qualitative aspects and the integrity in the implementation of accounting, audit and reporting.
3. Reviewed the business and risk management process and its compliance to the prevailing law and regulation.
4. Discussed with the Internal Auditor relating to its work plans and focused objectives and internal control system in 2015, including the report of final review by Internal Auditor during 2015.
5. Discussed with the Company's management relating to:
  - quarterly financial statement
  - business strategy and work plan as well as budget of 2015
  - internal control system
  - compliance with the law and regulation
  - risk management process
6. Discussed with the External Auditor relating to findings and result of audit
7. Reported the result of the audit committee's meeting to the Board of Commissioners

To fulfill the obligation to disclose the report of the Audit Committee's review in the Company's 2015 Annual Report, we hereby state that to the best of our knowledge, the Company's Financial Statements were prepared in accordance with the generally accepted accounting principles in Indonesia.

The Audit Committee duly submits this report.

Yours sincerely,

Audit Committee of PT Lippo Karawaci Tbk.

**Prof. DR. H. Muladi, SH.**  
Chairman

**Herdianto**  
Member

**Achmad Kurniadi**  
Member



**Prof. Dr. H. Muladi, SH**  
Chairman

Prof. Dr.H. Muladi, SH (72) was the Minister of Justice and the Minister of State Secretary during the Development Reform Cabinet era. He currently serves as the Chairman of the Institute for Democracy and Human Rights at the Habibie Center, Jakarta, President Commissioner of PT Pollux Properties (2015 – present), Independent Commissioner of PT First Media Tbk (2013 – present), Independent Commissioner of PT Lippo Karawaci Tbk (2013 – present), President Commissioner of PT Multipolar Technology Tbk (2013 – present), Senior Advisor Lippo Group (2012 – present), President Commissioner of PT Mulia Argo Perkasa, Surabaya (2012 – present), Founder & Chairman Justitia Law Firm, Jakarta (2011 – present).

Previously, he was the Rector of the Diponegoro University (UNDIP), the Head of the National Defense Institute (Lemhanas), and Chief Justice of the Supreme Court.

Prof. Muladi has a Bachelor degree from the Law Faculty, Diponegoro University, Doctor of Law from the Graduate Program of Faculty of Law, Padjadjaran University (UNPAD), and also graduated from the International Institute of Human Rights, France.



**Herbudianto**  
Member

Mr. Herbudianto (59) joined the Audit Committee of Lippo Karawaci since April 2013. He had a career of 27 years working at the Indonesia Capital Market & Financial Institution Supervisory Agency (Bapepam-LK) under the Ministry of Finance. His last position at Bapepam-LK was as Head of Assessment for Non-Financial Service Companies, Bureau of Financial Assessment of Companies in the Services Sector, responsible for the comprehensive analysis of issuers in the non-financial services sector, as well as analysis on Capital Market regulations related to Issuers and Listed Companies.

In addition to his experiences with Bapepam-LK, he is also active as Audit Committee member and Independent Commissioner in several companies. At present, he also serves as Independent Commissioner at PT Bekasi Fajar Industrial Estate Tbk (2015 - present), the Audit Committee at PT Mega Manunggal Property Tbk (June 2015 - present), the Audit Committee at PT Wismilak Inti makmur Tbk (2013 - present), the Audit Committee at PT Soechi Lines Tbk (2014 - present), Independent Commissioner at PT Lippo Securities Tbk (2013 - present), Associate Partner at PT Eagle Capital (Jan 2013 - present), Independent Commissioner at PT Sarana Meditama Metropolitan Tbk (Oct 2012 - present).

Mr. Herbudianto obtained a Bachelor degree in Economics majoring in Accounting from Universitas Gajah Mada, Yogyakarta, Indonesia, and has attended numerous seminars and workshops in the country and overseas.



**Achmad Kurniadi**  
Member

Mr. Achmad (61) has extensive experience in Government circles, having pursued a career with the Investment Coordinating Board (BKPM) since 1980 working to promote investments in Indonesia. His last position was as Deputy of Investment Collaboration (2010 - 2014). In addition, he has also served as Special Staff for Investments at the Indonesian Embassy in Seoul, South Korea (1990 - 1992), and Head of Investment at the Office of Indonesian Commerce and Economy (KDEI), Taiwan representative office (1992 - 1998). Mr. Achmad obtained a Bachelor degree from the Faculty of Agriculture, Universitas Padjadjaran, Indonesia.

He completed his Master of Business Administration study at Yonsei University Graduate School of International Studies, South Korea. He has also attended various workshops and seminars overseas related to issues such as definition and benefits of direct investments for a country (foreign direct investment and domestic direct investment), investment promotion tactics and strategy, policies and strategy to attract investors, investment planning, and others.



# Nomination and Remuneration Committee Report

Lippo Karawaci, February 2016

The Board of Commissioners  
PT Lippo Karawaci Tbk  
Menara Matahari 22<sup>nd</sup> Floor  
7 Palem Raya Boulevard  
Lippo Village Central  
Tangerang 15811

Dear Commissioners,

## Re: Nomination and Remuneration Committee Report

The establishment of the Nomination and Remuneration Committee is part of the implementation of the Good Corporate Governance in providing a competitive remuneration package. The Committee was established to assist the Board of Commissioners in performing its duties to determine the remuneration system and its implementation for the members of the Board of Commissioners and Directors

Composition of the Remuneration Committee of PT Lippo Karawaci Tbk. ('Committee') is as follows:

Chairman : Surjadi Soedirdja  
Member : Viven G. Sitiabudi  
Member : Ishak Kurniawan

Responsibilities and duties of the Committee are as follows:

1. To conduct a formal meeting at least once a year.
2. To give recommendation to the Board of Commissioners regarding :
  - Composition of the Board of Directors and/or Board of Commissioners.
  - Policies and criteria required in the nomination process.
  - Policies on the evaluation of the performance of Board of Directors and/or Board of Commissioners.
3. To assist the Board of Commissioners in conducting a performance assessment for the member of Board of Directors and/or Board of Commissioners based on certain determined benchmark.
4. To provide recommendations for the Board of Commissioners on capacity building programs for the member of Board of Directors and/or Board of Commissioners.
5. To propose a qualified candidate to sit as a member of Board of Directors and/or Board of Commissioners to the Board of Commissioners to be approved by the General Meeting of Shareholders
6. To ensure an adequate remuneration system and to determine the remuneration for the Board of Commissioners and Directors of PT Lippo Karawaci Tbk, including the reward and fringe benefits, if applicable, for the members of the Board of Commissioners as well as the salary, bonus and parting package (in case of retirement or resignation) for the Board of Directors.
7. Resolutions are made by 2 votes out of 3, in a Committee meeting or by a circular letter. In the absence of a Committee member, the Chairman of the Committee (or two other Committee members if the Chairman is absent) shall ask the President Director, or another Director appointed by the President Director, to fill-in on the vacant position temporarily until the respective Committee member can resume his function, or until a new Committee member has been appointed by the Board of Commissioners.

The Nomination and Remuneration Committee prepared the remuneration budget for the Board of Commissioners and Directors based on the Company's performance and contribution of members, which reflect the performance of the Board of Commissioners and Directors.

The Nomination and Remuneration Committee held a meeting on 24 November 2015 to determine the budget allocation for reward and fringe benefits for the Board of Commissioners as well as the salaries and other benefits for the Board of Directors. The gross remuneration for the Board of Commissioners and Director of the Company in 2015 amounted to IDR59,848,404,201.00 (fifty nine billion eight hundred forty eight million four hundred four thousand two hundred and one Rupiah).

The Nomination and Remuneration Committee  
PT LIPPO KARAWACI Tbk

  
Surjadi Soedirdja  
Chairman

  
Viven G. Sitiabudi  
Member

  
Ishak Kurniawan  
Member



### **Surjadi Soedirdja**

Chairman

Mr. Surjadi Soedirdja (77) is a prominent figure with extensive experience and knowledge in the government, security, and urban development sectors.

Previously, he has served as Coordinating Minister for Social, Political, and Security Affairs and the Minister of Home Affairs, as well as the Governor of Jakarta.

Mr. Soedirdja had a distinguished career in Indonesia Army and participated in various military and government educations and training throughout his tenure.



### **Viven Gouw Sitiabudi**

Member

Mrs. Viven G. Sitiabudi (60) has had a brilliant career in the various companies where she worked. Her experience in Management, Corporate Planning and Marketing has contributed to the success story of Lippo Karawaci. Currently, she also serves as Executive Director of Lippo Malls Indonesia Retail Trust (LMIRT) Management, Ltd.

Mrs. Viven G. Sitiabudi pioneered the establishment of PT Lippo Life Insurance and served as its President Director until 1995. Under her leadership, PT Lippo Life Insurance successfully became one of the largest life insurance companies in Indonesia. Prior to that, Mrs. Viven G. Sitiabudi was the CEO of Legal and General Australia in Indonesia and also a Vice President Director of Allianz Life Indonesia. Mrs. Sitiabudi graduated from the University of New South Wales, Australia with a Bachelor's Degree in Computer Science and Statistics (1977) and she also registered as a Chartered Financial Consultant (ChFC) in 2003.



### **Ishak Kurniawan**

Member

Mr. Ishak Kurniawan has been with Lippo Karawaci since April 2008, appointed as HR Director.

Previously, he gained experienced in the banking sector over 12 years, starting his career as Senior Financial Analyst at Household Finance Corporation, Pomona, California, US. Then at Citibank Indonesia, he was appointed as Assistant to the Customer Service Director in 1991, then as Head of Operations Support, Card Products (1991 - 1993), and Country Human Resources Officer in 2008. Mr. Kurniawan has worked in Human Resources since 1999.

Mr. Kurniawan graduated as Civil Engineer from Universitas Petra Christian, Surabaya, Indonesia (1982), and earned his MBA from San Diego University, California, USA (1988).

# Internal Audit Report

Lippo Karawaci, 24 February 2016

To : **Audit Committee PT Lippo Karawaci Tbk.**  
Attn. Prof. DR. H. Muladi, SH as Chairman of Audit Committee PT Lippo Karawaci Tbk.

CC : **President Director PT Lippo Karawaci Tbk.**  
Attn. Mr. Ketut B. Wijaya

Dear Sir,

We have finished the internal examination of PT Lippo Karawaci Tbk and subsidiaries (Company) for the year ended 31 December 2015. The internal examination was aimed to study and evaluate as well as testing the implementation of management supervision to the Company's business activities.

The internal examination was conducted in accordance with the Charter of Company's Internal Audit Unit by implementing risk-based assessment through internal examination process, evidence tests, interviews, and follow-ups on existing compliances.

During 2015, there were 207 examination which covered 85 business units. The findings are categorized based on risk as follows:

- High risk: Crucial findings that need immediate attention from the management to prevent main risk such as fraud, violation to regulations and laws, deviation of financial reports that significantly affect the loss of company's main assets.
- Middle risk: Findings that need attention and fix from the management in appropriate timing to prevent potential risks.
- Low risk: Findings due to violation of internal control that does not cause material losses to the company.

Based on the above categories, the high risk findings are :

1. Fraud i.e : manipulation of sales, receipt of money from third parties, the sale of assets cases, and the asset loss.
2. Incompleteness licensing administration.
3. Implementation of the standard operating procedure, which involves among other things the maintenance and supervision of the company's physical assets as well as financial data administration.

The internal findings also covered study of consolidated quarterly and annual financial reports of the company ending on 31 December 2015. For the study of this financial reports, there is not any findings need to be disclosed.

Thus, we submit the internal audit report for the year ended on 31 December 2015.

PT Lippo Karawaci Tbk.



**Arthur Felix Kalesaran**  
Chief of Internal Audit



### **Arthur Felix Kalesaran**

Chief of Internal Audit

Mr. Arthur Felix Kalesaran has been Head of Internal Audit at PT Lippo Karawaci since April 2012.

Mr. Arthur had a professional career in the field of IT, Accounting, and Auditing in various companies before joining as VP of Security Guards at the Company's subsidiary PT Artha Sarana Prima in 1999.

In 2000, he became Director of PT Lippo Karawaci Tbk until 2003. After that, Mr. Arthur successively held various key positions in the Company and the subsidiary before taking his current position.

Mr. Arthur has a degree in Accounting from the Faculty of Economics at Padjadjaran University, Bandung. He has attended special education and training for the Head of Internal Audit Unit at the Centre for Development of Accounting and Finance (PPAK) in 2013 and holds the Professional Internal Audit Title.

# Corporate Secretary Report

Lippo Karawaci, 24 February 2016

to

**Board of Directors**

PT Lippo Karawaci Tbk  
7 Palem Raya Boulevard  
Menara Matahari Lt. 22  
Lippo Karawaci Central  
Tangerang 15811

Dear Madams / Gentlemen:

**Re: Corporate Secretary Report**

In compliance with the requirements of Indonesia Financial Services Authority Regulation No.35/POJK.04/2014 dated 8 December 2014 on Corporate Secretary of Issuers or Listed Company (POJK No. 35/2014), we hereby submit the report of the implementation of Corporate Secretary function at PT Lippo Karawaci Tbk ('Company').

During 2015, the Corporate Secretary has performed the following duties:

**1. GENERAL MEETING OF SHAREHOLDERS ('GMS')**

- a. Convened 1 (one) GMS, namely the Annual GMS held on 12 June 2015 (AGMS) in compliance with the requirements pursuant to Indonesia Financial Services Authority ('OJK') Regulation No.32/POJK.04/2014 dated 8 December 2014 on Planning and Organizing of General Meeting of Shareholders (POJK No. 32/2014).  
In accordance with the new requirements in POJK No. 32/2014, prior to the GMS, the Company procured:
  - i. Announcement of the AGMS as advertised on 5 May 2015 in the Investor Daily and Satelit News daily newspaper.  
As there was no proposal from shareholders regarding the meeting agenda, the Company announced the AGMS with the agenda as submitted to the OJK.
  - ii. Invitation to the AGMS on 20 May 2015 in the Investor Daily and Satelit News daily newspaper.  
The Invitation to the AGMS also contains a description of each agenda in the meeting so as to make it clear and easier for the Shareholders to prepare their votes.
  - iii. Following the AGMS, a Report of AGMS Results was advertised on 15 June 2015 in the Investor Daily and Satelit News daily newspaper.

The Company also posted the announcement, invitation and results of the AGMS on the same day as the publication of the respective newspaper advertisement at the Company's website at [www.lippokarawaci.co.id](http://www.lippokarawaci.co.id) in the Shareholder Information section.

**b. Report of implementation of AGMS resolutions:**

Agenda 1 – Done.

Agenda 2 – Announcement of dividend distribution was advertised in Investor Daily and Satelit News daily newspapers on 16 June 2015.

Payment of dividend to shareholders was undertaken through Kustodian Sentral Efek Indonesia (KSEI) on 14 July 2015.

Agenda 3 – Changes in the composition of the Board of Commissioners and Board of Directors were stated in a deed of Partial Resolutions of the Annual General Meeting of Shareholders made by Notary Sriwi B. Nawaksari, SH, MKn, with the letter of notification received by the Minister of Law and Human Rights in accordance with Receipt of Notification of Data Changes of PT Lippo Karawaci Tbk. No. AHU-AH.01.03-00951739 dated 15 July 2015.

Agenda 4 – Based on the authority granted in the AGMS, the Board of Commissioners has appointed the Public Accountant Firm of Amir Abadi Jusuf, Aryanto, Mawar & Partner, as the public accountant to perform the audit on the consolidated financial statements of the Company and Subsidiaries for the fiscal year ended 31 December 2015 in accordance with Decree of the Board of Commissioners dated 30 July 2015.

Agenda 5 – Changes to the Articles of Association were stated in a deed of Partial Resolutions of Annual General Meeting of Shareholders No. 30 made by Notary Sriwi B. Nawaksari, SH, MKn, with the letter of notification received by the Minister of Law and Human Rights, in accordance with Receipt of Notification of Changes to Articles of Association No. AHU-AH.01.03-00951738 dated 15 July 2015.

## 2. Meetings of the BoC, BoD and Committees

During 2015, the Corporate Secretary has coordinated the organizing for 38 meetings of the BoD, 8 meetings of the BoC, 4 meetings of the Audit Committee, and 1 meeting of the Nomination and Remuneration Committee.

The schedule for the BoD, BoC and Board Committee meetings for the period of 2016 have been arranged and informed to the BoD, BoC and respective Board Committee and will be re-arranged as necessary.

## 3. Mandatory Reporting and Compliance with Capital Market Regulations

Implementation of mandatory reporting:

- a. Periodic Financial Statements submitted in accordance with Bapepam-LK Regulation No. X.K.2
  - i. Consolidated Financial Statements of the Company and Subsidiaries (audited) for the year ended 31 December 2014, was submitted in a written letter to OJK and PT Bursa Efek Indonesia (“IDX”) on 27 March 2015, also via OJKNet and IDXNet on the same day.
  - ii. Consolidated Financial Statements of the Company and Subsidiaries (unaudited) for the 3-month period ended 31 March 2015, was submitted in a written letter to OJK and IDX on 30 April 2015 and also via OJKNet and IDXNet on the same date.
  - iii. Consolidated Financial Statements of the Company and Subsidiaries (unaudited) for the 6-month period ended 30 June 2015, was submitted in a written letter to OJK and IDX on 31 July 2015 also via OJKNet and IDXNet on the same date.
  - iv. Consolidated Financial Statements of the Company and Subsidiaries (limited review) for the 9-month period ended 30 September 2015, was submitted in a written letter to OJK and IDX on 27 November 2015 and also via OJKNet and IDXNet on the same date.
- b. The 2014 Annual Report has been submitted on 30 April 2015 in accordance with Bapepam-LK Regulation No. X.K.6.
- c. The monthly Share Register Report was submitted regularly each month to the IDX via IDXNET.
- d. The Report on Foreign-Currency Debts was submitted regularly each month to the OJK.
- e. The following information disclosure were submitted:
  - Letter No.010/LK-COS/II/2015 dated 6 February 2015 on Submission of Press Release: Lippo Karawaci Executed Share Placement of Siloam Valued at IDR1.4 Trillion.
  - Letter No. 041/LK-COS/III/2015 dated 27 March 2015 on LPKR Audited Financial Statements 2014: Breaking the Record for Revenues and Net Income.
  - Letter No. 045/LK-COS/IV/2015 dated 8 April 2015 on Explanation to Publications in Mass Media: “Lippo Seeks Malls in Eastern Indonesia.”
  - Letter No. 046/LK-COS/IV/2015 dated 8 April 2015 on Shareownership by the Company’s Commissioners.
  - Letter No. 060/LK-COS/IV/2015 dated 30 April 2015 on Submission of Press Release: Revenues and EBITDA Quarter I LPKR Posted Sound Growth of 22% and 23% YoY.
  - Letter No. 062/LK-COS/V/2015 dated 6 May 2015 on Notice to the Change of Corporate Secretary.
  - Letter No. 083/LK-COS/VI/2015 dated 15 June 2015 on Submission of Press Release: LPKR Distributed Dividend of IDR380 Billion, IDR16.69/share, Up 19% Compared with the Previous Year.
  - Letter No. 086/LK-COS/VI/2015 dated 17 June 2015 on Explanation to Publications in Mass Media: LK Approached by Japanese and South Korean Investors.
  - Letter No. 102/LK-COS/VII/2015 dated 31 July 2015 on Submission of Press Release: LPKR Achievement in First Semester 2015.
  - Letter No. 141/LK-COS/X/2015 dated 23 October 2015 on Transaction by PT Saputra Karya Gubeng Project.
  - Letter No. 149/LK-COS/X/2015 dated 30 October 2015 on Plans for Limited Review on Financial Statements of 30 September 2015.
  - Letter No. 155/LK-COS/XI/2015 dated 9 November 2015 on Submission of Press Release: Annual Public Expose LPKR 2015.
  - Letter No. 168/LK-COS/XI/2015 dated 30 November 2015 on Submission of Press Release: Limited Review of 3rd Quarter 2015 Financial Statements.



## REPORT OF CORPORATE SECRETARY

### 4. Public Expose

The Corporate Secretary and Investor Relation organized a Public Expose on 9 November 2015 in the Investor Day event at IDX Building. A report on the results of the Public Expose was submitted to the IDX on 11 November 2015.

### 5. Training and Competence Development for Corporate Secretary

To improve the competency of the Corporate Secretary in discharging its functions and responsibilities as well as to remain update with the latest stock exchange regulations, the Corporate Secretary in 2015 has participated in the following training and socialization sessions:

No.	Date	Name of Seminar/Training/Conference/Workshop	Organized by
1	3 March 2015	Code of Conduct for BOD - BOC	ICSA
2	26 March 2015	Financial Shanigan and Whistle Blower Best Practice	ICSA
3	7-9 April 2015	The 7 Habits of Highly Effective People	Dunamis
4	30 April 2015	Business Transformation through GCG - based Leadership	ICSA
5	16 June 2015	Corporate Secretary 2015	ICSA
6	6 July 2015	Investor Relation Forum	BI
7	15 October 2015	Economy Outlook 2016	ICSA
8	21-23 October 2015	Corporate Secretary Master Program Series	ICSA
9	14 December 2015	Socialization of DIRE (Dana Investasi Real Estate/Real Estate Investment Fund)	IDX, OJK & Directorate General of Tax KIK DIRE

### 6. Enhancement of GCG Implementation

One of the functions of the Corporate Secretary is to assist the BoD and the BoC in enhancing the implementation of GCG. Accordingly, the Corporate Secretary, along with the BoD and the BoC, has formulated the following:

- Charter of the Board of Commissioners in accordance with POJK No. 33
- Charter of the Board of Directors in accordance with POJK No. 33
- Charter of the Corporate Secretary in accordance with POJK No. 35

and made revisions and adjustments to the following:

- Charter of the Audit Committee in accordance with No. 55/POJK.04/2015
- Charter of the Internal Audit in accordance with No. 56/POJK.04/2015

All the charters are currently in the process of socialization and approval, and are expected to become effective before the end of first quarter 2016.

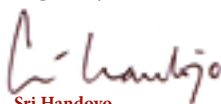
### 7. Preparation and Implementation of Corporate Actions

The Corporate Secretary Division actively participated in supporting the Company's corporate projects. In 2015, the division took part in the following projects:

- The development work, land sale and purchase project in Surabaya.
- The divestment of Lippo Mall Kuta.
- Divestment of Lippo Plaza Jogja and Yogyakarta Hospital.
- Plans for Offering of Bonds Exchange, Additional Bonds Issuance and soliciting consent to amend certain terms and conditions of the existing Notes.

This report is duly submitted in our accountability to be followed-up or utilized properly.

Respectfully,



**Sri Handoyo**

Corporate Secretary  
PT Lippo Karawaci Tbk



### **Sri M. Handoyo**

Corporate Secretary

She started her career in Lippo Group in 1992 and took up assignment to various Companies within the Group including Lippo Development (1994 – 1997), PT Hotel Prapatan Tbk (1997 – 2000), PT Link Net (2000 – 2002) and PT Multipolar Corporation Tbk (2002 – 2005) with the last position as Corporate Secretary. She joined PT Titan Aneka Tambang in 2006 - 2007 as General Manager of HR and Head Office Support. In 2008 – 2011, she worked in PT Trikomsel Multimedia Tbk as Assistant Vice President of Corporate Services Division. She joined PT Lippo Karawaci Tbk in 2011 and was appointed Corporate Secretary in May 2015.

She obtained Diploma in Business Studies from William Business College, North Sydney, Australia in 1992 and graduated from Faculty of Economics, the University of Indonesia in 1997.

“

For **Lippo Karawaci**, CSR programs are not only to give back results of Company's business activities to the society, but also to establish a **synergy and alliances** with stakeholders.

”

Lippo Karawaci believes that Company sustainability will be achieved by prioritizing good corporate governance and business ethics to all of its stakeholders, including the public and the environment. Based on this, the Company is optimizing positive impacts and minimizing negative impacts to all of its stakeholders.

As a public company, Lippo Karawaci always implements its commitment to support sustainable development in Indonesia.

Its confidence in corporate governance and business ethics as well as its commitment to supporting sustainable development are then applied in the form of corporate social responsibility (CSR), aimed to establish harmony and synergy between the Company's growth with benefits for the stakeholders. Concretely,




**IDR1.5**billion

Financial aid of IDR1.5 billion for outstanding students at 10 public universities in Indonesia

# CORPORATE SOCIAL RESPONSIBILITY





The location of Lippo Village golf course was determined strategically so as to naturally collect and absorb rainwater back into the groundwater system

Company CSR is focused on the three pillars as primary activities, which are: increase of the standard of living (housing and education), public health, and environmental awareness.

Through its continuous implementation, Lippo Karawaci aims to achieve its success in line with the growth of public prosperity. For Lippo Karawaci, CSR programs are conducted not only to return results of Company's

## CORPORATE SOCIAL RESPONSIBILITY



{ 50

As of the end 2015, there were 50 public universities in Indonesia receiving educational scholarships.

The Company has conducted various CSR activities referring to its vision since the Company's establishment. Activities are conducted directly by the Company or through its subsidiaries, as well as in cooperation with other companies with similar vision. It is expected that this approach will optimize resources owned by all companies involved in the CSR activities in order to achieve the stated objectives.

### 1. Assistance for Students and Children

The Company believes that education is the key success factor in supporting young generation to reach a better future. Unfortunately, not all children have access and opportunities to high quality education to support them.

activities to the public, but also to establish a synergy and alliances with stakeholders by involving its employees and customers in the CSR activities.

### The Company CSR Policy

Lippo Karawaci was established with a vision to impact and transform its surrounding community through environmentally friendly, high quality, and sustainable business activities. This vision is aligned with the definition of Corporate Social Responsibilities (CSR) stipulated in article 1 paragraph 3 of Law No. 40/2007 on Limited Liability Companies, which states a commitment by a company to actively participate in sustainable economic development in order to improve the quality of life and environment for the benefit of the Company, local community, and society.



The Company realizes that not all children have equal opportunity to experience a good quality of life. In fact, some of them do not have the privilege to know their own parents.

Since 2011, Lippo Karawaci, in collaboration with several companies with similar vision, provides financial assistance for outstanding students (known as Bantuan Mahasiswa Berprestasi, BMB) in state universities in Indonesia. There are different universities receiving this aid each year in order to ensure that this can be experienced by many universities.



In 2015, the Company donated IDR1.5 billion as BMB funds to students in ten state universities in Indonesia.

The names of the 10 of state universities that received the funds are as follows: Universitas Teuku Umar Meulaboh Aceh, Universitas Negeri Medan, Universitas Bangka Belitung, Universitas Pendidikan Ganesha Singaraja Bali, Universitas Mataram NTB, Politeknik Negeri Pontianak, Universitas Negeri Gorontalo, Politeknik Negeri Ambon, Universitas Pendidikan Indonesia Bandung, and Politeknik Negeri Semarang.

The criteria for students who receive the BMB is determined by each university's rector, as they have a full understanding of their student's performances. As of end 2015, there are 50 state universities in Indonesia that have received such funding.

In 2015, the Company and its subsidiaries also conducted other donation activities in the forms of cash and other forms including:

- Break fasting event and donation for orphans of Masjid ATH Thayibah and distributed foods to Nur Aisyah orphanage organized by Aryaduta Hotel Pekanbaru during Ramadhan 1426 H. Aryaduta Hotel, also visited Insan Permata orphanage to distribute food, stationery, and cash on 18 December 2015.
- In collaboration with Sekolah Pelita Harapan, the Company collected donations from tenants and visitors of Menara Matahari, Maxx Box Mall, and Hypermart Cyberpark to support Gerakan Nasional Orang Tua Asuh (GNOTA) and encouraged people to be donors for books, uniforms, and other supplies, held on 26 to 28 October 2015
- Plaza Semanggi in cooperation with Dompot Dhuafa organized "Sahur on The Road" event for orphans and underprivileged people.
- Donating livestock for Idul Adha 1426H to three mosques within Lippo Village area, organized by Lippo Village.

- PT Lippo Malls Indonesia also organized various social activities through its managed malls such as:
  - Pluit Village, organized break fasting event with a theme "Sharing in Holly Ramadhan" on 10 July 2015, in cooperation with Panti Asuhan Nurul Ikhlas. Pluit Village also held a Christmas event with Pondok Kasih Agape orphanage on 21 December 2015.
  - Lippo Mall Istana Plaza held a break fasting event for 50 orphans from Yayasan Al-Fien Bandung during Ramadhan period. Lippo Mall Istana Plaza also donated 250 books and stationery packages to SOS Children Foundation, Bandung.
  - Plaza Medan Fair invited 30 orphans to attend a break fasting event and distributed gifts during the event in 30 June 2015. Plaza Medan Fair also gave a donation to orphans from Griya Yatim and Dhuafa in 1 July 2015, as well as invited Christian orphans to play in the mall and distributed gifts to them on 12 December 2015.

## 2. Improving the Quality of Public Healthcare

The Company contributes to improve healthcare services through the operation of international hospitals in various regions in Indonesia, including in some remote areas, and by investing in various most advanced medical equipments for those hospitals.

As of 31 December 2015, the Company's subsidiary, PT Siloam International Hospitals Tbk, operated 20 hospitals with total capacity of more than 4,800 beds, 2,100 general practitioners and specialists, and 8,200 nurses and medical professionals.

In addition to generating an income to the Company, the hospitals were established to ensure that the local community will have access to a good quality and affordable primary and secondary health care services.

Through Siloam Hospital, the Company also regularly conducts CSR activities to provide more healthcare access to the society regardless of their economic background, by organizing free medical treatment activities in collaboration with the Government and social organizations nearby the hospitals.



CORPORATE  
SOCIAL  
RESPONSIBILITY

In 2015, the objective of Siloam Hospitals integrated CSR program was “to provide periodic health examination in the Greater Jakarta area”, which was aimed to provide health services for people living in the Greater Jakarta area, including educating the public about healthy behaviors.

Seven Siloam Hospitals were involved in this program, they were MRCCC Siloam Semanggi, Siloam ASRI, Siloam Hospital Lippo Village, Siloam Hospital Lippo Cikarang, RS Umum Siloam, RS Jantung Diagram, and Siloam Hospital Kebon Jeruk.

The activities carried out by Siloam were medical examinations for seniors, medical examinations for children and mothers, nutritional examination, blood sugar and blood pressure examinations, as well as consultancy with general practitioners from Siloam Hospitals. This event was held from October to November 2015 at 9 locations in Greater Jakarta area:

- Lippo Cikarang on 21-23 September 2015 held a healthcare counseling, eye examination and spectacles donation event for 1,000 students of SDN Cibatu, South Cikarang.
- Gajah Mada Plaza in collaboration with the tenant association held periodic blood donation drives on a quarterly basis on 1 April, 23 July, 16 October, and 31 December 2015. They also organized a Ramadhan donation and break fasting event as well as distributed 500 gift packages to local communities in seven communities nearby Gajah Mada Plaza.
- Lippo Mal Kuta handed over a donation of IDR7,500,000 to Yayasan Bali Peduli on World AIDS Day on 1 December 2015. The donation was collected from Zumba Party ticket sales in the mall.
- Pejaten Village held a blood donation drive involving tenants of Pejaten Village on 26 December 2015 with 66 participants.

Area	Venue	Date	Number of Participants
Central Jakarta	Mayor Office Central Jakarta	4 October 2015	350
Bogor	GOR Pajajaran	10 October 2015	500
Bekasi	Hypermart Orange County	18 October 2015	350
West Jakarta	Mayor Office West Jakarta	18 October 2015	200
Tangerang	Mayor Office South Tangerang	18 October 2015	500
East Jakarta	GOR Ciracas	25 October 2015	350
Depok	Mayor Office Depok	25 October 2015	150
South Jakarta	GOR Ragunan	11 November 2015	150
Central Jakarta	Lapangan Banteng	11 November 2015	350

Siloam was able to serve 2,900 people during these events.

Other health care activities in 2015 conducted by the Company include:

- Lippo Village Blood Donor Club organized a blood donation drive on 23 February 2015. There were 138 participants, resulting in 94 bags of blood donated to PMI Tangerang.
- Aryaduta Hotel Palembang held a blood donation drive for employees in collaboration with PMI Palembang, resulting in 30 bags of blood.
- In 2015, Lippo Plaza Kramat Jati held 8 blood donation drives and a break fasting event on 9 July 2015.
- Bandung Indah Plaza (BIP) organized 2 blood donation drives in cooperation with infinity. co and Tupperware business community with theme “A Drop for Hope“. BIP also initiated an event called “Balad Juara” to select and to give an award and appreciation to young talent with achievement in Bandung, as well as supporting their business units.



## { 20 Hospitals

**As of 31 December 2015,**

PT Siloam International Hospitals Tbk, a subsidiary of the Company, operated 20 hospitals with more than 4,800 beds, 2,100 general practitioners (including specialists), and 8,200 medical professionals.

- Binjai Supermall arranged 3 blood donation drives as commemoration of Independence Day of Indonesia; 17 August, Kartini Day, and Christmas. Binjai Supermall also organized a break fasting event and distributed gifts to orphans.
- City Of Tomorrow held a blood donation event on 15 January 2015, distributed gifts to orphans on 11 July 2015, and celebrated Christmas by donating funds to orphans on 26 December 2015.
- Plaza Medan Fair organized an event called "Cervical and Breast Cancer Awareness" to commemorate Kartini day on 25 April 2015 in collaboration with RS Siloam Dhirga Surya Medan and two blood drives on 24 April 2015 and on 17 August 2015.
- Sun Plaza held a break fasting event with orphans living nearby the mall and held a blood donation drive with Lions Club on 13 September and on 13 December 2015, as well as organized a Christmas celebration with 300 orphans on 14 December 2015.
- Mall WTC Matahari conducted a blood donation drive with PMI Tangerang, Yayasan Jantung Indonesia and organized a blood pressure examination, blood sugar and cholesterol examination in cooperation with Mediplus. Mall WTC Matahari also held an event with 300 orphans during Ramadhan, and adoption day program with "Pet Dog" community.

### 3. Prioritizing Environmental Care

Lippo Karawaci consistently promotes environmental sustainability in the development of its properties. The Company continues to apply the concept of environmentally friendly, complementing the existing green space with the best facilities.

As an example, in 2015, approximately 21% of the total land area in Lippo Village was allocated for green space, with more than 58,069 trees planted to anticipate the impact of climate change, rising temperature, and air pollution.

Lippo Karawaci also constructs water treatment and sewage treatment plants to recycle water into drinking water and irrigation. The Company township development projects have also been equipped with rules for flood protection in their blueprints. For example, the golf course in Lippo Village is strategically placed to naturally absorb rainwater into the groundwater system. Kemang Village also has a water detention basin with a capacity of 90,000 cubic meters of rainwater.

Environmental care activities carried out by the Company in 2015 were:

- Aryaduta Hotel Pekanbaru participated in "Earth Hour" campaign by turning off all lights for 60 minutes on 28 March 2015. They also planted 215 trees in the hotel area to commemorate Earth Day on 22 April 2015.
- Lippo Village continues to make innovations to improve the beauty of its surroundings, ie: persuading residents to collect trash bottles and transform them to a giant Christmas tree. The aim of this activity was to establish a sustainable and meaningful environment for our future generation by "reduce, reuse & recycle".

CORPORATE  
SOCIAL  
RESPONSIBILITY

- Lippo Mall Istana Plaza organized a campaign in cooperation with World Wildlife Fund (WWF) using education facilities to encourage people to participate in animal rescue by re-tweeting messages related to it.

The development of townships also provides employment opportunities to local communities. As of 2015, the Company's primary townships provided employment to more than 508,967 people while Lippo Cikarang, an air pollution free light industry township provided employment opportunity to more than 448,000 people. The Company's business units which manage 20 hospitals, 43 malls and 8 hotels throughout Indonesia also absorbed manpower in significant numbers.

Those various new employment opportunities have been able to provide benefits to local communities and employees, allowing them to achieve a better quality of life; and therefore the Company should be proud of its involvement in creating employment opportunities for the people in Indonesia.

4. Services for the Residents

Lippo Karawaci is committed to its loyal customers who have bought and live in the townships developed by the Company by continually providing and managing a variety of services for the residents of its townships through the Town Management Division (TMD).

There are some services provided by TMD to the residents, such as street and waterway maintenance management, waste and water management, 24 hour 7 day a week security system, transportation and traffic management, building plan and regulation, and many others services.

TMD maintains the quality of life of the community through its excellent services. This unit focuses on providing comfort and convenience to the residents of the townships. The Management services provided by TMD have contributed to the land price improvement and the loyalty of residents of the areas developed by the Company.



508,967 jobs

All Lippo Karawaci Townships  
have provided jobs for more  
than 508,967 people.



## 2015 Annual Report Lippo Karawaci

# Corporate Data

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## Profile of the Board of Commissioners



**Theo Leo Sambuaga**  
President Commissioner

Mr. Theo Sambuaga (66) is an active politician with a vast experience in the parliament and government circles, including previous postings as Minister of Labour and as State Minister for Housing and Settlement. In addition to his distinguished political career, Mr. Theo Sambuaga also has close involvement in the business world, and particularly with a number of entities in the Lippo group of companies. Since May 2010, he served as President Commissioner of PT Lippo Karawaci Tbk and several subsidiaries of Lippo Group.

Mr. Theo Sambuaga holds a Master degree in International Public Policy from John Hopkins University, Washington DC, USA.

Previously, he graduated with a Bachelor's Degree from the Faculty of Social and Political Sciences, University of Indonesia.

### **Surjadi Soedirdja**

Vice President Commissioner &  
Independent Commissioner

Mr. Surjadi Soedirdja (77) is a prominent figure with extensive experience and knowledge in the government, security, and urban development sectors.

Previously, he has served as Coordinating Minister for Social, Political, and Security Affairs and the Minister of Home Affairs, as well as the Governor of Jakarta.

Mr. Soedirdja had a distinguished career in Indonesia Army and participated in various military and government educations and training throughout his tenure.





### **Agum Gumelar** Independent Commissioner

Mr. Agum Gumelar (70) is a respected Army General with over 30 years of experience in managing large-scale organizations and complex operations. He has a sound reputation for developing and implementing national policies for infrastructure, transportation, and national security sectors.

Mr. Gumelar has served as both the Minister of Transportation & Telecommunications and as Coordinating Minister for Political, Social and Security Affairs. Previously, he also held various strategic positions in the military.

Besides several military educations, Mr. Gumelar also holds a Master of Science degree in Management from American World University, USA.

### **Farid Harianto** Independent Commissioner

Mr. Farid Harianto (63) has an extensive experience in the field of economics and banking. He was the vice chairman of the Indonesian Bank Restructuring Agency in 1998 - 2000, where he pioneered the consolidation of the banking sector and was instrumental in the recovery of Indonesia following the financial crisis in 1997-1998. In addition, he was an advisor to the Governor of Bank Indonesia, and Special Staff to the Vice President of the Republic of Indonesia.

Mr. Harianto holds a Master degree in Applied Economics (1988) and Honorary Ph.D. Degree (1989) from the Wharton School University of Pennsylvania, USA.

He currently serves as Independent Commissioner in several companies: PT Sepatu Bata Tbk, PT Lippo Karawaci Tbk, PT Unggul Indah Cahaya Tbk, PT Siloam International Tbk, and PT Toba Bara Sejahtera, and as a member of the Risk Oversight Committee of Bank Maybank Indonesia Tbk.





## PROFILE OF THE BOARD OF COMMISSIONERS

### **Prof. DR. H. Muladi, SH** Independent Commissioner

Prof. Dr.H. Muladi, SH (72) was the Minister of Justice and the Minister of State Secretary during the Development Reform Cabinet era. He currently serves as the Chairman of the Institute for Democracy and Human Rights at the Habibie Center, Jakarta, President Commissioner of PT Pollux Properties (2015 – present), Independent Commissioner of PT First Media Tbk (2013 – present), Independent Commissioner of PT Lippo Karawaci Tbk (2013 – present), President Commissioner of PT Multipolar Technology Tbk (2013 – present), Senior Advisor Lippo Group (2012 – present), President Commissioner of PT Mulia Argo Perkasa, Surabaya (2012 – present), Founder & Chairman Justitia Law Firm, Jakarta (2011 – present).

Previously, he was the Rector of the Diponegoro University (UNDIP), the Head of the National Defense Institute (Lemhanas), and Chief Justice of the Supreme Court.

Prof. Muladi has a Bachelor degree from the Law Faculty, Diponegoro University, Doctor of Law from the Graduate Program of Faculty of Law, Padjadjaran University (UNPAD), and also graduated from the International Institute of Human Rights, France.



### **Sutiyoso** Independent Commissioner

Mr. Sutiyoso (71) is highly respected Lt. Gen. (Ret) who served as the Governor of Jakarta two terms (10 years). Currently, he serves as Independent Commissioner at PT Lippo Karawaci Tbk.

Before becoming the Governor of Jakarta, his track record in the Indonesia military was brilliant.

He spent his military career mainly in Special Forces Command (Kopassus), his last position was Deputy Commander General of Kopassus. In addition, he also served as Commander of Korem 062 Surya Kencana, Bogor and Commander of the Jakarta Military District Command (Kodam Jaya).

In addition to participating in military education and training, Mr. Sutiyoso also has a law degree from the Military Law School (Sekolah Tinggi Hukum Militer, STHM), Doctor (HC) in Politics from Busan University, South Korea, and Doctor (HC) in Economics from the University of Diponegoro.

## Tanri Abeng

### Commissioner

Mr. Tanri Abeng (73) has a vast experience in the government, multinational corporations, and corporate governance sectors. In addition to being an Independent Commissioner in the Company, he also holds various positions, including Chairman of the Executive Center for Global Leadership, Co-chairman of the Indonesia-Malaysia Trade Office, a member of Non-Aligned Movement Business Council, and President Commissioner of PT Pertamina.

Before joining the Board of Commissioners, Mr. Abeng held various positions, including as Commissioner of the Jakarta Stock Exchange, the Minister of State Enterprises and a member of the Assembly. In addition, he also served as Director of PT Multi Bintang Indonesia, PT BAT Indonesia and President Commissioner of PT Telkom Indonesia Tbk.

Mr. Abeng earned an MBA from the State University of New York, and completed the Advanced Management Program at Claremont Graduate School, Los Angeles, USA. In 2010, he earned a Doctorate in the Field of Interdisciplinary Studies from the University of Gajah Mada.



## Viven Gouw Sitiabudi

### Commissioner

Mrs. Viven G. Sitiabudi (60) has had a brilliant career in the various companies where she worked. Her experience in Management, Corporate Planning and Marketing has contributed to the success story of Lippo Karawaci. Currently, she also serves as Executive Director of Lippo Malls Indonesia Retail Trust (LMIRT) Management, Ltd.

Mrs. Sitiabudi pioneered the establishment of PT Lippo Life Insurance and served as its President Director until 1995. Under her leadership, PT Lippo Life Insurance successfully became one of the largest life insurance companies in Indonesia. Prior to that, she was the CEO of Legal and General Australia in Indonesia and also a Vice President Director of Allianz Life Indonesia. Mrs. Sitiabudi graduated from the University of New South Wales, Australia with a Bachelor's Degree in Computer Science and Statistics (1977) and she also registered as a Chartered Financial Consultant (ChFC) in 2003.

## Profile of the Board of Directors



**Ketut Budi Wijaya**  
President Director

Mr. Ketut Budi Wijaya (60) joined PT Lippo Karawaci Tbk with his expertise and competence in Accounting and Corporate Finance, actively serving as President Director of PT Lippo Karawaci Tbk since May 2010. Concurrently, he serves as the President Commissioner of PT Gowa Makassar Tourism Development Tbk (GMTD), President Commissioner of PT Lippo Cikarang Tbk, and also a Non-Executive Director at Bowsprit Capital Corporation Limited, Singapore.

Prior to joining the Company, Mr. Wijaya was appointed to various executive positions in Lippo Group, including serving as Commissioner at PT Multifiling Mitra Indonesia (2010-2015), Independent Commissioner at PT Multipolar Tbk (2006 – 2008), Director at PT Matahari Putra Prima Tbk (2001 – 2006), and Audit Manager at PT Bank Lippo Tbk (1987 – 1990).

In addition, he has served as Auditor Supervisor at Darmawan Public Accounting Firm & Co (1976 – 1987), and previously as Production Planning Staff at PT Bridgestone Tire Indonesia (1975 – 1976).

Mr. Ketut Budi Wijaya graduated from Sekolah Tinggi Ekonomi Indonesia in Accounting major (1982) and earned a Diploma from the Akademi Akuntansi Indonesia (1980).



**Tjokro Libianto**  
Director

Mr. Tjokro Libianto (57) is a professional with in-depth knowledge of regulations of land development requirements.

He earned an Accounting degree from Brawijaya University, Malang and started his career in PT Dwi Satya Utama Group Surabaya (1984 – 1988) as Administrative & Finance Manager, then continued his career in the same position at PT Tifa Securities.

In 1990, he joined Lippo Group. With his extensive experience, he is able to share precise points of view and contribute to negotiations related to the land acquisition by the Company. His contribution gives much influence in the success of the Company's land development.



**Stephen Choo Kooi Yoon**  
Director

Mr. Stephen Choo (65), Singaporean, joined Lippo Karawaci in 2012 and held the position as Executive Director to lead the Development Management & Technology Division, overseeing the strategic landbank, township development and mixed-used development, including hospitals, malls, residences, hotels, and schools. He also contributed in Talent Management. In 2013, he was appointed as Director of PT Lippo Karawaci Tbk.

Mr. Choo is a professional engineer with more than four decades of experience in planning, designing, large-scale developments, such as: reclamation, ports/harbors, oil and gas, and water treatment in countries such as: Singapore, Malaysia, India, Pakistan, Saudi Arabia, Vietnam, Thailand, the Philippines and China.

He started his career as Senior Infrastructure Engineer in Jurong Town Corporation, Singapore (1975 –1982), then serving as Managing Director in Promet Berhad, Malaysia. In 2003 –2011, Mr. Choo served as Senior General Manager for International Projects in Keppel Land International; and as Strategic Advisor in Meinhardt International (2011 –2012).

Mr. Choo earned his Bachelor's Degree in Civil Engineer and Diploma of Business Administration from National University of Singapore (NUS).

He is also a registered professional engineer in the Engineering Council, UK; and he also has a license of a professional engineer of Civil & Structural in Malaysia, as well as a professional engineer of Geotechnic & Structural in Singapore. Mr. Choo is also registered with several organizations, such as ICE, ASCE, ISSFME, IES, IEM, ISEE, and SMC.



**Johaness Jany**  
Director

Mr. Johaness Jany (49) started his career at PT Matahari Putra Prima Tbk as Finance Accounting Manager from 1989 to 1995. Later, he was appointed as Director Real Estate & Store Planning (2005 – 2010), then serving as Director of Property & Asset Management at PT Matahari Putra Prima Tbk. In 2014, he was appointed as CEO of PT Lippo Malls Indonesia and currently serves as a commissioner in several Lippo subsidiaries.

Mr. Jany earned an Accounting degree from North Sumatra University (1991).

## PROFILE OF THE BOARD OF DIRECTORS



**Ninik Prajitno**

Director

Mrs. Ninik Prajitno (50) has been with Lippo Group since 1996, as Director of PT Lippo Merchants Finance (1996 – 1999), as Associate Director of Asset Management & Administration in PT Lippo Bank Tbk (1999 – 2002), and as Associate Director of Consumer Banking (2002 – 2004). In the next of her career, she was appointed as Chief of Marketing for Lippo Malls (2004 – 2007), continued as Chief Finance Officer for Lippo Homes (2011 – 2013), and as Director of PT Gowa Makassar Tourism Development (GMTD) (2013 – 2015). Since 2014, she is a Director of PT Lippo Karawaci Tbk.

She earned a Bachelor of Arts degree from the University of Washington, Seattle, USA in 1989.



**Rahmawaty**

Director

Mrs. Rahmawaty (51) received an Economics Degree from Trisakti University in 1988. She started her career in finance in 1987 as an auditor in Prasetyo, Utomo & Co, a Public Accounting Firm (1987 – 1996).

Later, she joined PT Lippo Land Development Tbk as Director 1996 – 1999. At the same time, she also served as Commissioner of PT Lippo Cikarang Tbk as well as Director in PT Lippo Karawaci Tbk (1997 - 1999). In 2002, she was appointed as Vice President Director in PT Lippo Bank Tbk; prior to that, she served as Director at PT Lippo Bank Tbk (1999 – 2002). She has served as Director of PT Lippo Karawaci Tbk from 2006 up to the present.



### **Alwi Sjaaf** Independent Director

Mr. Alwi Sjaaf (55) is an experienced architect who earned an Architecture degree from the Technische Fachhochschule, Berlin, German (1984). In 2014, he joined EMBA program from Pelita Harapan University – Peking University.

He currently serves as Director in PT Lippo Karawaci Tbk as well as CEO of Lippo Village.

He previously held several key positions such as: Director and Design & Development Consultant in PT Citatah Tbk, President Director in PT Sukses Majutama Serasi (2010 - 2012), also as President Director in PT Reformed Culture Center (2009 – 2013), Shareholder & Director in PT Gema Satya Perkasa (1991 – 2000). In addition to being an active contributor to several design magazines (1999 – 2004) and Bracasa magazine (2013 – 2015).



### **Jenny Kuistono** Independent Director

Mrs. Jenny Kuistono (52) is a graduate in Electrical Engineering from Trisakti University, Jakarta. She started her career as Junior System Engineer in PT Multipolar Corporation Tbk, later serving there in several key positions: President Director as well as Commissioner of PT Sharestar Indonesia; General Manager of PT Jasa Century Permai Nusantara (JCPenny); and Director of PT Multipolar Tbk.

With her knowledge of regulations and compliance of public companies, she was appointed as Corporate Secretary of PT Lippo Karawaci Tbk in 2004. Currently, she actively serves as Independent Director in PT Lippo Karawaci Tbk.



# Profile of Senior Executives

## Corporate



### Norita Alex

Mrs. Norita Alex, (51), has 30 years experience. In 1986, she began her career as Credit Administration Bank of Trade – Los Angeles. From 1988 for 17 years at PT Lippo Bank Tbk, and her last achievement as HR Group Head.

Ms. Norita joined PT Lippo Karawaci Tbk as Corporate HR Director in December 2005, and in May 2007 as Marketing Director Lippo Village and on August 2013 as Talent Admin Director.

She earned her degree in Accounting from Sydney Technical College.



### Mark Wong

Mr. Mark Wong, (68), is Executive Director of PT. Lippo Karawaci, Tbk. An experienced banker, stockbroker and venture capitalist. He has more than 30 years of financial markets experience in Indonesia. He came to Indonesia as Country Representative for the five largest Singapore Banks in the mid-1970's and was subsequently involved in the ADB study, which resulted in the establishment of the Indonesian stock markets. He co-founded and managed two securities companies and participated in the establishment of the Indonesia Venture Capital Industry and helped create the AMVI (Asosiasi Modal Ventura Indonesia) and APVCA (Asia Pacific Venture Capital Alliance) in which he held founding board positions.

Prior to joining Lippo Karawaci in 2008, Mr. Wong was involved in a variety of merger and acquisition transactions and financial advisory roles. Besides being active in business, professional and community service organizations, he also held board positions in the International Business Chamber and the Singapore Chamber of Commerce, which he co-founded.

Mr. Wong is a business graduate from the University of Singapore and University of Pennsylvania, USA.



### Lee Heok Seng

Mr. Lee Heok Seng (53), with more than 20 years of banking experiences, he has garnered a wide spectrum of insights, spanning from business development, structuring and risk management. Building from his senior positions substantially gained from the foreign financial institutions, he became Managing Director & Chief Risk Officer of PT Bank Lippo Tbk.

He subsequently ventured into training & consultancy businesses and spent about a decade as an entrepreneur gaining additional exposures.

Prior to joining PT Lippo Karawaci, he was appointed Vice Dean of Business School at UPH, and this augured well with his business studies obtained from the National University of Singapore, coupled with his vast experiences from banking and being an entrepreneur. He currently still sits on the Executive Committee and UPH Board, value adding to the strategic vision and operations of UPH Business School.



### Susanto

Mr. Susanto (46) has more than 20 years experience as a professional businessman. He started his career working as Andersen World-Wide Manager with Prasetyo, Utomo & Co. Public Accounting Firm in 1992. He has had 16 years of career with the Lippo Group since 2000.

Mr. Susanto joined PT Lippo Karawaci Tbk as Head of the Finance and Accounting Division, and in 2001 was appointed as Director at PT Lippo Cikarang Tbk. He held the position of Accounting Director at PT Lippo Karawaci Tbk since 2004 up to the present, and since April 2014 also held the position of Director at PT Lippo Cikarang Tbk. He obtained a Bachelor degree in Accounting from Sekolah Tinggi Ilmu Ekonomi "YAI" in 1992.

## PROFILE OF SENIOR EXECUTIVES

### Lippo Malls



#### Marshall Martinus

Mr. Marshall Martinus (41) has been an Executive Director of Lippo Malls since October 2013. He began his professional career as Corporate Secretary of PT Indah Pesona Bogor (Ekalokasari Plaza - Bogor) in 2001, he became a Director of Operations in 2003 becoming Director of Operations. In 2005, he became Mall Director of Ekalokasari Plaza, Bogor. In 2007, he continued his career at PT Lippo Malls Indonesia as a Portfolio Analyst.

Later in 2010, he became Lease Management Head and in 2011 as Leasing Support & Service Head. In May 2013, Mr. Marshall became Deputy Director of Property Management, before becoming Executive Director.

Mr. Marshall holds a Bachelor's degree from the Faculty of Computational Mathematics and Natural Sciences, Institut Pertanian Bogor.



#### Anwar Arifin Salim

Mr. Anwar Salim (44) joined PT Lippo Malls Indonesia as Executive Director of Operations in 2013. He started his professional career as a Senior Accounting Manager at PT Tri Cipta Buana Karsa (1991-1993) and continued as Accounting & System Administration Manager at BII Lend Lease Investment Service (1993 - 1998). He also worked at PT. Simas Lend Lease Life (1997 - 1998) as Accounting & System Administration Manager.

Afterward, he worked for PT Summarecon Agung Tbk (1999 - 2013) in a variety of positions ranging from Finance & Accounting Manager, Leasing Manager, General Manager of Leasing, Deputy Executive Director - Sentra Kelapa Gading, as well as the Executive Director at Sentra Kelapa Gading. Mr. Anwar is also active in various organizations, as a member of the Organizing Committee for Jakarta Great Sale, member of the Chamber of Commerce and Industry (Kadin) for Shopping Centers, and DPD member of the Indonesia Shopping Center Management Association (APPBI) in the field of Public Regulation & Rules, Advocate & Legal.

Mr. Anwar received a Bachelor's degree in Accounting from Universitas Tarumanegara, Jakarta in 1995. In 1997, he also passed the Professional Skills Test for Investment Managers of the Capital Market Professional Standards Committee. In addition, he also actively participates in training and seminars both domestically and abroad.



### Eddy Mumin

Mr. Eddy Mumin (47) joined PT Lippo Malls Indonesia in 2011. Previously, he worked at PT Plaza Indonesia (1990 - 1992) as the Promotion Supervisor. Then, joined PT Advisindo Artistika (1992 - 1994) as a Media & Production Manager.

He joined PT Lippo Karawaci Tbk (1995 - 2007) as General Manager for Asset Enhancement. Afterward, he worked for PT. Agung Podomoro Land Tbk (2007 - 2011) as CEO, Kuningan City and Deputy COO, Senayan City.

Mr. Eddy is a graduate of Trisakti University majoring in Civil Engineering.



### Edward NG

Mr. Edward NG (47) has over 20 years experience in Finance both domestically and internationally. He worked at DFS Group (1995 - 2012) in a variety of positions ranging from Accounting Manager in Saipan Division, Saipan, Commonwealth of Northern Marianas Islands, then as Business Planning Manager, and later as Regional Director of Business Planning at Mid-Pacific Region, Guam, USA. Afterward, he served as Corporate Director of Business Planning and Finance Director in San Francisco. In Hong Kong, he also served as Asia Vice President for Finance, Talent Management & Logistics, then as East Vice President, Operations & Control, as well as Global Vice President, Operations & Control. He also worked at GNLD International, LLC (2013 - 2014) as Vice President Finance and Chief Operating Officer.

He graduated from Stanford University Graduate School of Business, Executive Program in Strategy and Organization. He also graduated from California State University, Sacramento, USA, with a Bachelor of Science, Business Administration majoring in Accounting.

## PROFILE OF SENIOR EXECUTIVES

### Lippo Homes



#### **Gordon Benton, OBE**

Mr. Gordon Benton (82) joined Lippo Group in 1991 as Director of Planning and Development.

He has extensive experience in urban planning, city management, conceptual architectural and construction design, and project and municipal management. Mr. Benton has a distinguished career in several countries, including Scotland, Kenya, Iran, the Indian sub-continent and many Southeast Asian countries.

He also had the distinction of being named an Officer of the Most Excellent Order of the British Empire by Queen Elizabeth II. Mr. Benton is a member of the Singapore, Malaysian and Royal Institute of British Architects.

In addition to having won several awards and citations in architectural design competitions in Pakistan, Kuala Lumpur, Singapore and Indonesia, he has been an active member of the St. Andrew's Societies in Brunei, Singapore and Indonesia. Today Mr. Benton is Planning, Infrastructure and Municipal Management Auditor at PT Lippo Karawaci Tbk.



#### **Meow Chong Loh**

Mr. Meow Chong Loh (63), he joined Lippo Cikarang as President Director in 2007.

He began his professional career as Senior Project Manager and rose through the ranks up to Executive Director at Pembinaan Desakota in Malaysia. In 1989 in the USA, he became a partner in Uni-Con Development and then President of Euston Development Corporation and Monfric Construction. In 1995, he oversaw the construction of two large coal-fired power plants in China. He had also served in other positions including as Senior Vice President of Ascendas – AJTC Company, and General Manager for Tan Chong Motor Holdings Berhad.

Mr. Loh obtained a Bachelor of Science in Civil Engineering from the National Taiwan University in 1976.



#### **Jopy Rusli**

Mr. Jopy Rusli (53), he joined Lippo Group as Chief Marketing Officer Lippo Homes in 2013. Having 30 years experience as a professional architect, he started his career working as Project Designer with Tritipo & Associates Carlsbad, California, USA (1986-1987), as Project Manager and Designer with Pacific Group Architecture & Planning, San Diego, California, USA (1988-1989), as a Director at PT Califa Pratama (1990-1993), a subsidiary of Gunung Sewu Group & PT Duta Anggada Realty, and as Commissioner at PT Bukit Sentul Tbk (1995-1998).

He obtained an MBA degree in Real Estate from National University, San Diego, California, USA.



### Ivan S. Budiono

Mr. Ivan Budiono (57) started his career working with PT Bank Lippo Tbk where he had served in various positions, from Regional Head, Head of Branch Group, Head of Central credit, and as a member of the Board of Directors (1987-2004). He had also served as President Director/CEO of PT Lippo General Insurance Tbk (2005-2011), and Director at PT Lippo Karawaci Tbk (2011-2012). At present, he is serving as CEO Lippo Homes since 2012.

He obtained a Bachelor in Chemical Engineering from University of Southern California, Los Angeles, USA, in 1983, and an MBA degree from Loyola Marymount University, Los Angeles, USA, 1986.



### Chan Chee Meng

Mr. Chan Chee Meng (55) has served as Senior Executive Lippo Homes since 2015. He began his career with Othman Hew & Co (1980-1984) as Senior Auditor and with Azman, Wong Salleh & Co (1985 - 1988). He had also served as Group Accountant/ Finance Manager with Jacks International Ltd./Williams Jacks & Co (1989) and Finance Manager at Nam Fatt Berhad (1990 - 1992).

Next, he worked with Amanah Capital Partners Berhad (1999 - 2002) with his last position as Director, Finance & Information Technology Group, and as Director, Property Division. He then served as Chief Executive Officer at Kuala Lumpur Central (2002 - 2008), Executive Director at Guocoland (M) Bhd (2008 - 2010), Head of Property at Fitters Diversified Bhd (2011 - 2012), and Executive Director at Tanco Holdings Bhd (2012 - 2015).

He is a graduate of The Malaysian Institution of Certified Public Accountants (1986) and the Chartered Institute of Management Accountants (1988).



### Hong Kah Jin

Mr. Hong Kah Jin (40) is a Malaysia citizen. He is presently the Vice President Director of PT Lippo Cikarang Tbk since May 2015. He previously joined PT Lippo Cikarang Tbk as Vice President Director in April 2013 and then Commissioner in April 2014. Mr. Kah Jin is concurrently Controller at PT Lippo Karawaci Tbk, specializing in asset divestments to Singapore-listed REITs. Previously he was the Country Financial Controller at Keppel Land International, Vietnam (2007 - 2013), Country Financial Controller at The Ascott Group, Vietnam (2004 - 2007) and Chief Accountant with Mekong Flour Mills, Vietnam (2003 - 2004).

He began his career as an Audit Manager with PricewaterhouseCoopers, Kuala Lumpur, Malaysia (1997 - 2003). Mr. Kah Jin graduated with a Bachelor of Commerce, Monash University, Australia (1996), becoming a Certified Public Accountant in Australia (2000) and a Chartered Accountant in Malaysia (2000).



### Susan Tedjadinata

Ms. Susan Tedjadinata (43) joined Lippo Group as CFO Lippo Homes since 2013.

She has more than 20 years of experience working in the financial sector, beginning from 1993 as a Dividend Intern at the National Financial Service (NFSC), New York, USA. She continued to pursue her career in Citibank for 12 years with her last position as Vice President. Next, she worked with CBS Asia as Cluster Head (2008-2010), and with Standard Chartered Bank as Head of Consumer Banking Business Finance (2010-2012).

She obtained an MBA degree in International Finance from St. John's University, New York, USA.



PROFILE OF  
SENIOR EXECUTIVES

Siloam Hospitals



**dr. Gershu Chandy Paul**

Mr. Gershu Paul (56), he joined Lippo Group at PT Siloam International Hospitals as Group Chief Executive Officer (2006) and currently is Executive Chairman of Board of Commissioner at Siloam Hospitals Group.

Dr. Gershu started his career at Thorn Group Private Limited, Sri Lanka with last position as Director of Administration (1989 - 1993), Southern Health, New Zealand with his last position as General Manager of Clinical Services (1998 - 2001), Southland District Health Board, New Zealand with his last position as Chief Executive Officer (2001 - 2005), Hunter New England Area Health Services, Australia with his last position as Director of Medical Services (2006), and North West Area Health Services, Australia with his last position as Director of Medical Services (2009).

Dr. Gershu earned a Bachelor of Medicine and Bachelor of Surgery (MBBS) from the University of Bangalore, India in 1986, a Diploma in Sports Studies from the University of Otago, New Zealand in 1995, an MBA from the University of Otago, New Zealand in 1997. A graduate of the Fellow of the Royal Australasian College of Medical Administrations (FRACMA) from The Royal Australasian College of Medical Administrators, Australia in 2006.



**dr. Grace Frelita Indradjaja, M.M.**

Dr. Grace Frelita (58) is the Director of PT Siloam International Hospitals Tbk since 2007. Previously she served a physician in Dharma Jaya Hospital (1986 - 1989), Community Health Center “Keluarga Mulia” Jakarta (1989 - 1991), and Ongkomulyo Hospital, Jakarta. She joined Siloam Karawaci Hospital in 1995 and served in various positions as Clinical & Ancillary Services Administrator, Chief Operating Officer (1998) and Chief Executive Officer (2001).

Dr. Grace earned her degree in Medical Science from Universitas Katolik Atmajaya (1992) and earned her degree in Management Master from Universitas Esa Unggul (1997).



### **dr. Anang Prayudi**

Dr. Anang Prayudi (53) gained 22 years experience as a doctor in the Army and SOS International. He joined PT Siloam International Hospitals Tbk in 2011 as an Unaffiliated Director, and since 2014 served as a Director.

He earned a Bachelor of Medicine from Brawijaya University in Malang, East Java (1989) and Master of Occupational Medicine from the University of Indonesia (2006).



### **Romeo F. Lledo**

Mr. Romeo Fernandez (60) with his 39 years of professional experience as a Public Accountant in trade management and industry. After assuming a number of executive positions in various companies both in the Philippines and Indonesia, he joined the management team as Director of PT Siloam International Hospitals Tbk in 2010. Since 2014, he is the President Director/Independent Director at PT Siloam International Hospitals Tbk.

Mr. Romeo Lledo is a Certified Public Accountant in the Philippines, following the completion of Management Development Program at the Asian Institute of Management, the Philippines (1986). And Strategic Business Economics Program for Senior Executive in Center for Research and Communication, the Philippines (1991).

## PROFILE OF SENIOR EXECUTIVES

### Siloam Hospitals



**S. Budisuharto**

Mr. S. Budisuharto (57) has been the Corporate Secretary of PT Siloam International Hospitals Tbk since 2012. He started his career at PT Bank Lippo Tbk (1989-1994) as a Branch Manager, and then as the Regional Office Head and GM of Bank Branch Network. Later he worked for PT Asuransi Lippo Life Tbk (1994 - 2000) as Associate Director of IT and Bancassurance, and then as Director of Marketing & Sales, Operations & IT.

Next, he worked at PT Asuransi AIG Life (PT Asuransi AIG Lippo) from the year 2000 to 2008 as Vice President Director, for Marketing. Afterward, he worked for PT Siloam International Hospitals (2008 - 2010) as MRCCC Siloam Hospitals Project Coordinator. From 2008 to the present, he has been serving as Corporate Relation Advisor at Universitas Pelita Harapan (UPH). He also worked at PT AON Indonesia (2009 - 2014) as Director, as well as at PT AON Benfield Indonesia (2010 - 2014) as President Commissioner. From 2012 to the present, he has served as a Commissioner of PT Lippo General Insurance Tbk, active in that organization from 2006 to the present.

Mr. Budisuharto earned a Bachelor's degree in Economics from Parahyangan Catholic University, Bandung (1986). Currently, he is completing the Master of Management program at Universitas Pelita Harapan.



**Dr. dr. Andry, M.M., M.H.Kes.**

Dr. Andry (52) served as Managing Director Chief Enterprise & Operations Officer of Siloam Hospitals Group. Previously he served as a doctor in Papua (1990 - 1992), at the Gatot Subroto Army Hospital (1992 - 1993), and Mitra Keluarga Hospital in Bekasi (1993 - 1995). He also served as secretary of the Hospital Association of Indonesia (PERSI) and Vice Chairman of the Permanent Commission for Quality Development and Hospital Services at the Chamber of Commerce and Industry (Kadin).

He earned a Doctor from the Faculty of Medicine Yarsi Jakarta (1989), Master of Management (Hospital Concentration) from Esa Unggul University of Indonesia, Jakarta (1998), Masters in Health Law from the Catholic University Soegiopranoto Semarang (2008), and Doctor of Law from the University of Pelita Harapan in Jakarta (2011).

## Hotels & Hospitality



### Juergen Fischer

Mr. Juergen Fischer (58) joined Lippo Group as General Manager and later promoted to Chief Operating Officer at The Aryaduta Hotels, Resorts & Residences, Imperial Aryaduta Hotel, Makassar (2005 - 2007). At present, he also serves as Chief Operating Officer - Infrastructure & Hospitality at The Aryaduta Hotels, Resorts & Residences, Jakarta, Indonesia (2007 - present). Previously, he served as General Manager in a number of hotels and resorts including at Golden Sands Beach Resort, Hoi An, Vietnam (2004 - 2005), Nakamanda Resort & Spa, Krabi, Thailand (2002 - 2004), Gloria Resort & Spa, Hainan, Sanya, China (2001 - 2002), Aerowisata Hotels & Resorts Sanur Beach Hotel, Sanur, Bali, Indonesia (1998 - 2001), and Aerowisata Hotels & Resorts Pool Villa Club, Senggigi Beach, Lombok, Indonesia (1993 - 1998). In addition, he has also worked at Palm Grove Beach Resort, Charating, Malaysia (1992 - 1993), Patra Jasa Hotel, Bali, Indonesia (1990 - 1992), The Royal Paradise Hotel, Phuket, Thailand (1989 - 1990), and Royal Garden Beach Resort (Marriott), Hua Hin, Thailand (1986 - 1989).

# Projects

# Business Unit Addresses

## Urban Development



Lippo Village  
Marketing Gallery, Menara Matahari 1st Floor  
Jl. Boulevard Palembang Raya No. 7  
Lippo Village Sentral  
Tangerang 15811, Banten, Indonesia  
Tel. 62 (21) 5420 3636  
Fax. 62 (21) 5420 3535



Easton Commercial Centre  
Jl. Gn. Panderman Kav. 05  
Lippo Cikarang  
Bekasi 17550, Indonesia  
Tel. 62 (21) 897 2484, 897 2488  
Fax. 62 (21) 897 2039, 897 2493



Plaza Semanggi  
Gedung Veteran 7th Floor  
Kawasan Bisnis Granada  
Jl. Jend. Sudirman Kav. 50  
Jakarta 12930, Indonesia  
Tel. 62 (21) 574 5501  
Fax. 62 (21) 574 5503



Tanjung Bunga  
Jl. Metro Tanjung Bunga Mall GTC  
GA-9 No. 1B, Tanjung Bunga  
Makassar 90134  
South Sulawesi, Indonesia



Royal Serpong Village  
Ruko WTC No. 5833, Jatiuwung  
Jl. Raya Serpong No. 39 Serpong  
Tangerang 15326, Banten, Indonesia  
Tel. 62 (21) 537 6420  
Fax. 62 (21) 537 6435



## Large Scale Integrated Development



City of Tomorrow  
Jl. Jend. Achmad Yani No.1  
Surabaya  
East Java, Indonesia  
Tel. 62 (31) 827 3888  
Fax. 62 (31) 827 3666



The Nine Residence  
Jl. Kemang Utara 9  
South Jakarta 12150,  
Indonesia  
Tel. 62 (21) 72 55 999



Kemang Village  
Jl. Pangeran Antasari No. 36  
Jakarta 12150  
Indonesia  
Tel. 62 (21) 725 5999  
Fax. 62 (21) 726 6999



The St. Moritz Penthouses & Residences  
Jl. Boulevard Puri Indah Raya Bl. U1  
Puri Indah CBD  
West Jakarta, Indonesia  
Tel. 62 (21) 5577 7775  
Fax. 62 (21) 5835 8607



St. Moritz Panakukang  
Jl. Boulevard - Panakukang  
Makassar, South Sulawesi  
Indonesia



Holland Village  
Jl. Letnan Jendral Suprpto No.1  
Jakarta 10510  
Indonesia



Park View Apartment  
Jl. Margonda Raya No.1  
Pondok Beji, Depok 16424  
West Java, Indonesia  
Tel. 62 (21) 7887 0070



Lippo Thamrin  
Jl. M. H. Thamrin Kav. 20  
Central Jakarta  
Indonesia



Orange County  
Jl. OC Boulevard Utara  
Lippo Cikarang, Bekasi 17550  
West Java, Indonesia



Monaco Bay Manado  
Jl. Pierre Tendean, Boulevard,  
Manado

## EMBARCADERO PARK

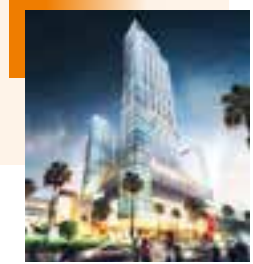
Embarcadero Park  
Jl. Raya Jombang 88  
Bintaro Sektor IX  
Pondok Aren, Tangerang



Millennium Village  
Marketing Gallery  
MaxBox, 1110 Boulevard  
Jend. Sudirman, Lippo Village  
Tangerang, Banten 15811



Holland Village Manado  
Jl. AA Maramis Kairagi, Mapangot,  
Manado, North Sulawesi





## Retail Malls

### PEJATEN VILLAGE

Pejaten Village  
Jl. Warung Jati Barat No. 39  
Jati Padang, Pasar Minggu, Jakarta, Indonesia  
Tel. 62 (21) 762 2611, 781 5818



PX Pavilion@ The St. Moritz  
Jl. Boulevard Puri Indah Raya Bl. U1  
Puri Indah CBD, West Jakarta, Indonesia  
Tel. 62 (21) 5835 1076



Lippo Mall Kemang  
Kemang Village, 36 Pangeran Antasari,  
Jakarta 12150



Grand Mal Bekasi  
Jl. Jend. Sudirman, Medan Satria, Bekasi 17143  
West Java, Indonesia  
Tel. 62 (21) 885 5328



Mal Lippo Cikarang  
Jl. M.H. Thamrin, Lippo Cikarang  
Bekasi 17550, West Java, Indonesia  
Tel. 62 (21) 897 2535 - 37



Ekalokasari Plaza  
Jl. Siliwangi No. 123, Bogor 16142  
West Java, Indonesia  
Tel. 62 (251) 831 8788, 838 7275

### PLUIT VILLAGE

Pluit Village  
Jl. Pluit Raya Indah 3<sup>rd</sup> Floor  
Jakarta 14450, Indonesia  
Tel. 62 (21) 668 3888/3634 - 22



Cibubur Junction  
Jl. Jambore No. 1, Kec. Ciracas  
Cibubur, Jakarta 13720, Indonesia  
Tel. 62 (21) 8775 5678, 873 3339



Lippo Mall Puri  
Jl Puri Indah Raya Blok U1  
West Jakarta  
Tel. 62 (21) 29111111



Blu Plaza  
Jl. Chairil Anwar no.27-36, Bekasi 17113.  
Tel. 62 (21) 8823555  
Fax. 62 (21) 8811234



Maxx Box Orange County Cikarang  
Jl. Orange County Boulevard  
Unit No. A-2  
Orange County Cikarang, Cibatu,  
South Cikarang



Istana Plaza  
Jl. Pasir Kaliki No. 121-123, Bandung  
Tel. 62 (22) 600 0404, 600 0100

### Plaza Semanggi

The Plaza Semanggi  
Kawasan Bisnis Granadha  
Jl. Jend. Sudirman Kav. 50  
Jakarta 12930, Indonesia  
Tel. 62 (21) 527 5878, 2553 6325



Tamini Square  
Jl. Taman Mini Raya, Pinang Ranti  
Jakarta, Indonesia  
Tel. 62 (21) 8778 5888



Depok Town Square  
Jl. Margonda Raya No. 01 Pondok Beji,  
Depok 16424, West Java, Indonesia  
Tel. 62 (21) 7887 0101



Metropolis Town Square  
Jl. Hartono Raya, Modern  
Kota Modern, Tangerang 15117  
Banten, Indonesia  
Tel. 62 (21) 5574 8384



City Walk Cikarang  
Jl. M.H. Thamrin Kav 108  
Lippo Cikarang, Bekasi 17550  
Indonesia



Bandung Indah Plaza  
Jl. Merdeka No. 56, Bandung 40115  
West Java, Indonesia  
Tel. 62 (22) 423 0850, 424 0336



Gajah Mada Plaza  
Jl. Gajah Mada No. 19 - 26  
Jakarta 10310, Indonesia  
Tel. 62 (21) 6385 8888, 633 6866



Kramat Jati Indah Plaza  
Jl. Raya Bogor Km. 19 Kramat Jati  
Jakarta 13510, Indonesia  
Tel. 62 (21) 809 5558, 809 5577



WTC Matahari  
Jl. Raya Serpong No. 39, Serpong  
Tangerang 15326, Banten, Indonesia  
Tel. 62 (21) 5315 5656



Benton Junction  
Jl. Boulevard Palm Raya No. 38  
Lippo Village, Tangerang 15811  
Banten, Indonesia  
Tel. 62 (21) 547 2307/547 2308  
Fax. 62 (21) 5421 1176



Bellanova Country Mall  
Jl. M.H. Thamrin No. 8  
Bukit Sentul Selatan, Bogor 16810  
West Java, Indonesia  
Tel. 62 (21) 8792 3888



Malang Town Square  
Jl. Veteran No. 2 Malang,  
East Java Indonesia  
Tel. 62 (341) 575 761



## Projects

Business Unit  
Addresses

## Retail Malls



City of Tomorrow  
Jl. Jend. Achmad Yani No. 288  
Surabaya 60234, East Java, Indonesia  
Tel. 62 (31) 827 5888



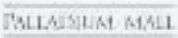
Batos Mall, Batu – Malang  
Jl. Diponegoro Kota Batu, Malang



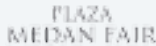
Lippo Plaza Kendari  
Jl. MT. Haryono, Kendari



Sitos Mall, Sidoarjo  
Jl. Jati Raya, Sidoarjo



Grand Palladium Medan  
Jl. Kapten Maulana Lubis No. 3,  
Petisan Tengah Medan 20112,  
North Sumatera, Indonesia  
Tel. 62 (61) 451 7106



Plaza Medan Fair  
Jl. Jend. Gatot Subroto No. 30  
Medan 20113  
North Sumatera, Indonesia  
Tel. 62 (61) 414 1888



Lippo Plaza Medan  
Jl. Imam Bonjol No. 6  
Medan  
Tel. 62 (61) 80511111



Sun Plaza  
Jl. H. Zainul Arifin No. 7, Medan 20152  
North Sumatera, Indonesia  
Tel. 62 (61) 450 1000/888



Binjai Supermall  
Jl. Soekarno Hatta No.14, Binjai 20731  
North Sumatera, Indonesia  
Tel. 62 (61) 882 5111, 7734 7171/7373



PSx Palembang Square Extension  
Building Management (4<sup>th</sup> Floor Mezzanine)  
Jl. Angkatan 45/Kampus POM IX - Ilir Barat I,  
Palembang 30137



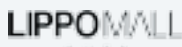
Palembang Square  
Jl. Angkatan 45, R63 - R65, Palembang  
South Sumatera, Indonesia  
Tel. 62 (711) 380 001, 378 313-4



Palembang Icon  
Jl. Pom IX, RT.30 RW. 09,  
Lorok Pakjo, Ilir Barat 1  
Palembang 30137  
Tel. 62 (711) 5649366-68



Lippo Plaza Sunset Bali  
Sunset Road Street, Kuta, Bali



Lippo Mall Kuta  
Jl. Kartika Plaza, Lingkungan Segara,  
Kuta-Bali 80361



GTC Makassar, Ruko GA 8 No. 35-36  
Jl. Metro Tanjung Bunga  
Makassar 90134  
South Sulawesi, Indonesia  
Tel. 62 (411) 811 4088



Lippo Plaza Buton  
Jl. Sultan Hassanudin No. 58  
Buton Island - South Sulawesi



LIPPO VILLAGE

Maxxbox Karawaci  
Jl. Boulevard Jend. Sudirman  
No. 1110, Lippo Village  
Tangerang, Banten 15810



Lippo Plaza Jogja  
Jl. Laksda Adisucipto No. 32 – 34,  
Demangan, Gondokusuman,  
Yogyakarta 55001 – Indonesia



Lippo Plaza Manado  
Jl. AA Maramis Kairagi II  
Kec. Mapangat  
Manado, North Sulawesi  
Tel. 0431-7210014



Lippo Plaza Kupang  
Jl. Veteran Fatululi Kec. Oebobo,  
Kupang, East Nusa Tenggara



## Healthcare

### Siloam Hospitals



Siloam Hospitals Kebon Jeruk  
Jl. Raya Perjuangan Kav. 8, Kebon Jeruk  
Jakarta 11530, Indonesia  
Tel. 62 (21) 530 0888  
Fax. 62 (21) 530 0876

### Siloam Hospitals

Rumah Sakit Asri  
Jl. Duren Tiga Raya No. 20  
Pancoran, Jakarta 12760  
Indonesia

### MRCCC Siloam Hospitals

MRCCC Siloam Semanggi  
Jl. Garnisun Kav. 2-3  
Karet Semanggi, Jakarta  
Indonesia  
Tel. 62 (21) 2996 2888

### Siloam Hospitals

Siloam Hospitals TB Simatupang  
Jl. R.A. Kartini No. 8  
Cilandak, South Jakarta  
Indonesia  
Tel. 62 (21) 29531900



### Siloam Hospitals

Siloam Hospitals Lippo Village  
Jl. Siloam No. 6, Lippo Village 1600  
Tangerang 15811, Banten, Indonesia  
Tel. 62 (21) 546 0055  
Fax. 62 (21) 546 0921

### Siloam Hospitals

Rumah Sakit Umum Siloam  
(RSUS)  
Jl. Siloam No. 6,  
Lippo Village 1600  
Tangerang 15811,  
Banten, Indonesia  
Tel. 62 (21) 5422 0770,  
5421 3003, 5421 5656

### Siloam Hospitals



Siloam Hospitals Lippo Cikarang  
Jl. M.H. Thamrin Kav. 105, Lippo Cikarang  
Bekasi 17550, West Java, Indonesia  
Tel. 62 (21) 8990 1088  
Fax. 62 (21) 8990 0022

### Siloam Hospitals

Rumah Sakit Jantung Diagram  
Jl. Maribaya No. 1  
Puri Cihore, Depok, Indonesia  
Tel. 62 (21) 7545499

### Siloam Hospitals

Siloam Hospitals Purwakarta  
Jl. Bungursari No. 1  
Purwakarta, 41181  
West Java, Indonesia

### Siloam Hospitals



Siloam Hospitals Surabaya  
Jl. Raya Gubeng No. 70  
Surabaya 60281, East Java, Indonesia  
Tel. 62 (31) 503 1333  
Fax. 62 (31) 503 1533

### Siloam Hospitals

Siloam Hospitals Balikpapan  
Jl. MT. Haryono No. 9, Ring Road  
Balikpapan 76114, Indonesia  
Tel. 62 (542) 720 6509  
Fax. 62 (542) 720 6517

### Siloam Sriwijaya

Siloam Sriwijaya  
Jl. POM IX, Kodya Palembang  
South Sumatera, Indonesia  
Tel. 62 (711) 522 9100

### Siloam Hospitals



Siloam Hospitals Jambi  
Jl. Soekarno Hatta, Paal Merah  
Jambi, Indonesia  
Tel. 62 (741) 573 333

### Siloam Hospitals

Siloam Dirga Surya  
Jl. Imam Bonjol No. 6,  
Kel. Petisah  
North Sumatera, Indonesia  
Tel. 62 (61) 89881900,  
89881911

### Siloam Hospitals

Siloam Hospitals Manado  
Boulevard Centre  
Jl. Sam Ratulangi No. 22,  
Manado 95111, Indonesia  
Tel. 62 (43) 1888 3131  
Fax. 62 (43) 1888 3133

### Siloam Hospitals

Siloam Hospitals Makassar  
Jl. Metro Tanjung Bunga, Kav. 9  
Makassar, South Sulawesi,  
Indonesia  
Tel. 62 (411) 811 7555

### Siloam Hospitals

Siloam Hospitals Kupang  
Jl. RW Monginsidi,  
RT. 014 RW. 004 Fatululi  
East Nusa Tenggara, Indonesia  
Tel. 62 (380) 8530900,  
8530933

### Siloam Hospitals

Siloam Hospitals Bali  
Jl. Sunset Road No. 818  
Kuta, Badung, Bali  
Tel. 62 (361) 779900  
Fax. 62 (361) 779933



Siloam Hospitals BIMC Kuta  
Jl. By Pass Ngurah Rai 100 X  
Kuta 80361, Bali  
Tel. 62 (361) 761263  
Fax. 62 (361) 764345



Siloam Hospitals BIMC Nusa Dua  
Kawasan BTDC Blok D  
Nusa Dua 80363, Bali  
Tel. 62 (361) 3000911  
Fax. 62 (361) 3001150

# Projects

## Business Unit

### Addresses

#### Hotel

##### HOTEL ARYADUTA JAKARTA

Hotel Aryaduta Jakarta  
Jl. Prapatan 44-48, Jakarta 10110  
Indonesia  
Tel. 62 (21) 2352 1234  
Fax. 62 (21) 2351 8600

##### HOTEL ARYADUTA SEMANGGI

Hotel Aryaduta Semanggi  
Jl. Garnisun Dalam No. 8, Karet Semanggi  
Jakarta 12930, Indonesia  
Tel. 62 (21) 251 5151  
Fax. 62 (21) 251 4090



Shima Japanese Restaurant  
Main Lobby - Hotel Aryaduta Jakarta  
Jl. Prapatan No. 44-48, Jakarta 10110, Indonesia  
Tel. 62 (21) 3852233, 3844926,  
62 (21) 2311234 ext.  
88159/88199

##### HOTEL ARYADUTA LIPPO VILLAGE

Hotel Aryaduta Lippo Village  
Jl. Boulevard Jend. Sudirman No. 401  
Lippo Village 1300, Tangerang 15611  
Banten, Indonesia  
Tel. 62 (21) 546 0101  
Fax. 62 (21) 546 0201

##### HOTEL ARYADUTA MEDAN

Hotel Aryaduta Medan  
Jl. Kapten Maulana Lubis No. 8  
Medan 20112  
North Sumatera, Indonesia  
Tel. 62 (61) 457 2999  
Fax. 62 (61) 457 1999

##### HOTEL ARYADUTA PALEMBANG

Hotel Aryaduta Palembang  
Jl. POM IX, Palembang Square  
Palembang 30137  
South Sumatera, Indonesia  
Tel. 62 (711) 383 838  
Fax. 62 (711) 377 900

##### HOTEL ARYADUTA PEKANBARU

Hotel Aryaduta Pekanbaru  
Jl. Diponegoro No. 34  
Pekanbaru 28116, Riau, Indonesia  
Tel. 62 (761) 44 200  
Fax. 62 (761) 44 210

##### HOTEL ARYADUTA MAKASSAR

Hotel Aryaduta Makassar  
Jl. Somba Opu No. 297, Makassar 90111  
South Sulawesi, Indonesia  
Tel. 62 (411) 870 555  
Fax. 62 (411) 870 222

##### HOTEL ARYADUTA MANADO

Hotel Aryaduta Manado  
Jl. Piere Tendean (Boulevard)  
Manado, North Sulawesi, Indonesia  
Tel. 62 (431) 855 555  
Fax. 62 (431) 868 888



## Leisure



Grand Bowling  
Mall WTC Matahari Lt. 5  
Jl. Raya Serpong No. 39, Serpong  
Tangerang 15326 Banten, Indonesia  
Tel. 62 (21) 5315 4730  
Fax. 62 (21) 5315 4732



Permata Sports Club  
Jl. Taman Permata No. 301  
Lippo Village  
Tangerang  
Banten, Indonesia  
Tel. 62 (21) 591 5966



Imperial Klub Golf  
Jl. Pulau Golf 2709, Lippo Village  
Tangerang 15811  
Banten, Indonesia  
Tel. 62 (21) 546 0120  
Fax. 62 (21) 546 0121



Balai Serpong  
WTC Matahari - Serpong  
Jl. Raya Serpong No. 39  
Tangerang 15326 Banten, Indonesia  
Tel. 62 (21) 5315 5656  
Fax. 62 (21) 5315 5757



Puncak Resor  
Jl. Hanjarwar, Desa Sukanagali  
Pacet, Cipanas  
West Java, Indonesia  
Tel. 62 (263) 515 001  
Fax. 62 (263) 515 020



Managed by Hotel Aryaduta:



La Collina Italian Restaurant  
San Diego Hills Memorial Park  
Exit Tol Karawang Barat Km. 46  
West Java, Indonesia  
Tel. 62 (267) 845 3333  
Fax. 62 (267) 845 4575



Water Boom Lippo Cikarang  
Jl. Madiun Kav. 115  
Lippo Cikarang, Bekasi  
West Java, Indonesia  
Tel. 62 (21) 8990 7814, 8990 9467  
Fax. 62 (21) 8990 9469



Grand Chapel  
UPH Tower C 6<sup>th</sup> Floor  
Lippo Village, Tangerang  
Banten, Indonesia  
Tel. 62 (21) 546 6623, 546 6239  
Fax. 62 (21) 5420 2897

Projects

# Business Unit Addresses

Infrastructure



Town Management Services  
2121 Boulevard Gajah Mada # 01-01  
Lippo Cyber Park, Lippo Village  
Tangerang 15811 Banten, Indonesia  
Tel. 62 (21) 5579 0190/91  
Fax. 62 (21) 5579 7111/17



Home Care Unit  
2121 Boulevard Gajah Mada # 01-01  
Lippo Cyber Park, Lippo Village  
Tangerang 15811 Banten, Indonesia  
Tel. 62 (21) 5579 0190/91  
Fax. 62 (21) 5579 7111/17



Potable & Waste Water Management  
2121 Boulevard Gajah Mada # 01-01  
Lippo Cyber Park, Lippo Village  
Tangerang 15811 Banten, Indonesia  
Tel. 62 (21) 5579 0190/91  
Fax. 62 (21) 5579 7111/17



PT Dinamika Intertrans  
2121 Boulevard Gajah Mada # 01-01  
Lippo Cyber Park, Lippo Village  
Tangerang 15811 Banten, Indonesia  
Tel. 62 (21) 5579 0190/91  
Fax. 62 (21) 5579 7111/12





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# Corporate Identity

<b>Company Name</b>	PT Lippo Karawaci Tbk
<b>Addresses</b>	7 Boulevard Palem Raya #22-00 Menara Matahari Lippo Karawaci Central, Tangerang 15811 Banten – Indonesia Tel. : +62 21 2566 9000 Fax. : +62 21 2566 9098/99 Email : corsec@lippokarawaci.co.id
<b>Date of Establishment</b>	15 October 1990
<b>Business Lines</b>	Development of township and housing estates, hospitals, commercial and asset management
<b>Authorized Capital</b>	IDR6,400,000,000,000,- (six trillion four hundred billion rupiah)
<b>Subscribed and Fully-Paid Capital</b>	23,077,689,619 shares (twenty three billion seventy seven million six hundred eighty nine thousand six hundred nineteen)
<b>Stock Listing</b>	28 June 1996
<b>Ticker Code</b>	LPKR
<b>Shares Outstanding</b>	23,077,689,619 shares
<b>Shareownership as of 31 December 2015</b>	Pacific Asia Holding Ltd: 17.88%, Credit Suisse AGSG TRACCL PT Metropolis Propertindo Utama: 5.25% and Public: 76.87%.

# Supporting Professions & Institutions

## Registered Public Accountant

**Amir Abadi Jusuf, Aryanto, Mawar & Rekan**

RSM Indonesia  
Plaza ASIA Level 10  
Jl. Jend. Sudirman Kav. 59  
Jakarta 12190, Indonesia

## Share Registrar

**PT Sharestar Indonesia**

7<sup>th</sup> Fl. Berita Satu Plaza  
Jl. Gatot Subroto Kav. 35-36, Jakarta 12950, Indonesia

## Legal Consultant

**Makes & Partners Law Firm**

7<sup>th</sup> Fl Menara Batavia  
Jl. KH. Mas Mansyur Kav. 126  
Jakarta 10220, Indonesia

# List of Subsidiaries

Subsidiary	Domicile	Main Business	Direct Ownership Percentage	Indirect Ownership Percentage	Year of Start of Operation
Theta Capital Pte Ltd and Subsidiaries	Singapore	Investment	100.00%	--	--
Theta Kemang Pte Ltd	Singapore	Trading	--	100.00%	--
Sigma Capital Pte Ltd and Subsidiaries	Singapore	Investment	100.00%	--	--
Sigma Trillium Pte Ltd	Singapore	Trading	--	100.00%	--
Lippo Karawaci Corporation Pte Ltd and Subsidiaries	Singapore	Investment, Trading and Services	100.00%	--	--
LK Reit Management Pte Ltd and Subsidiaries	Singapore	Investment, Trading and Services	--	100.00%	--
Bowsprit Capital Corporation Ltd	Singapore	Investment, Trading and Services	--	100.00%	2006
Jesselton Investment Limited and Subsidiaries	Malaysia	Investment, Trading and Services	100.00%	--	--
Peninsula Investment Limited and Subsidiaries	Malaysia	Investment, Trading and Services	--	100.00%	--
LMIRT Management Ltd	Singapore	Investment, Trading and Services	--	100.00%	2007
PT Primakreasi Propertindo and Subsidiaries (0.05% ownership in PT Gowa Makassar Tourism Development Tbk)	Tangerang	Real Estate	99.99%	0.01%	--
PT Mujur Sakti Graha and Subsidiaries	Tangerang	Real Estate	--	100.00%	--
PT Surplus Multi Makmur and Subsidiaries	Jakarta	Real Estate	--	90.00%	--
PT Arta Sarana	Bandung	Investment, Trading and Services	--	81.00%	--
PT Puri Paragon	Tangerang	Development, Trading and Services	--	100.00%	--
PT Menara Tirta Indah	Tangerang	Development, Trading and Services	--	100.00%	--
PT Gempita Sinar Abadi	Jakarta	Development, Trading and Services	--	100.00%	--
PT Tata Bangun Nusantara	Tangerang	Development, Trading and Services	--	100.00%	--
PT Lintas Lautan Cemerlang	Tangerang	Development, Trading and Services	--	100.00%	--
PT Nilam Biru Bersinar (3.81% ownership in PT Siloam International Hospitals Tbk)	Tangerang	Development, Trading and Services	--	100.00%	--
PT Safira Prima Utama (2.14% ownership in PT Siloam International Hospitals Tbk)	Tangerang	Development, Trading and Services	--	100.00%	--
PT Kalimaya Pundi Bumi	Tangerang	Development, Trading and Services	--	100.00%	--
PT Gloria Mulia (4.32% ownership in PT Siloam International Hospitals Tbk)	Tangerang	Development, Trading and Services	--	100.00%	--
PT Graha Solusi Mandiri and Subsidiaries	Jakarta	Services	--	100.00%	--
PT Wijaya Wisesa Propertindo	Jakarta	Development and Services	--	80.00%	--
PT Kharisma Ekacipta Persada	Tangerang	Development, Trading and Services	--	100.00%	--
PT Cipta Mahakarya Gemilang	Tangerang	Development, Trading and Services	--	100.00%	--
PT Mandiri Cipta Gemilang and Subsidiaries	Jakarta	Real Estate	--	100.00%	2003
PT Titian Semesta Raya	Jakarta	Development, Trading and Services	--	100.00%	--
PT Adijaya Pratama Mandiri	Jakarta	Development, Trading and Services	--	100.00%	2013

Subsidiary	Domicile	Main Business	Direct Ownership Percentage	Indirect Ownership Percentage	Year of Start of Operation
PT Esatama Lestari Jaya	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Bahtera Perkasa Makmur	Manado	Development, Trading, Printing and Services	--	100.00%	--
PT Gading Makmur Jaya	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Bimasakti Jaya Abadi and Subsidiaries	Jakarta	Development, Trading, Printing and Services	--	100.00%	2011
PT Kuta Beach Paragon and Subsidiaries	Tangerang	Development, Trading and Services	--	100.00%	--
PT Graha Buana Utama and Subsidiaries	Tangerang	Development, Trading and Services	--	100.00%	--
PT Berkat Langgeng Jaya and Subsidiaries	Tangerang	Development, Trading and Services	--	100.00%	--
PT Pamor Paramita Utama and Subsidiaries	Badung	Development, Trading and Services	--	100.00%	2013
PT Kridakarya Anugerah Utama	Badung	Development, Trading and Services	--	100.00%	--
PT Kencana Agung Pratama	Badung	Development, Trading and Services	--	100.00%	--
PT Trimula Kencana Abadi	Badung	Development, Trading and Services	--	100.00%	--
PT Surya Megah Lestari	Jakarta	Development, Trading, Printing, Transportation, Industry, Agribusiness and Services	--	100.00%	--
PT Gunung Halimun Elok	Tangerang	Development, Trading and Services	--	100.00%	--
PT Danisa Indah Cipta and Subsidiaries	Tangerang	Trading, Industry, Printing and Services	--	100.00%	--
PT Fajarindo Sinar Sakti	Tangerang	Trading, Industry, Printing and Services	--	100.00%	--
PT Jaya Makmur Bersama	Badung	Development, Trading and Services	--	100.00%	--
PT Gumarang Karya Sejaht	Manado	Development, Trading, Printing and Services	--	100.00%	--
PT Grand Villa Persada (0.5% ownership in PT Gowa Makassar Tourism Development Tbk)	Tangerang	Real Estate	--	100.00%	--
PT Mega Proyek Pertiwi	Tangerang	Real Estate	--	100.00%	--
PT Sinar Surya Timur	Tangerang	Development, Trading and Services	--	100.00%	--
PT Gempita Cipta Bersama	Semarang	Development, Trading and Services	--	100.00%	--
PT Suryamas Khatulistiwa	Tangerang	Development, Trading and Services	--	100.00%	--
PT Lautan Sinar Abadi	Tangerang	Development, Trading and Services	--	100.00%	--
PT Karimata Putra Alam	Tangerang	Development, Trading and Services	--	100.00%	--
PT Timor Eka Selaras	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Sultana Semesta Prima	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Wijayakusuma Sukses Maju	Padang	Development, Trading, Printing and Services	--	100.00%	--

LIST OF  
SUBSIDIARIES

Subsidiary	Domicile	Main Business	Direct Ownership Percentage	Indirect Ownership Percentage	Year of Start of Operation
PT Andalan Utama Maju	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Bumi Aurum Sejahtera	Medan	Development, Trading, Printing and Services	--	100.00%	--
PT Mentari Panen Raya	Jakarta	Development, Trading, Printing and Services	--	100.00%	--
PT Satyagraha Dinamika Unggul	Tangerang	Development, Trading, Printing and Services	--	70.00%	2013
PT Jayadipta Utama Makmur	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Bumi Sindang Jaya	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Cahaya Teratai Sakti	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Damarindo Perkasa	Jambi	Development, Trading, Printing and Services	--	100.00%	--
PT Cipta Dunia Abadi	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Sekawan Dunia Dinamika	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Citra Dwi Anugrah	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Pelangi Mutiara Timur	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Sari Karya Muda	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Sinar Biru Artha	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Tunggal Mekar Abadi	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Bowsprit Asset Management	Jakarta	Securities Company	--	100.00%	2015
PT Mega Pratama Serasi	Depok	Development, Trading, Printing and Services	--	100.00%	--
PT Mulia Aditama Setia	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Mentari Adi Perkasa	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Berdikari Jaya Abadi	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Lumbung Mas Trijaya and Subsidiaries	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Karyatama Buana Cemerlang and Subsidiaries	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Mapalus Mancacakti	Tangerang	Development, Trading, Printing and Services	--	70.00%	2014
PT Dwi Prabu Sakti	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Sumber Pundi Sejahtera	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Prabu Cipta Prima	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Multi Panen Utama	Kupang	Development, Trading, Printing and Services	--	100.00%	--
PT Pancuran Intan Makmur	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Solusi Dunia Baru	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Suar Lintas Samudra	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Berkat Samiguna Sukses	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Global Lintas Multitama	Tangerang	Development, Trading, Printing and Services	--	100.00%	--

Subsidiary	Domicile	Main Business	Direct Ownership Percentage	Indirect Ownership Percentage	Year of Start of Operation
PT Sarana Ciptakarya Utama	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Mitra Samiguna Makmur	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Cipta Mutiara Sukses	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Suar Mutiara Semesta	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Manyala Harapan	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Suar Lintas Benua and Subsidiaries	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT BST Kupang Sejahtera	Jakarta	Development, Trading, Printing and Services	--	50.10%	--
PT Mulla Cipta Wibawa	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Andromeda Sakti	Tangerang	Development, Trading, Printing, Transportation Agribusiness, Workshop, and Services	--	100.00%	2015
PT Persada Mandiri Jaya	Jakarta	Development, Trading, and Services	--	55.00%	--
PT Bandha Mulla Abadi	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Dutamas Cakra Tunggal	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Indocitra Mulla Pratama	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Praja Adikara Utama	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Pusaka Sumber Artha	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Prima Sentosa Jaya Abadi	Jakarta	Development, Trading, Printing and Services	--	100.00%	--
PT Indahjaya Sukses Abadi	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Mandara Nusa Loka	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Garda Utama Manado	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Cipta Bakti Utama	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Binaman Cipta Mandiri	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Sentra Dwimandiri and Subsidiaries (1.63% ownership in PT Gowa Makassar Tourism Development Tbk)	Jakarta	Real Estate	99.99%	0.01%	--
PT Prudential Development	Jakarta	Real Estate	--	100.00%	--
PT Sentra Realindo Development and Subsidiaries (4.62% ownership in PT Lippo Cikarang Tbk)	Jakarta	Home Improvement	--	100.00%	2001
PT Darma Sarana Nusa Pratama and Subsidiaries	Tangerang	Real Estate	--	52.70%	1997
PT Tata Mandiri Daerah Villa Permata	Tangerang	Town Management	--	42.16%	2001
PT Golden Pradamas and Subsidiaries	Tangerang	Real Estate	--	100.00%	--
PT Mulla Bangun Semesta and Subsidiaries	Tangerang	Real Estate	--	100.00%	2002
PT Villa Permata Cibodas and Subsidiaries	Tangerang	Real Estate	--	100.00%	1995
PT Puncak Resort International and Subsidiaries	Cianjur	Real Estate	--	99.99%	1994
PT Dona Indo Prima	Tangerang	Real Estate	--	100.00%	--
PT Sentosa Seksama	Cianjur	Real Estate	--	100.00%	1994
PT Purimegah Swarga Buana	Cianjur	Real Estate	--	100.00%	1994



## LIST OF SUBSIDIARIES

Subsidiary	Domicile	Main Business	Direct Ownership Percentage	Indirect Ownership Percentage	Year of Start of Operation
PT Adigraha Rancang Sempurna	Cianjur	Real Estate	--	100.00%	1994
PT Pesangrahan Sunipermata Agung	Cianjur	Real Estate	--	100.00%	1994
PT Sukmaprima Sejahtera	Tangerang	Real Estate	--	100.00%	--
PT Villapernata Gemilang Abadi	Jakarta	Trading, Development, Printing and Services	--	100.00%	--
PT Bumi Sawarna Indah	Jakarta	Trading, Development, Printing and Services	--	100.00%	--
PT Mulia Sentosa Dinamika (4.48% ownership in PT Lippo Cikarang Tbk)	Tangerang	Real Estate	--	100.00%	1997
PT Sentra Asritama Realty Development and Subsidiaries	Tangerang	Water Treatment Installation	--	100.00%	1994
PT Tata Mandiri Daerah Lippo Karawaci and Subsidiaries	Tangerang	Town Management	--	100.00%	1999
PT Surya Makmur Alam Persada	Jakarta	Real Estate	--	99.99%	--
PT Karya Bersama Jaya		Water Treatment Installation		100.00%	2010
PT Sentragraha Mandiri	Jakarta	Real Estate	--	100.00%	--
PT Saptapersada Jagat Nusa	Tangerang	Bowling	--	100.00%	1998
PT Sejatijaya Selaras	Jakarta	Real Estate	--	100.00%	--
PT Bahtera Pratama Wirasakti	Jakarta	Real Estate	--	100.00%	--
PT Sentra Office Realty	Tangerang	Property	--	100.00%	1998
PT Dinamika Intertrans	Jakarta	Transportation	--	100.00%	1994
PT Imperial Karawaci Golf	Tangerang	Golf	--	100.00%	--
PT Agung Sepadan	Tangerang	Real Estate	--	100.00%	--
PT Prudential Townhouse Development	Tangerang	Real Estate	--	100.00%	--
PT Wahana Tatabangun Cemerlang Matahari	Tangerang	Real Estate	--	100.00%	--
PT Wahana Tatabangun Cemerlang	Tangerang	Real Estate	--	100.00%	--
PT Manunggal Bumi Sejahtera and Subsidiaries	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Asiatic Sejahtera Finance	Tangerang	Development, Trading, Printing and Services	--	100.00%	2009
PT Paragon City	Jakarta	Real Estate and Trading	--	100.00%	--
PT Padang Indah City	Padang	Trading, Development, and Services	--	100.00%	--
Bridgewater International Ltd	Seychelles	Investment and Trading	--	100.00%	2006
Pan Asian Investment Ltd and Subsidiaries	Vanuatu	Trading	--	100.00%	--
Cromwell Investment Ltd	Vanuatu	Trading	--	100.00%	--
PT Lippo Karawaci Infrastructure & Utilities Division and subsidiaries	Tangerang	Construction and Services	--	100.00%	--
PT TMD Manado Manajemen	Tangerang	Consultant Management	--	100.00%	--
Brightlink Capital Limited	Malaysia	Investment, Trading and Services	--	100.00%	--
Evodia Strategic Investment Limited	Malaysia	Investment, Trading and Services	--	100.00%	--
PT St Moritz Management	Jakarta	Development, Trading and Services	--	100.00%	2014
PT Kemang Village Management	Jakarta	Hotel	--	100.00%	2014
PT TMD Depok Manajemen		Services	--	100.00%	--
PT Dinamika Megah Cemerlang	Tangerang	Trading, Development, Printing and Services	--	100.00%	--
PT Sentrasemesta Indah Cemerlang	Tangerang	Trading, Development, Printing and Services	--	100.00%	--
PT Wisma Jatim Propertindo and Subsidiaries (1.23% ownership in PT Gowa Makassar Tourism Development Tbk)	Jakarta	Services	100.00%	--	--

Subsidiary	Domicile	Main Business	Direct Ownership Percentage	Indirect Ownership Percentage	Year of Start of Operation
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%	--
PT Kemang Paragon Mall and Subsidiaries (0.05% ownership in PT Gowa Makassar Tourism Development Tbk)	Tangerang	Development, Trading and Services	--	100.00%	--
PT Wahana Usaha Makmur and Subsidiaries	Jakarta	Real Estate	--	100.00%	--
PT Almaron Perkasa and Subsidiaries	Jakarta	Real Estate	--	100.00%	2005
PT Multiguna Selaras Maju	Tangerang	Development, Trading and Services	--	100.00%	2014
PT Gelora Raya Semesta	Tangerang	Trading and Development	--	100.00%	2013
PT Prima Aman Sarana	Jakarta	Services	--	100.00%	--
PT Kemang Multi Sarana	Jakarta	Real Estate and Town Development	--	100.00%	2013
PT Harapan Insan Mandiri	Jakarta	Development, Trading and Services	--	100.00%	2014
PT Violet Pelangi Indah	Tangerang	Development, Trading and Services	--	100.00%	2014
PT Lipposindo Abadi and Subsidiaries	Jakarta	Trading	--	100.00%	--
PT Kemuning Satiatama and Subsidiaries (42,20% ownership in PT Lippo Cikarang Tbk)	Jakarta	Trading	--	100.00%	--
PT Megachandra Karyaestari	Jakarta	Trading	--	100.00%	1992
PT Prudential Apartment Development	Jakarta	Services	--	100.00%	1993
PT Sentraharisma Indah and Subsidiaries	Jakarta	Services	--	100.00%	--
PT Sentra Goldhill Business Park	Jakarta	Services	--	90.00%	--
PT Carakatama Dirgantara and Subsidiaries	Jakarta	Trading	--	100.00%	--
PT Prudential Hotel Development	Tangerang	Trading and Services	--	100.00%	1994
PT Ariasindo Sejati and Subsidiaries	Jakarta	Trading and Services	--	95.00%	--
PT Unitech Prima Indah and Subsidiaries	Tangerang	Real Estate	--	94.69%	2004
PT Karya Cipta Pesona	Medan	Providing Accommodation Services	--	94.69%	2014
PT Puri Istana Megah	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Metropolitan Leisure Corporation and Subsidiaries	Jakarta	Trading and Services	--	100.00%	--
PT Kurniasindo Sejahtera	Jakarta	Trading and Services	--	100.00%	--
PT Graha Tata Cemerlang Makasar (0.34% ownership in PT Lippo Cikarang Tbk)	Makassar	Real Estate	--	100.00%	2002
PT Guna Tata Carakatama	Makassar	Trading and Services	--	100.00%	2002
PT Lippo Land Cahaya Indonesia	Tangerang	Services	--	100.00%	2003
PT Karunia Persada Raya and Subsidiaries	Tangerang	Trading	--	100.00%	--
PT Pendopo Niaga	Malang	Real Estate	--	100.00%	2004
PT Larasati Anugerah	Jakarta	Trading	--	100.00%	--
PT Bathara Brahma Sakti (0.05% ownership in PT Gowa Makassar Tourism Development Tbk)	Tangerang	Trading and Services	--	100.00%	1992
PT Realty Limanibu	Jakarta	Services	--	100.00%	1998
PT Dwisindo Jaya (0.05% ownership in PT Gowa Makassar Tourism Development Tbk)	Jakarta	Trading	--	100.00%	--
PT Karunia Alam Damai and Subsidiaries	Jakarta	Trading	--	100.00%	--
PT Jagatpertala Nusantara	Depok	Real Estate	--	100.00%	2004
PT Mullamukti Persada Perkasa	Jakarta	Trading	--	100.00%	--
PT Kemang Village and Subsidiaries	Jakarta	Trading	--	100.00%	--
PT Menara Bhumimegah and Subsidiaries	Jakarta	Services	--	100.00%	2005
PT Jaya Usaha Prima and Subsidiaries	Jakarta	Real Estate	--	99.90%	--
PT Persada Mandiri Abadi	Jakarta	Real Estate	--	99.90%	2005

## LIST OF SUBSIDIARIES

Subsidiary	Domicile	Main Business	Direct Ownership Percentage	Indirect Ownership Percentage	Year of Start of Operation
PT Adhi Utama Dinamika	Jakarta	Real Estate	--	100.00%	--
PT Menara Perkasa Megah and Subsidiaries	Surabaya	Real Estate and City Development	--	100.00%	2005
PT Pelangi Cahaya Intan Makmur and Subsidiaries	Surabaya	Trading	--	85.00%	--
PT Surya Mitra Jaya and Subsidiaries	Sidoarjo	Trading and Services	--	85.00%	2005
PT Citra Harapan Baru	Surabaya	Accommodation	--	87.50%	--
PT Niaga Utama	Jakarta	Trading	--	100.00%	--
PT Mitra Kasih Karunia	Jakarta	Real Estate	--	100.00%	--
PT Kreasi Megatama Gemilang and Subsidiaries (0.05% ownership in PT Gowa Makassar Tourism Development Tbk)	Tangerang	Development, Industry, Agribusiness, Transportation, Trading and Services	--	100.00%	--
PT Lippo Malls Indonesia and Subsidiaries (2.73% ownership in PT Lippo Cikarang Tbk)	Tangerang	Services	--	100.00%	2002
PT Kreasi Gemilang Perkasa	Tangerang	Development, Trading and Services	--	100.00%	2013
PT Kilau Intan Murni	Tangerang	Development, Trading and Services	--	100.00%	--
PT Mulia Citra Abadi and Subsidiaries	Yogyakarta	Development, Trading, Printing, Transportation, Industry, Agribusiness and Services	--	100.00%	2012
PT Mulia Cipta Sarana Sukses	Yogyakarta	Trading, Development, Printing, Agribusiness and Services	--	100.00%	--
PT Manunggal Megah Serasi	Yogyakarta	Trading, Development, Printing, Agribusiness and Services	--	100.00%	--
PT Andhikarya Sukses Pratama	Yogyakarta	Trading, Development, Printing, Agribusiness and Services	--	100.00%	--
PT Nusa Bahana Semesta	Tangerang	Development, Trading and Services	--	100.00%	--
PT Sky Parking Indonesia and Subsidiaries	Tangerang	Development, Trading and Services	--	100.00%	--
PT Sky Parking Nusantara and Subsidiaries	Tangerang	Development, Trading and Services	--	70.00%	--
PT Sky Parking Utama	Tangerang	Development, Trading and Services	--	70.00%	2015
PT Gayana Sumber Cipta and Subsidiaries	Tangerang	Development, Trading and Services	--	100.00%	--
PT Gaharu Alam Permai	Tangerang	Development, Trading and Services	--	100.00%	--
PT Semberja Indah Cipta	Tangerang	Development, Trading and Services	--	100.00%	--
PT Putera Abadi Karya	Bogor	Development, Trading and Services	--	100.00%	--
PT Buana Mediatama	Tangerang	Development, Trading and Services	--	100.00%	--
PT Nusaindah Bukit Permai	Tangerang	Development, Trading and Services	--	100.00%	--
PT Lembayung Karya Nirwana	Jakarta	Development, Trading and Services	--	100.00%	--
PT Inspira Ide Cemerlang	Tangerang	Development, Trading and Services	--	100.00%	--
PT Irama Karya Megah	Surabaya	Development, Trading and Services	--	100.00%	--
PT Usahatama Kreatif	Tangerang	Development, Trading and Services	--	100.00%	--

Subsidiary	Domicile	Main Business	Direct Ownership Percentage	Indirect Ownership Percentage	Year of Start of Operation
PT Usahatama Kreatif	Tangerang	Trading, Development, Industry, Agribusiness, Transportation and Services	--	100.00%	--
PT Saputra Karya (0.05% ownership in PT Gowa Makassar Tourism Development Tbk)	Surabaya	Real Estate and City Development	--	100.00%	--
PT Grand Provita and Subsidiaries (0.05% ownership in PT Gowa Makassar Tourism Development Tbk)	Tangerang	Real Estate	--	100.00%	--
PT Grand Prima Propertindo	Tangerang	Real Estate	--	65.00%	--
PT Pacific Sejahtera	Tangerang	Real Estate	--	100.00%	--
PT Anugerah Bahagia Abadi and Subsidiaries	Jakarta	Real Estate	--	100.00%	--
PT Internusa Prima Abadi	Jakarta	Real Estate	--	85.00%	--
PT Bangun Bina Bersama and Subsidiaries	Jakarta	Real Estate	--	85.00%	--
PT Satriamandiri Idola Utama	Jakarta	Real Estate	--	85.00%	--
PT Mahakaya Abadi	Tangerang	Real Estate	--	100.00%	--
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%	--
PT Gapura Sakti Prima and Subsidiaries	Jakarta	Real Estate	--	100.00%	--
PT Menara Megah Tunggal and Subsidiaries	Jakarta	Real Estate	--	100.00%	--
PT Trias Mitra Investama	Binjai	Real Estate	--	100.00%	2005
PT Permata Agung Propertindo	Jakarta	Real Estate	--	100.00%	--
PT Kencana Mitra Lestari	Jakarta	Development, Transportation Trading and Services	--	100.00%	--
PT Direct Power and Subsidiaries	Bogor	Trading, Real Estate, Industry, Printing, Agribusiness, Transportation and Services	--	100.00%	2007
PT Mitra Mulia Kreasi and Subsidiaries	Jakarta	Development, Industry, Mining, Agribusiness, Transportation, Trading and Services	--	80.00%	--
PT Bellanova Country Mall	Bogor	Development, Transportation, Trading and Services	--	80.00%	2005
PT Tirta Sentosa Dinamika	Tangerang	Trading, Development, Printing and Services	--	100.00%	--
PT Pinus Permai Sejahtera	Cianjur	Trading, Development, Printing and Services	--	100.00%	--
PT Emas Makmur Cemerlang	Jakarta	Trading, Development, Printing and Services	--	100.00%	--
PT Guna Sejahtera Karya and Subsidiaries	Jakarta	Development, Industry, Agribusiness, Garden, Trading and Services	--	100.00%	--
PT Sarana Global Multindo and Subsidiaries	Jakarta	Development, Transportation Trading and Services	--	100.00%	--
PT Citra Sentosa Raya and Subsidiaries	Jakarta	Trading, Real Estate, Industry, Agribusiness, Transportation and Services	--	100.00%	--
PT Gading Nusa Utama	Jakarta	Trading, Development, Industry, Agribusiness, Garden and Services	--	100.00%	--
Rosenet Limited and Subsidiaries	British Virgin Island	Investment	--	100.00%	--
Sea Pejaten Pte. Ltd	Singapore	Investment	--	100.00%	--
Continental Investment Limited	Malaysia	Investment, Trading and Services	--	100.00%	--
PT Sandiego Hills Memorial Park and Subsidiaries	Karawang	Trading, Development, Transportation and Services	--	100.00%	2006
PT Pengelola Memorial Park	Karawang	Development, Trading and Services	--	100.00%	2010

LIST OF  
SUBSIDIARIES

Subsidiary	Domicile	Main Business	Direct Ownership Percentage	Indirect Ownership Percentage	Year of Start of Operation
PT CB Commercial	Tangerang	Development, Trading and Services	--	100.00%	--
PT Kemilau Karyacipta Persada	Tangerang	Development, Trading and Services	--	100.00%	--
PT Bumi Indah Pertiwi	Tangerang	Development, Trading and Public Services	--	100.00%	--
PT Galang Karya Usaha	Tangerang	Development, Trading and Services	--	100.00%	--
PT Alona Griya Utama and Subsidiaries	Tangerang	Development, Trading, Printing and Services	--	60.00%	--
PT Cipta Semesta Prima	Tangerang	Development, Trading, Printing and Services	--	60.00%	--
PT Kreasi Ciptaprima Gemilang	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Manikam Mutu Prima and Subsidiaries	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Holland Village Manado	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Suporta Developa Jaya	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Wismacahaya Sentosa Megah	Tangerang	Trading, Development, Printing and Services	--	100.00%	--
PT Ciptaindah Selaras Persada	Tangerang	Trading, Development, Printing and Services	--	100.00%	--
PT Asri Griya Terpadu and Subsidiaries	Tangerang	Trading, Development, Printing and Services	--	85.00%	--
PT Asri Griya Utama	Tangerang	Trading, Development, Printing and Services	--	85.00%	--
PT Cakrawala Semesta Abadi	Tangerang	Trading, Development, Printing and Services	--	100.00%	--
PT Sarana Sentosa Propertindo	Tangerang	Trading, Development, Printing and Services	--	100.00%	--
PT Bahana Megah Pratama and Subsidiaries	Tangerang	Trading, Development, Printing and Services	--	100.00%	--
PT Bahana Perisai Abadi	Tangerang	Trading, Development, Printing and Services	--	100.00%	--
PT Cahaya Puspita Raya	Tangerang	Trading, Development, Printing and Services	--	100.00%	--
PT Karyaalam Indah Lestari	Tangerang	Trading, Development, Printing and Services	--	100.00%	--
PT Prakarsa Dinamika Unggul	Tangerang	Trading, Development, Printing and Services	--	100.00%	--
PT Setra Bumi Utama	Tangerang	Trading, Development, Printing and Services	--	100.00%	--
PT Taruna Multi Utama	Tangerang	Trading, Development, Printing and Services	--	100.00%	--
PT Puri Istana Megah	Tangerang	Trading, Development, Printing and Services	--	100.00%	--
PT Grahutama Asri Makmur	Tangerang	Development, Trading and Services	--	100.00%	--
PT Lippo Cikarang Tbk and Subsidiaries	Bekasi	Real Estate	--	54.37%	1989
PT Great Jakarta Inti Development and Subsidiaries	Bekasi	Town Management and Real Estate	--	54.37%	1992
PT Menara Inti Development	Bekasi	Real Estate	--	54.37%	2012
PT Tunas Pundi Bumi	Bekasi	Town Management	--	54.37%	2010
PT Erabaru Realindo	Bekasi	Real Estate	--	54.37%	--
PT Dian Citimarga	Bekasi	Transportation	--	54.37%	1993
PT Kreasi Dunia Keluarga	Bekasi	Amusement Park	--	54.37%	1993
PT Chandra Mulia Adhicharma	Bekasi	Property Management	--	54.37%	2011
PT Tirta Sari Nirmala	Bekasi	Water Treatment	--	54.37%	2011

Subsidiary	Domicile	Main Business	Direct Ownership Percentage	Indirect Ownership Percentage	Year of Start of Operation
PT Waska Sentana	Bekasi	Real Estate	--	54.37%	2014
PT Swadaya Teknopolis and Subsidiaries	Bekasi	Real Estate	--	54.37%	2009
Premium Venture International Ltd and Subsidiaries		Investment		54.37%	2015
Intellitop Finance Ltd		Investment		28.12%	2014
PT Bekasi Mega Power	Bekasi	Power Plant	--	54.37%	2014
PT Dunia Air Indah	Bekasi	Recreational Services	--	54.37%	2009
PT Cahaya Ina Permai and Subsidiaries	Bekasi	Real Estate	--	54.37%	--
PT Zeus Karya Prima	Tangerang	Development, Trading, Printing and Services	--	54.37%	--
PT Manunggal Utama Makmur	Tangerang	Real Estate	--	54.37%	--
PT Mahkota Sentosa Ekanusa	Bekasi	Real Estate	--	54.37%	2015
PT Mega Kreasi Teknika	Bekasi	Construction Building	--	54.37%	--
PT Astana Artha Mas	Tangerang	Real Estate	--	54.37%	--
PT Mega Kreasi Nusantara Teknologi	Bekasi	Real Estate	--	54.37%	--
PT Pondera Prima Sarana	Tangerang	Real Estate	--	54.37%	--
PT Telaga Banyu Murni and Subsidiaries	Tangerang	Real Estate	--	54.37%	--
PT Karimata Alam Damai	Tangerang	Real Estate	--	54.37%	--
PT Megakreasi Cikarang Damai	Tangerang	Real Estate	--	54.37%	--
PT Megakreasi Cikarang Permai	Tangerang	Real Estate	--	54.37%	--
PT Megakreasi Cikarang Asri	Bekasi	Real Estate	--	40.78%	2015
PT Megakreasi Propertindo Utama	Bekasi	Real Estate	--	40.78%	--
PT Megakreasi Cikarang Realtindo	Bekasi	Development, Trading and Services	--	54.37%	--
PT Mahkota Sentosa Utama	Bekasi	Building Marketing and Management		54.37%	--
PT Megapratama Karya Persada and Subsidiaries	Tangerang	Investment, Trading and Services	100.00%	--	--
PT Siloam International Hospitals Tbk and Subsidiaries	Tangerang	Health Services	--	70.82%	2010
PT Aritasindo Permaisemesta	Jakarta	Trading, Development, Mining, Agribusiness Services, Transportation, Printing and Industry	--	70.82%	--
PT Perdana Kencana Mandiri	Jakarta	Industry, Development, Trading, Transportation, Workshop, Printing, Agribusiness, Mining and Services	--	70.82%	--
PT Multiselaras Anugerah	Tangerang	Development, Trading and Services	--	70.82%	--
PT Nusa Medika Perkasa	Jakarta	Health Services	--	57.79%	--
PT Siloam Graha Utama and Subsidiaries	Jakarta	Development, Land Transportation, Trading and Services	--	70.82%	--
PT East Jakarta Medika	Bekasi	Health Services	--	64.30%	2002
PT Guchi Kencana Emas and Subsidiaries	Jakarta	Development, and Services	--	70.82%	--
PT Golden First Atlanta	Jambi	Health Services and Pharmaceutical Wholesale Trading	--	58.78%	2008
PT Prawira Tata Semesta and Subsidiaries	Jakarta	Trading, Development Industry, Mining, Transportation, Agribusiness, Printing, Workshop, Services except Legal and Tax Services	--	70.82%	--
PT Balikpapan Damai Husada	Balikpapan	Health	--	56.37%	2007
PT Siloam Emergency Services	Tangerang	Health Services	--	70.82%	2013
PT Medika Harapan Cemerlang Indonesia	Tangerang	Trading, Industry and Services	--	70.82%	2013
PT Pancawarna Semesta and Subsidiaries	Tangerang	Trading, Development Printing and Services	--	70.82%	--



## LIST OF SUBSIDIARIES

Subsidiary	Domicile	Main Business	Direct Ownership Percentage	Indirect Ownership Percentage	Year of Start of Operation
PT Diagram Healthcare Indonesia	Depok	Health Services	--	56.66%	2006
PT Adamanisa Karya Sejahtera	Jakarta	Trading, Development, Printing and Services	--	70.82%	--
PT Brenada Karya Bangsa	Tangerang	Trading, Industry, Printing and Services	--	70.82%	--
PT Harmoni Selaras Indah	Tangerang	Trading, Industry, Printing and Services	--	70.82%	--
PT Kusuma Prima dana and Subsidiaries	Tangerang	Trading, Industry and Services	--	70.82%	--
PT Adijaya Buana Sakti and Subsidiaries	Tangerang	Trading, Industry, Workshop, Transportation, Industry, Printing and Services	--	56.66%	--
PT Siloam Sumsel Kemitraan and Subsidiaries	Tangerang	Trading, Industry and Services	--	69.66%	--
PT RS Siloam Hospital Sumsel	Palembang	Services Health	--	61.86%	2012
PT Optimum Karya Persada	Jakarta	Trading, Industry and Services	--	70.82%	--
PT Rosela Indah Cipta	Jakarta	Trading, Industry and Services	--	70.82%	--
PT Sembada Karya Megah	Tangerang	Trading, Industry and Services	--	70.82%	--
PT Trijaya Makmur Bersama	Tangerang	Trading, Industry and Services	--	70.82%	--
PT Visindo Galaxi Jaya	Tangerang	Trading, Industry and Services	--	70.82%	--
PT Tunggal Pilar Perkasa and Subsidiaries	Tangerang	Development, Trading, Real Estate Printing, Industry, Agribusiness and Services	--	70.82%	--
PT Tirtasari Kencana	Serang	Development, Trading and Services	--	70.82%	--
PT Gramari Prima Nusa	Medan	Development, Trading, Printing and Services	--	70.82%	2014
PT Krisolis Jaya Mandiri	Kupang	Services Health	--	70.82%	2014
PT Kusuma Bhakti Anugerah	Tangerang	Trading, Industry and Services	--	70.82%	--
PT Agung Cipta Raya	Tangerang	Services Health	--	70.82%	--
PT Bina Cipta Semesta	Padang	Services Health	--	70.82%	--
PT Mega Buana Bhakti	Bangka	Trading, Industry and Services	--	70.82%	--
PT Taruna Perkasa Megah	Yogyakarta	Trading, Industry and Services	--	70.82%	--
PT Tataka Bumi Karya	Bogor	Trading, Industry and Services	--	70.82%	--
PT Tataka Karya Indah	Bandung	Trading, Industry and Services	--	70.82%	--
PT Siloam Medika Cemerlang	Tangerang	Trading, Industry and Services	--	70.82%	--
PT Koridor Usaha Maju and Subsidiaries	Tangerang	Development, Trading, Printing and Services	--	70.82%	--
PT Medika Sarana Traliansia and Subsidiaries	Bali	Development, Trading, Printing and Services	--	70.82%	2008
PT Trisaka Raksa Waluya	Tangerang	Special Business in Healthcare and Services	--	70.82%	2008
PT Buana Utama Sejati	Tangerang	Services Health	--	70.82%	--
PT Sentra Sejahtera Utama	Sorong	Services Health	--	70.82%	--
PT Bumi Unggul Persada	Tangerang	Services Health	--	70.82%	--
PT Berlian Cahaya Indah	Tangerang	Services Health	--	70.82%	2014
PT Rashal Siar Cakra Medika	Jakarta	Trading, Development, Real Estate, Industry, Printing, Agribusiness, Services and Transportation	--	70.82%	2008
PT Mulia Pratama Cemerlang	Tangerang	Trading, Development, Real Estate, Industry, Printing, Agribusiness, Services and Transportation	--	70.82%	2014
PT Medika Rescue International (formerly PT Karya Pesona Cemerlang)	Tangerang	Trading, Development, Real Estate, Industry, Printing, Agribusiness, Services and Transportation	--	70.82%	--

Subsidiary	Domicile	Main Business	Direct Ownership Percentage	Indirect Ownership Percentage	Year of Start of Operation
PT Indah Kemilau Abadi	Jember	Trading, Development, Real Estate, Industry, Printing, Agribusiness, Services and Transportation	--	70.82%	--
PT Persada Dunia Semesta	Tangerang	Trading, Development, Real Estate, Industry, Printing, Agribusiness, Services and Transportation	--	70.82%	--
PT Inti Pratama Medika	Tangerang	Trading, Development, Real Estate, Industry, Printing, Agribusiness, Services and Transportation	--	70.82%	--
PT Sentra Sehat Sejahtera	Tangerang	Trading, Development, Real Estate, Industry, Printing, Agribusiness, Services and Transportation	--	70.82%	--
PT Genta Raya Internusa	Tangerang	Trading, Development, Real Estate, Industry, Printing, Agribusiness, Services and Transportation	--	70.82%	--
PT Sembilan Raksa Dinamika	Tangerang	Healthcare, Clinic, Polyclinic and Medical Clinic Services	--	70.82%	--
PT Saritama Mandiri Zamrud	Tangerang	Healthcare, Clinic, Polyclinic and Medical Clinic Services	--	70.82%	--
PT Gempita Nusa Sejahtera	Tangerang	Healthcare, Clinic, Polyclinic and Medical Clinic Services	--	70.82%	--
PT Aryamedika Teguh Tunggal	Tangerang	Healthcare, Clinic, Polyclinic and Medical Clinic Services	--	70.82%	--
PT Mahkota Buana Selaras	Tangerang	Development, Trading, Printing and Services	--	70.82%	--
PT Bumi Unggul Persada	Tangerang	Services Healthcare Clinic, Polyclinic and Medical Clinic	--	70.82%	--
PT Lintang Buana Jaya	West Manggarai	Healthcare, Clinic, Polyclinic and Medical Clinic Services	--	70.82%	--
PT Bina Bahtera Sejaht	Bau Bau	Services Healthcare Clinic, Polyclinic and Medical Clinic	--	70.82%	--
PT Lintas Laksana Utama	Lubuk Linggau	Healthcare, Clinic, Polyclinic and Medical Clinic Services	--	70.82%	--
PT Ciptakarya Tirta Cemerlang	Tangerang	Healthcare, Clinic, Polyclinic and Medical Clinic Services	--	70.82%	--
PT Eramulia Pratamajaya and Subsidiaries	Jakarta	Health Services	99.99%	0.01%	--
PT Pradamas Graha Indah	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Siloam Karya Sejahtera	Jakarta	Trading and Services	--	100.00%	--
PT Sentra Tata Prima	Surabaya	Development, Transportation, Trading and Services	--	100.00%	--
PT Sentra Sarana Karya (formerly PT Siloam Sarana Karya)	Makassar	Development, Transportation, Trading and Services	--	100.00%	--
PT Sarana Dinamika Perkasa (formerly PT Siloam Dinamika Perkasa)	Jakarta	Development, Transportation, Trading and Services	--	100.00%	--
PT Mahaduta Purnama	Jakarta	Development, Transportation, Trading and Services	--	100.00%	--
PT Buana Mandiri Selaras	Jakarta	Development and Services	--	100.00%	--
PT Serasi Adikarsa	Jakarta	Trading, Industry, Development and Mining	0.01%	99.99%	--
PT Kalanusa Intan Cemerlang and Subsidiaries	Tangerang	Trading, Development, Printing and Services	--	100.00%	--
PT Garuda Asa Kencana	Tangerang	Development, Trading and Services	--	100.00%	--
PT Cahaya Jaya Raya	Tangerang	Trading, Development, Printing and Services	--	100.00%	--
PT Waluya Graha Loka	Tangerang	Trading, Development, Printing and Services	--	100.00%	--

## LIST OF SUBSIDIARIES

Subsidiary	Domicile	Main Business	Direct Ownership Percentage	Indirect Ownership Percentage	Year of Start of Operation
PT Nusantara Indah Semesta	Tangerang	Trading, Development, Printing and Services	--	100.00%	--
PT Magenta Sinar Abadi	Tangerang	Trading, Development, Printing and Services	--	100.00%	--
PT Pesona Puspita Gemilang	Tangerang	Trading, Development, Printing and Services	--	100.00%	--
PT Caraka Cipta Sejahtera	Tangerang	Trading, Development, Printing and Services	--	100.00%	--
PT Sentra Mutiara Timur	Tangerang	Trading, Development, Printing and Services	--	100.00%	--
PT Tiara Permata Gemilang	Tangerang	Trading, Development, Printing and Services	--	100.00%	--
PT Berkat Talenta Unggul Tourism Development Tbk	Tangerang	Trading, Development, Printing and Services	--	100.00%	--
PT Laskar Unggulan Prima	Tangerang	Trading, Development, Printing and Services	--	100.00%	--
PT Sentana Prima Jaya	Tangerang	Trading, Development, Printing and Services	--	100.00%	--
PT Buana Digdaya Sejahtera	Tangerang	Trading, Development, Printing and Services	--	100.00%	--
PT Abadi Jaya Sakti and Subsidiaries	Tangerang	Investment, Trading and Services	100.00%	--	--
PT Tigamitra Ekamula and Subsidiaries	Jakarta	General	0.01%	99.99%	1998
PT Shimatama Graha	Jakarta	Restaurant, Cafe and Catering	--	100.00%	1989
PT Aryaduta International Management and Subsidiaries	Jakarta	Hotel Management	--	100.00%	1998
PT Aryaduta Surabaya Management	Surabaya	Services	--	100.00%	--
PT Aryaduta Medan Management	Medan	Services	--	100.00%	--
PT Aryaduta Karawaci Management	Tangerang	Services	--	100.00%	--
PT Aryaduta Makassar Management	Makassar	Services	--	100.00%	--
PT Aryaduta Residences	Jakarta	Services	--	100.00%	--
PT Aryaduta Hotels & Resorts	Jakarta	Services	--	100.00%	--
PT Zodia Karya Indah	Tangerang	Development, Trading, Printing and Services	--	100.00%	--
PT Lippo Hotel Indonesia and Subsidiaries	Tangerang	Services	75.00%	25.00%	--
PT Aryaduta Kuta Bali	Badung	Tourism	--	100.00%	--
PT Cahaya Gemerlap Abadi	Tangerang	Development, Trading, and Services	--	100.00%	--
PT Lippo Horesi Indonesia	Tangerang	Development, Trading, and Services	75.00%	25.00%	--
PT Mega Indah Gemilang and Subsidiaries	Tangerang	Trading, Development, Industry, Printing and Services	99.99%	0.01%	--
PT Karyaindah Cipta Prima	Tangerang	Trading, Development, Industry, Printing and Services	0.01%	99.99%	--
PT Sunshine Prima Utama and Subsidiaries	Tangerang	Trading, Development, Industry Printing and Services	--	100.00%	--
PT Sunshine Food International	Tangerang	Trading, Development, Industry Printing and Services	--	100.00%	--
PT Kreasi Tunas Bangsa	Tangerang	Development, Trading and Services	--	100.00%	--
PT Maxx Food Pasifik	Tangerang	Development, Trading and Services	--	100.00%	--
PT Graha Jaya Pratama and Subsidiaries	Tangerang	Real Estate	100.00%	--	--
PT Tataguna Cemerlang	Jakarta	Trading, Real Estate and Development	--	100.00%	--
PT Aresta Amanda Lestari (0.31% ownership in PT Gowa Makassar Tourism Development Tbk)	Jakarta	Trading	--	100.00%	--

Subsidiary	Domicile	Main Business	Direct Ownership Percentage	Indirect Ownership Percentage	Year of Start of Operation
PT Aresta Permata Utama (3.45% ownership in PT Gowa Makassar Tourism Development Tbk)	Jakarta	Trading	--	100.00%	--
PT Fajar Usaha Semesta (4.73% ownership in PT Gowa Makassar Tourism Development Tbk)	Jakarta	Trading	--	100.00%	--
PT Fajar Raya Cemerlang (4.58% ownership in PT Gowa Makassar Tourism Development Tbk)	Jakarta	Trading	--	100.00%	--
PT Fajar Abadi Aditama (3.45% ownership in PT Gowa Makassar Tourism Development Tbk)	Jakarta	Trading	--	100.00%	--
PT Nuansa Indah Lestari and Subsidiaries	Jakarta	Trading	--	100.00%	--
PT Metropolitan Permaismesta and Subsidiaries	Jakarta	Trading	--	89.74%	--
PT Mulia Sarana Sakti	Makassar	Trading	--	89.74%	--
PT Makassar Permata Sulawesi (32.5% Ownership in PT Gowa Makassar Tourism Development Tbk)	Jakarta	Trading	--	89.74%	--
PT Tribuana Jaya Raya	Tangerang	Development, Trading, Printing and Services	--	77.56%	--
PT Gowa Makassar Tourism Development Tbk and Subsidiaries	Makassar	Real Estate	4.92%	49.05%	1997
PT Kenanga Elok Asri and Subsidiaries	Tangerang	Development, Trading, Printing and Services		53.97%	--
PT Krisanta Esa Maju	Tangerang	Development, Trading, Printing and Services	--	53.97%	--
PT Griya Megah Sentosa	Makassar	Trading, Development, Printing and Services	--	53.97%	--
PT Griya Eksotika Utama	Tangerang	Development, Trading, Printing and Services	--	53.97%	--

## PT LIPPO KARAWACI TBK

## PT SENTRA DWIMANDIRI

PT ADIGRAHA RANCANG SEMPURNA  
PT AGUNG SERDANG  
PT ASIAKIC SEJAHTERA FINANCE  
PT BAHTERA PRATAMA WIRASAKTI  
PT BUMI SAWARNA INDAH  
PT DARMASARANA NUSA PRATAMA  
PT DINAMIKA INTERTRANS  
PT DINAMIKA MEGAH CEMERLANG  
PT DONA RHO PRIMA  
PT GOLDEN PRADA MAS  
PT IMPERIAL KARAWACI GOLF  
PT KARYA BERSAMA JAYA  
PT KEMANG VILLAGE MANAGEMENT  
PT LIPPO KARAWACI INFRASTRUCTURE  
PT MANUNGKAL BUMI SEJAHTERA  
PT MULIA BANGUN SEMESTA  
PT MULIA SENTOSA DINAMIKA  
PT PADANG INDAH CITY  
PT PARAGON CITY  
PT PESANGGRAHAN SURI PERMATA AGUNG  
PT PRUDENTIAL DEVELOPMENT  
PT PRUDENTIAL TOWN HOUSE DEVELOPMENT  
PT PUNCAK RESORT INTERNATIONAL  
PT PURNIMEGAH SIWARASA BUANA  
PT SAPTA PERADA JAGAT NUSA  
PT SEJATI JAYA SELARAS  
PT SENTOSA SEKESAMA  
PT SENTRA ASISTAMA REALTY DEVELOPMENT  
PT SENTRA GRAHA MANDIRI  
PT SENTRA OFFICE REALTY  
PT SENTRA REALTIDNO DEVELOPMENT  
PT SENTRA SEMESTA INDAH CEMERLANG  
PT ST MORITZ MANAGEMENT  
PT SUKMAPRIMA SEJAHTERA  
PT SURYA MAKMUR ALAM PERSADA  
PT TATA MANDIRI DAERAH LIPPO KARAWACI  
PT TATA MANDIRI DAERAH VILLA PERMATA  
PT TMD DEPOK MANAJEMEN  
PT TMD MANADO MANAJEMEN  
PT VILLA PERMATA CIBODAS  
PT VILLA PERMATA GEMILANG ABADI  
PT WAHANA TATA BANGUN CEMERLANG  
PT WAHANA TATA BANGUN CEMERLANG MATAHARI  
BROGE WATER INTERNATIONAL LTD  
BRIGHT LINK CAPITAL PTE LTD  
CROMWELL INVESTMENT LTD  
EVIDOA STRATEGIC INVESTMENT LTD  
PAA ASIAN INVESTMENT LTD

## OFFSHORE

BOWSPRIT CAPITAL CORP LTD  
JESSELTON INVESTMENT LTD  
LIPPO KARAWACI CORP PTE LTD  
LK REIT MANAGEMENT PTE LTD  
LMRY MANAGEMENT LTD  
PENINSULA INVESTMENT LTD  
SIGMA CAPITAL PTE LTD  
SIGMA TRILUM PTE LTD  
THEIA CAPITAL PTE LTD  
THEIA KEMANG PTE LTD

## PT WISMA JATIM PROPETINDO

PT ADHI UTAMA DINAMIKA  
PT ALAMARCA PERKASA  
PT ANUGERAH BAGAGIA AMICI  
PT ALONA GRIYA UTAMA  
PT ANDHI KARYA SUKSES PRATAMA  
PT ARASINDO SEJATI  
PT ASRI GRIYA TERPADU  
PT ASRI GRIYA UTAMA  
PT BAHANA MEGAH PRATAMA  
PT BAHANA PERISAI ABADI  
PT BANGUN BINA BERSAMA  
PT BATHARA BRAHMA SAKTI  
PT BEL LANGGA COUNTRY MALL  
PT BUANA MEDIATAMA  
PT BUMI INDAH PERTIWI  
PT CAHYA PUSPITA RAYA  
PT CAKRAWALA SEMESTA ABADI  
PT CARAKATAMA DIRGANTARA  
PT CB COMMERCIAL  
PT CIPTA SEMESTA PRIMA  
PT CIPTA INDAH SELARAS PERSADA  
PT CITRA HARAPAN BARU  
PT CITRA SENTOSA RAYA  
PT DIRECT POWER  
PT DIWINDOJAYA  
PT EKAPUTRA KENCANA ABADI  
PT EMAS MAKMUR CEMERLANG  
PT GADING NUSA UTAMA  
PT GAHARU ALAM PERMAI  
PT GALANG KARYA USAHA  
PT GAPURA SAKTI PRIMA  
PT GAYANA SUMBER CIPTA  
PT GELORA RAYA SEMESTA  
PT GRAHATAMA ASRI MAKMUR  
PT GRAHA TATA CEMERLANG MAKASSAR  
PT GRAND PRIMA PROPETINDO  
PT GRAND PROVITA  
PT GUNA SEJAHTERA KARYA  
PT GUNA TATA CARAKATAMA  
PT HARAPAN INSAN MANDIRI  
PT HOLLAND VILLAGE MANADO  
PT INSPIRADE CEMERLANG  
PT INTENSUSA PRIMA ABADI  
PT IRAMA KARYA MEGAH  
PT JAGAT PERTALITA NUSANTARA  
PT JAYAUSSA PRIMA  
PT KARUNIA ALAM DAMAI  
PT KARUNIA PERSADA RAYA  
PT KARYA ALAM INDAH LESTARI  
PT KARYA CIPTA PESONA  
PT KEMANG MULTI SARANA  
PT KEMANG PARAGON MALL  
PT KEMANG VILLAGE  
PT KEMULU KARYA CIPTA PERSA  
PT KEMUNING SATUMASA  
PT LIPPO CIKARANG TBK  
PT GREAT JAKARTA INTI DEVELOPMENT  
PT TELAGA BAYU MURNI  
PT MAHKOTA SENTOSA EKANUSA  
PT WASKA SENTANA  
PT TUNAS PUNDI BUMI  
PT MEGA KREASI TEKNIKA  
PT CHANDRA MULIA ADIDHARMA  
PT SWADAYA TE KNOPOUS  
PT DAN CITIMARGA  
PT BEKASI MEGAPOWER  
PT MEGAKREASI CIKARANG REALTINDO  
PT PONDOK PRIMA SARANA  
PT CAHYA INA PERMAI  
PT MEGA KREASI NUSANTARA TEKNOLOGI  
PT IRTOSARA NIRMALA  
PT DUNIA AIR INDAH  
PT ERABARU REALTINDO  
PT KREASI DUNIA KELUARGA  
PT KARUNIA ALAM DAMAI  
PT MEGAKREASI CIKARANG ASRI  
PT MEGAKREASI CIKARANG PERMAI  
PT MEGAKREASI CIKARANG DAMAI  
PT ASTANA ARTHA MAS

PT MENARA INTI DEVELOPMENT  
PT MEGAKREASI PROPETINDO UTAMA  
PT MANUNGKAL UTAMA MAKMUR  
PT ZEUS KARYA PRIMA  
PT LIPPO DIAMOND DEVELOPMENT  
PREMIUM VENTURE INTERNATIONAL LIMITED  
INTELITLO FINANCE LIMITED  
PT KENYANA MITRA LESTARI  
PT KILAU INTAN MURNI  
PT KREASI CIPTA PRIMA GEMILANG  
PT KREASI GEMILANG PERKASA  
PT KREASI MEGATAMA GEMILANG  
PT KURNASINDO SEJAHTERA  
PT LARASATI ANUGRAH  
PT LEMBAYUNG KARYA WARANA  
PT LUPPLAND CAHYA/INDONESIA  
PT LIPPO MALLS INDONESIA  
PT LIPOSINDO ABADI  
PT MAHAKARA ABADI  
PT MAHARAJA SAKTI  
PT MANIKAM MUTU PRIMA  
PT MANUNGKAL MEGAH SERASI  
PT MEGA CANDRA KARYA LESTARI  
PT MENARA BHUMI MEGAH  
PT MENARA MEGAH TUNGKAL  
PT MENARA PERKASA MEGAH  
PT METROPOLITAN LEISURE  
PT MITRA KASIH KARUNIA  
PT MITRA MULIA KREASI  
PT MULIACIPTA SARANA SUKSES  
PT MULIA CITRA ABADI  
PT MULIUMUKTI PERSADA PERKASA  
PT MULTIGUNA SELARAS MAJU  
PT NIAGA UTAMA  
PT NUSA BAHANA SEMESTA  
PT NUSA INDAH BUKTI PERMAI  
PT PACIFIC SEJAHTERA  
PT PRAKASA DINAMIKA UNGGUL  
PT PELANGI CAHYA INTAN MAKMUR  
PT PENDOPO NIAGA  
PT PENGELOLA MEMORIAL PARK  
PT PERMATA AGUNG PROPETINDO  
PT PERSADA MANDIRI ABADI  
PT PERSADA MANDIRI DUNIA NIAGA  
PT PINUS PERMAI SELAMAT  
PT PURI AMAN SARANA  
PT PRUDENTIAL APARTMENT DEVELOPMENT  
PT PRUDENTIAL HOTEL DEVELOPMENT  
PT PURI ISTANA MEGAH  
PT PUTERA ABADI KARYA  
PT REALTY LUMABRU  
PT SANDIGEO HILLS MEMORIAL PARK  
PT SAPUTRA KARYA  
PT SARANA GLOBAL MULTINDO  
PT SARANA SENTOSA PROPETINDO  
PT SATRA MANDIRI DOLA UTAMA  
PT SEMBOJA INDAH CIPTA  
PT SENTRA GOLDHILL BUSINESS PARK  
PT SENTRAKARSIASA INDAH  
PT SETRA BUMI UTAMA  
PT SUPORTA DEVELOPA JAYA  
PT SURYA MITRA JAYA  
PT SKY PARKING INDONESIA  
PT SKY PARKING NUSANTARA  
PT SKY PARKING UTAMA  
PT SARANA MULTI UTAMA  
PT TITRA SENTOSA DINAMIKA  
PT TRIAS MITRA INVESTAMA  
PT UNITECH PRIMA INDAH  
PT USAHATAMA KREATIF  
PT VIOLET PELANGI INDAH  
PT WAHANA USAHA MAKMUR  
PT WISMA CAHYA SENTOSA MEGAH  
PT WISMA SUMIT PROPETINDO  
CONTINENTAL INVESTMENT LTD  
ROSENSET LTD  
SEA-PEJENT LTD

## PT PRIMAKREASI PROPETINDO

PT ADUJAYA PRATAMA MANDIRI  
PT ANDALAN UTAMA MAJU  
PT ANDROMEDA SAKTI  
PT ARTA SARANA  
PT BAHTERA PERKASA MAKMUR  
PT BANDHA MULIA ABADI  
PT BERDIKARI JAYA ABADI  
PT BERKAT LANGGANG JAYA  
PT BERKAT SAMUNGGA SUKSES  
PT BIMASAKTI JAYA ABADI  
PT BINAMAN CIPTA MANDIRI  
PT BOWSPRIT ASSET MANAGEMENT  
PT BIST PRANO SEJAHTERA  
PT BUMI ALURUM SEJAHTERA  
PT BUMI SINDANG JAYA  
PT CAHYA TERPADU SAKTI  
PT CIPTA BAKTI UTAMA  
PT CIPTA DUNIA ABADI  
PT CIPTA MAHAKARYA GEMILANG  
PT CIPTA MUTIARA SUKSES  
PT CITRA DWI ANUGRAH  
PT DAMARINDO PERKASA  
PT DANSA INDAH CIPTA  
PT DUTAMAS CAKRA TUNGKAL  
PT DWI PRABU SAKTI  
PT EASRAM LESTARI JAYA  
PT FAJHARUDIN SINAR SAKTI  
PT GADING MAKMUR JAYA  
PT GARDA UTAMA MANADO  
PT GEMPTA CIPTA BERSAMA  
PT GEMPTA SINAR ABADI  
PT GLOBAL LINTAS MULTITAMA  
PT GLORIA MULIA  
PT GRAHA BUANA UTAMA  
PT GRAHA SOLUSI MANDIRI  
PT GRAHA TAMA ASRI MAKMUR  
PT GRAND LILA PERSADA  
PT GUANARANG KARYA SEJATI  
PT GUNUNG HALIMUM ELOK  
PT INDAHUMA SUKSES ABADI  
PT INDOCIPTA MULIA PRADAMA  
PT JAYADIPTA UTAMA MAKMUR  
PT JAYA MAKMUR BERSAMA  
PT KALAMANA PUNDI BUMI  
PT KARIMATA PUTRA ALAM  
PT KARYATAMA BUANA CEMERLANG  
PT KENCANA AGUNG PRADAMA  
PT KHARISMA EKACIPTA PERSADA  
PT KROKAKARYA ANUGERAH UTAMA  
PT KUTA BEACH PARAGON  
PT LAUTAN SINAR ABADI  
PT LINTAS LAUTAN CEMERLANG  
PT LUMBUNG MAS TRUJAYA  
PT MANDARA NUSA LOKA  
PT MANDIRI CIPTA GEMILANG  
PT MAYALYA HARAPAN  
PT MAPALUS MANCANGKAT  
PT MEGA PRADAMA SERASI  
PT MEGA PROYEK PERTIWI  
PT MENARA TITRA INDAH  
PT MENDARI ADI PERKASA  
PT MENDARI PANEN RAYA  
PT MITRA SAMUNGGA MAKMUR  
PT MULIA ADITAMASETTA  
PT MULIA CIPTA WEDHIA  
PT MULTI PANEN UTAMA  
PT MULUR SAKTI GRAHA  
PT NILAM BRU BERSINAR  
PT PAMOR PARAMITA MANDIRI  
PT PANCURAN INTAN MAKMUR  
PT PRABU CIPTA PRIMA  
PT PRALIA KIKHARA UTAMA  
PT PELANGI MULTARA TIMUR  
PT PERSADA MANDIRI JAYA  
PT PRIMA SENTOSA JAYABADI  
PT PURI PRAGATI  
PT PUSAKA SUMBER ARTHA  
PT SAFRA PRIMA UTAMA  
PT SARANA CIPTAKARYA UTAMA  
PT SARI KARYA MUDA  
PT SATYAGRAHA DINAMIKA UNGGUL  
PT SEKAWAN DUNIA DINAMIKA  
PT SINAR BRU ARTHA  
PT SINAR SURYA TIMUR  
PT SOLUSI DUNIA BARU  
PT SUAR LINTAS BENJUA  
PT SUAR LINTAS SAMUDERA  
PT SUAR MUTIARA SEMESTA  
PT SULTANA SEMESTA PRIMA  
PT SUMBER PUNDI SEJAHTERA  
PT SURPLUS MULTI MAKMUR  
PT SURYAMAS KHATULISTIWA  
PT SURYA MEGAH LESTARI  
PT TATABANGUN NUSANTARA  
PT TIMOR EKA SELARAS  
PT TITIAN SEMESTA RAYA  
PT TRIMULIA KENCANA ABADI  
PT TUNGKAL MEKAR ABADI  
PT WUJAYA KUSUMA SUKSES MAJU  
PT WUJAYA WISESA PROPETINDO



# Structure of Subsidiaries



Board of Commissioners' Statement on  
**The Responsibility for the 2015 Annual Report  
of PT Lippo Karawaci Tbk ('The Company')**

We, the undersigned, hereby declare that all information contained in the 2015 Annual Report of PT Lippo Karawaci Tbk has been presented in its entirety, and that we assume full responsibility for the accuracy of the contents of the Company's Annual Report.

This statement is hereby made in all integrity.

Lippo Karawaci, March 2016

**Board Of Commissioners**




**Theo Leo Sambuaga**  
President Commissioner



**Surjadi Soedirdja**  
Vice President Commissioner  
and Independent Commissioner



**Agum Gumelar**  
Independent Commissioner



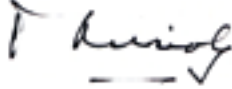
**Farid Harianto**  
Independent Commissioner



**Prof. Dr. H. Muladi, SH**  
Independent Commissioner



**Sutiyo**  
Independent Commissioner



**Tanri Abeng**  
Commissioner



**Viven Gouw Sitiabudi**  
Commissioner

## Board of Directors' Statement on The Responsibility for the 2015 Annual Report of PT Lippo Karawaci Tbk ('The Company')

We, the undersigned, hereby declare that all information contained in the 2015 Annual Report of PT Lippo Karawaci Tbk has been presented in its entirety, and that we assume full responsibility for the accuracy of the contents of the Company's Annual Report.

This statement is hereby made in all integrity.

Lippo Karawaci, March 2016

### Board Of Directors



**Ketut Budi Wijaya**  
President Director



**Tjokro Libianto**  
Director



**Rahmawaty**  
Director



**Stephen Choo Kooi Yoon**  
Director



**Johanes Jany**  
Director



**Ninik Prajitno**  
Director



**Jenny Kuistono**  
Independent Director



**Alwi Sjaaf**  
Independent Director

# GLENDALE PARK

A BREAKTHROUGH CONDOMINIUM DEVELOPMENT OF  
LIPPO GROUP AND MITSUBISHI CORPORATION

**LIPPO GROUP**  
PROPERTY DEVELOPMENT

PT. Diamond Realty Investment Indonesia  
a subsidiary of Mitsubishi Corporation



GET YOUR PRIORITY PASS NOW! IDR 10 million - fully refundable

START FROM **460 Jt-an\***

Following the success of 4 previous towers which have successfully **SOLD OUT**, We'd like to introduce our newest tower Glendale Park, exclusively designed by a renowned Japanese Architect Mitsubishi Jisho Sekkel Inc. - Japan, located at **The New Hub of Eastern Corridor**.



It has **Potential ROI of 16%** with great captive market surrounded by 2500 multinational companies. Units available are **1 BR Deluxe, 1 BR Premium, 2 BR and 3 BR**, completed with unique features and amenities such as **Top Security Retina Scanned Access, Zen Balcony, Tatami room, Ofuro - Japanese Spa, and exquisite swimming pool**, which makes Glendale Park a perfect place to live.

Visit us now, get your Priority Pass and your own private haven.

## OUR RECENT EVENT

**DESIGN TALK** with lead architect Mitsubishi Jisho Sekkel Inc. - Japan and T-Life Environmental Lab  
Thursday 27 November 2014 @ Puriwang Village



**SHOWING CELEBRITY** Lippo Cikarang and Mitsubishi Corporation, Japan for First Joint Venture project "Glendale Park"  
Wednesday 26 November 2014 @ Hotel Grandia Jakarta



**ORANGE COUNTY**  
THE NEW CALIFORNIA CITY

0212961-7777 0822 1004 7788

Orange County Showcase  
Jl. OC Boulevard Utara, Orange County  
Bekasi, 17560, Indonesia  
[www.orangecounty.co.id](http://www.orangecounty.co.id)

[www.orangecounty.co.id](http://www.orangecounty.co.id)

# Financial Report

## **PT LIPPO KARAWACI TBK AND SUBSIDIARIES**

Consolidated Financial Statements  
As of December 31, 2015, 2014 and  
January 1, 2014/ December 31, 2013 and  
For the Years Ended December 31, 2015  
and 2014



**DIRECTORS' STATEMENT  
ON  
THE RESPONSIBILITY FOR PT LIPPO KARAWACI TBK & SUBSIDIARIES  
CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

We the undersigned:

- |  |  |
|--|--|
| 1. Name                                      | : Ketut Budi Wijaya  |
| Address                                      | : Menara Matahari Lt. 22<br>Jln. Boulevard Palem Raya No. 7<br>Lippo Karawaci, Tangerang 15811 |
| Residential Address<br>(as in identity card) | : Jln. Percekakan Negara IV/3<br>Johar Baru, Jakarta Pusat,                                    |
| Telephone                                    | : (021)2566 9000   |
| Title  | : President Director   |
| 2. Name                                      | : Ninik Prajitno   |
| Address                                      | : Menara Matahari Lt. 22<br>Jln. Boulevard Palem Raya No. 7<br>Lippo Karawaci, Tangerang 15811 |
| Residential Address<br>(as in identity card) | : Jln. Prima Block B.3/24<br>Taman Kedoya Permai, 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, 26 Februari 2016  
**PT Lippo Karawaci Tbk**

 	 
<b>Ketut Budi Wijaya</b> President Director	<b>Ninik Prajitno</b> Finance Director

# Amir Abadi Jusuf, Aryanto, Mawar & Rekan

Amir Abadi Jusuf, Aryanto, Mawar & Rekan  
Registered Public Accountants

RSM Indonesia  
Pusat AGA, Level 10  
Jl. Jend. Sudirman Kav. 59  
Jakarta 12160 Indonesia

T +62 21 5140 1340  
F +62 21 5140 1399

[www.rsmindonesia.id](http://www.rsmindonesia.id)

*This report is originally issued in Indonesian language*

**Number : R/085.AGA-Edwd.2/2016**

## Independent Auditors' Report

The Stockholders, Board of Commissioners and Directors  
**PT Lippo Karawaci Tbk**

We have audited the accompanying consolidated financial statements of PT Lippo Karawaci Tbk and its subsidiaries, which comprise the consolidated statement of financial position as of December 31, 2015 and the consolidated statement of profit or loss and other comprehensive income, statement of changes in equity, and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's responsibility for the consolidated financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Indonesian Financial Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### Auditors' responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing established by the Indonesian Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether these consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

THE POWER OF BEING UNDERSTOOD  
AUDIT | TAX | CONSULTING

*This report is originally issued in Indonesian language*

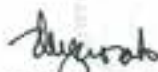
**Opinion**

In our opinion, the accompanying consolidated financial statements present fairly, in all material respect, the consolidated financial position of PT Lippo Karawaci Tbk and its subsidiaries as of December 31, 2015, and their consolidated financial performance and cash flows for the year then ended, in accordance with Indonesian Financial Accounting Standards.

**Emphasis of a matter**

We draw attention to Note 3 to the consolidated financial statements, the Company and subsidiaries applied Statements and Interpretation of Financial Accounting Standards that have been effective since January 1, 2015, which have been applied retrospectively. Therefore, the Company and subsidiaries have restated its consolidated financial statements for the year ended December 31, 2014, and consolidated statements of financial position as of January 1, 2014/ December 31, 2013 with adjustments and reclassification to the certain accounts on the previous consolidated financial statements. We have audited those adjustments and reclassification as described in Note 3 and our opinion is not modified in respect to this matter.

Amir Abadi Jusuf, Aryanto, Mawar & Rekan



Didik Wahyudiyanto

Public Accountant License Number: AP.0502

Jakarta, February 26, 2016



**PT LIPPO KARAWACI Tbk**

**AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

As of December 31, 2015, 2014 and January 1, 2014/ December 31, 2013

(Expressed In Full Rupiah, Unless Otherwise Stated)

	Notes	December 31, 2015	December 31, 2014 *)	January 1, 2014/ December 31, 2013 *)
		Rp	Rp	Rp
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and Cash Equivalents	4, 11, 45, 47	1,839,366,003,277	3,582,643,822,338	1,855,051,780,961
Trade Accounts Receivable	5, 47			
Third Parties	45	1,424,217,469,472	947,553,882,292	769,239,450,809
Related Parties	11	10,130,038,169	3,549,747,604	2,432,208,891
Available-for-Sale Financial Assets	6, 47	5,869,063,440,408	5,502,958,263,108	5,109,971,815,786
Other Current Financial Assets	7, 43.d, 45, 47	2,928,088,914,567	2,607,722,891,057	1,668,510,672,464
Inventories	8	20,458,990,316,986	16,579,175,843,160	13,894,009,358,067
Prepaid Taxes	20.c	817,415,175,234	621,469,444,851	576,053,458,431
Prepaid Expenses	9, 43.b	229,665,665,157	196,903,364,687	137,858,917,501
<b>Total Current Assets</b>		<b>33,576,937,023,270</b>	<b>30,041,977,259,097</b>	<b>24,013,127,662,910</b>
<b>Non-Current Assets</b>				
Due from Related Parties Non-Trade	11, 47	37,093,485,060	14,788,363,567	9,737,396,584
Other Non-Current Financial Assets	10, 45, 47	754,183,530,989	619,925,241,308	518,798,100,269
Investments in Associates	11, 12	153,843,414,817	123,263,762,281	130,431,496,396
Investments in Joint Venture	11, 13	231,427,318,896	--	--
Investment Property	14	417,000,308,256	310,304,754,503	306,361,105,208
Property and Equipment	15	2,731,532,523,878	3,208,762,510,252	2,810,892,282,327
Intangible Assets	16, 48	534,930,482,004	528,286,450,588	337,549,685,494
Deferred Tax Assets	3, 20.b	46,950,367,278	63,918,907,644	52,650,149,802
Advances	17	1,429,931,761,310	1,709,940,393,608	1,456,429,749,828
Land for Development	18	1,369,660,864,310	1,136,227,496,536	1,611,411,858,630
Other Non-Current Non-Financial Assets		43,067,097,981	98,961,735,218	60,968,276,381
<b>Total Non-Current Assets</b>		<b>7,749,621,154,779</b>	<b>7,814,399,615,505</b>	<b>7,295,230,100,919</b>
<b>TOTAL ASSETS</b>		<b>41,326,558,178,049</b>	<b>37,856,376,874,602</b>	<b>31,308,357,763,829</b>

\*) Restated (see Note 3)

**PT LIPPO KARAWACI Tbk**

**AND SUBSIDIARIES**

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

As of December 31, 2015, 2014 and January 1, 2014/ December 31, 2013

(Expressed In Full Rupiah, Unless Otherwise Stated)

	Notes	December 31, 2015	December 31, 2014 *)	January 1, 2014/ December 31, 2013 *)
		Rp	Rp	Rp
<b>LIABILITIES AND EQUITY</b>				
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Trade Accounts Payable - Third Parties	21, 45, 47	782,916,296,824	404,174,297,491	397,748,177,608
Accrued Expenses	19, 45, 47	1,006,468,547,643	1,129,923,477,800	557,317,185,591
Taxes Payable	20.d	228,973,968,765	648,190,083,093	253,597,145,454
Short-Term Employment Benefits Liabilities	47	12,171,380,895	18,383,620,765	13,318,752,901
Short-Term Bank Loans	22, 47	962,173,564,967	173,540,195,011	4,927,167,196
Current Portion of Long-Term-Bank Loans	24, 47	48,261,246,570	12,435,856,488	11,792,174,233
Other Current Financial Liabilities	23, 47	339,865,932,700	408,790,491,164	300,183,744,169
Advances from Customers	27	863,192,440,180	2,523,984,487,387	3,076,033,864,066
Deferred Income	11, 28	480,093,178,686	362,175,439,809	112,750,964,416
Deferred Gain on Sale and Leaseback Transactions	29, 43.b	132,766,996,702	127,287,435,838	119,603,248,421
<b>Total Current Liabilities</b>		<b>4,856,883,553,932</b>	<b>5,808,885,384,846</b>	<b>4,847,272,424,055</b>
<b>Non-Current Liabilities</b>				
Long-Term Bank Loans	24, 47	471,749,633,437	30,525,083,739	42,960,940,232
Due to Related Parties Non-Trade	11, 47	7,528,997,776	3,379,278,119	3,828,292,119
Bonds Payable	25, 45, 47	10,883,059,011,816	9,780,611,296,551	7,747,839,607,892
Other Non-Current Financial Liabilities	47	85,551,631,230	67,387,383,763	50,996,677,731
Long-Term Employment Benefits Liabilities	3, 11, 26	311,085,515,426	255,676,668,775	199,028,214,728
Deferred Tax Liabilities	20.b	39,593,675,631	28,147,868,966	11,983,104,371
Advances from Customers	27	4,348,551,967,369	2,695,672,067,330	2,245,662,396,406
Deferred Income	11, 28	359,098,632,304	418,009,418,689	715,824,259,042
Deferred Gain on Sale and Leaseback Transactions	29, 43.b	1,046,691,000,786	1,147,252,565,727	1,274,494,531,641
<b>Total Non-Current Liabilities</b>		<b>17,552,910,065,775</b>	<b>14,426,661,631,659</b>	<b>12,292,618,024,162</b>
<b>Total Liabilities</b>		<b>22,409,793,619,707</b>	<b>20,235,547,016,505</b>	<b>17,139,890,448,217</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				
30		2,307,768,961,900	2,307,768,961,900	2,307,768,961,900
Additional Paid-in Capital - Net	31	4,063,148,621,880	4,063,148,621,880	4,063,148,621,880
Difference in Transactions with Non-Controlling Interest	32	1,551,184,427,661	529,570,372,012	(185,773,768,543)
Other Equity Components	33	1,105,101,368,218	1,105,101,368,218	1,105,101,368,218
Treasury Stock	30	(216,524,113,794)	(216,524,113,794)	(216,524,113,794)
Retained Earnings		7,101,438,271,572	6,958,145,679,167	4,731,190,705,608
Other Comprehensive Income	3, 35	482,023,339,014	840,369,302,174	978,701,350,944
<b>Total Equity Attributable to Owner of the Parent</b>		<b>16,394,140,876,451</b>	<b>15,587,580,191,557</b>	<b>12,783,613,126,213</b>
<b>Non-Controlling Interests</b>	3, 36	<b>2,522,623,681,891</b>	<b>2,033,249,666,540</b>	<b>1,384,854,189,399</b>
<b>Total Equity</b>		<b>18,916,764,558,342</b>	<b>17,620,829,858,097</b>	<b>14,168,467,315,612</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>41,326,558,178,049</b>	<b>37,856,376,874,602</b>	<b>31,308,357,763,829</b>

\*) Restated (see Note 3)

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

**PT LIPPO KARAWACI Tbk  
AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF PROFIT OR LOSS  
AND OTHER COMPREHENSIVE INCOME**

For the Years Ended December 31, 2015 and 2014  
(Expressed In Full Rupiah, Unless Otherwise Stated)

	Notes	2015 Rp	2014 *) Rp
<b>REVENUES</b>	11, 37	8,910,177,991,351	11,655,041,747,007
<b>Final Tax Expenses</b>	3, 20.a	(206,527,925,189)	(372,429,257,496)
<b>NET REVENUES</b>		<b>8,703,650,066,162</b>	<b>11,282,612,489,511</b>
<b>COST OF REVENUES</b>	38	(4,791,656,100,182)	(6,257,664,110,188)
<b>GROSS PROFIT</b>		<b>3,911,993,965,980</b>	<b>5,024,948,379,323</b>
Operating Expenses	3, 39	(2,391,092,211,267)	(2,119,155,611,804)
Other Income	41	240,033,522,464	595,445,979,296
Other Expenses	41	(270,602,658,223)	(63,467,956,030)
<b>PROFIT FROM OPERATIONS</b>		<b>1,490,332,618,954</b>	<b>3,437,770,790,785</b>
Financial Charges - Net	40	(177,007,309,352)	(122,050,717,802)
Loss on Disposal of Available for Sale Financial Assets	6	(15,437,851,660)	--
Share in the Profit (Loss) of Associates and Joint Venture	12	(13,057,606,802)	8,239,143,222
<b>PROFIT BEFORE TAX</b>		<b>1,284,829,851,140</b>	<b>3,323,959,216,205</b>
Tax Expenses	3, 20.a	(260,709,216,880)	(184,007,957,716)
<b>PROFIT FOR THE YEAR</b>		<b>1,024,120,634,260</b>	<b>3,139,951,258,489</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Other Comprehensive Income Items that will not be Reclassified Subsequently to Profit or Loss:			
Loss from Remeasurement of Defined Benefits Plan	3, 26	(8,914,005,266)	(19,048,967,529)
Portion of Remeasurement of Defined Benefit Plan of Associates		(1,200,516,326)	--
Income Tax Related to Items that will not be Reclassified Subsequently to Profit or Loss:		(4,477,863,145)	6,051,181,862
Other Comprehensive Income Items that will be Reclassified Subsequently to Profit or Loss:			
Gain (Loss) from Translation of Financial Statements	35	(244,573,137,843)	117,468,872,709
Loss on Remeasurement in Fair Value of Available-for-Sale Financial Assets	6, 35	(132,627,182,959)	(255,800,921,479)
Reclassification Adjustment on Loss Available-for-Sale Financial Assets in Profit and Loss		(15,437,851,660)	--
Income Tax Related to Items that will be Reclassified Subsequently to Profit or Loss	6, 34	24,057,826	--
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>(407,206,499,374)</b>	<b>(151,329,834,437)</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>616,914,134,886</b>	<b>2,988,621,424,052</b>
Profit for the Year Attributable to:			
Owner of the Parent		535,393,802,755	2,556,247,574,832
Non-Controlling Interests		488,726,831,505	583,703,683,657
		<b>1,024,120,634,260</b>	<b>3,139,951,258,489</b>
Total Comprehensive Income for the Year Attributable to:			
Owner of the Parent		148,483,248,571	2,408,622,924,789
Non-Controlling Interests		468,430,886,315	579,998,499,263
		<b>616,914,134,886</b>	<b>2,988,621,424,052</b>
<b>EARNINGS PER SHARE</b>			
Basic, Profit for the Year Attributable to Ordinary Shareholders of the Parent	42	23.51	112.26

\*) Restated (see Note 3)

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

These consolidated financial statements are originally issued in Indonesian language

**PT LIPPO KARAWACI Tbk  
AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
For the Years Ended December 31, 2015 and 2014  
(Expressed in Full Rupiah, Unless Otherwise Stated)

Notes	Additional Paid-in Capital - Net										Total Equity Attributable to Owner of the Parent										Non-Controlling Interest		Total Equity																																																																																																																																																																																																																																																																																																																																																																																																																																																																									
	Difference in Value										Retained Earnings										Other Comprehensive Income			Interest																																																																																																																																																																																																																																																																																																																																																																																																																																																																								
	Issued and Fully Paid in Capital	From Reissuancing Transactions with Non-Controlling Stockholders	From Reissuancing Transactions with Non-Controlling Stockholders	From Reissuancing Transactions with Non-Controlling Stockholders	From Reissuancing Transactions with Non-Controlling Stockholders	From Reissuancing Transactions with Non-Controlling Stockholders	From Reissuancing Transactions with Non-Controlling Stockholders	From Reissuancing Transactions with Non-Controlling Stockholders	From Reissuancing Transactions with Non-Controlling Stockholders	From Reissuancing Transactions with Non-Controlling Stockholders	Unappropriated (*)	Appropriated	Unappropriated (*)	Appropriated	Unappropriated (*)	Appropriated	Unappropriated (*)	Appropriated	Unappropriated (*)	Appropriated	Unappropriated (*)	Appropriated		Unappropriated (*)	Appropriated	Unappropriated (*)	Appropriated	Unappropriated (*)	Appropriated	Unappropriated (*)	Appropriated	Unappropriated (*)	Appropriated	Unappropriated 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(*)	Appropriated	Unappropriated (*)	Appropriated	Unappropriated (*)	Appropriated	Unappropriated (*)	Appropriated	Unappropriated (*)	Appropriated	Unappropriated (*)	Appropriated	Unappropriated (*)

\*) Included Remeasurement of Defined Benefits Plan

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

**PT LIPPO KARAWACI Tbk  
AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
For the Years Ended December 31, 2015 and 2014  
(Expressed In Full Rupiah, Unless Otherwise Stated)

	Notes	2015 Rp	2014 *) Rp
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Collections from Customers		8,638,670,900,068	10,927,339,727,633
Payments to Suppliers and Third Parties		(8,597,735,478,623)	(7,668,327,699,230)
Payments to Employees		(1,364,088,264,631)	(1,288,080,174,631)
Interest Received		83,693,332,829	64,860,824,565
Taxes Payments		(607,270,745,153)	(450,403,061,640)
Interest Payments		(863,970,420,919)	(798,918,462,470)
Net Cash Provided (Used) in Operating Activities		<u>(2,710,700,676,429)</u>	<u>786,471,154,227</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Property and Equipment and Software			
Disposal		86,214,960	665,198,588
Acquisition		(496,606,674,144)	(625,009,364,434)
Receipt of Hotel and Hospital Performance Guarantee		120,000,000,000	156,000,000,000
Acquisition of Investment Property		(8,304,892,095)	(21,460,468,648)
Receipt of Dividend		190,006,743,444	247,350,342,124
Placement of Investments in Bond	10	(10,000,000,000)	--
Placement of Investment in Promissory Notes	7	(10,206,914,400)	--
Acquisition Share of Non-Controlling Interest in Subsidiaries	32	(40,692,527,564)	(45,030,000,000)
Disposal of Available-for-Sale Financial Assets	6	62,139,466,275	--
Placement of Restricted Funds		(124,258,289,681)	(101,127,141,039)
Placement of Investments in Joint Venture	13	(213,357,207,223)	--
Acquisition of Subsidiaries, Net of Cash Acquired	48	--	(208,052,418,790)
Disposal of Share in Subsidiary	32	1,136,800,000,000	858,000,000,000
Placement of Investments in Mutual Fund	7	(43,000,000,000)	--
Placement of Investments in Association	12	(38,589,000,000)	--
Disposal of Investments in Association	12	--	15,295,000,000
Placement of Investments and Advances		<u>(319,197,200,722)</u>	<u>(626,756,261,175)</u>
Net Cash Provided by (Used in) Investing Activities		<u>204,819,718,850</u>	<u>(350,125,113,374)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from Bond Issuance	25		
Received		--	1,716,600,000,000
Issuance Cost		--	(127,071,741,361)
Proceeds from Capital Raising through Initial			
Public Offering of Subsidiary			
Stock Issuance Cost		--	(1,899,274,884)
Received from Short-Term Bank Loans		788,633,369,956	168,613,027,815
Payment to Related Parties - Net		(18,155,401,836)	(5,499,980,983)
Dividend Distribution to:			
Owners of the Parent	34	(380,000,000,000)	(320,000,000,000)
Non-Controlling Interest		(137,465,876,654)	(29,228,373,877)
Received from Non-Controlling Interest		23,410,000,000	--
Long-Term Bank Loans			
Received		531,781,227,414	--
Payments		<u>(54,731,287,634)</u>	<u>(81,381,882,713)</u>
Net Cash Provided by Financing Activities		<u>753,472,031,246</u>	<u>1,320,131,773,997</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<u>(1,752,408,926,333)</u>	<u>1,756,477,814,850</u>
Effect of Foreign Exchange on Cash and		9,131,107,272	(28,885,773,473)
Cash Equivalents at the End of the Year			
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>		<u>3,582,643,822,338</u>	<u>1,855,051,780,961</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		<u><b>1,839,366,003,277</b></u>	<u><b>3,582,643,822,338</b></u>

\*) Restated (see Note 3)

Additional informations that does not affect  
the activity of cash flows are presented in Note 49.

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

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

As of December 31, 2015, 2014 and January 1, 2014/ December 31, 2013  
and for the Years Ended December 31, 2015 and 2014  
(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 FINANCIAL STATEMENTS (Continued)**

As of December 31, 2015, 2014 and January 1, 2014/ December 31, 2013

and for the Years Ended December 31, 2015 and 2014

(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/II/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 FINANCIAL STATEMENTS (Continued)**  
As of December 31, 2015, 2014 and January 1, 2014/ December 31, 2013  
and for the Years Ended December 31, 2015 and 2014  
(Expressed In Full Rupiah, Unless Otherwise Stated)

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

The Details of 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	
						2015 Rp	2014 Rp
Theta Capital Pte Ltd*** and subsidiary	Singapore	Investment	100.00%	--	--	11,422,760,431,696	10,233,632,441,423
Theta Kemang Pte Ltd***	Singapore	Trading	100.00%	--	--	11,347,225,059,287	10,183,435,340,378
Sigma Capital Pte Ltd*** and subsidiary	Singapore	Investment	100.00%	--	--	5,211,394,537	5,061,361,538
Sigma Trilium Pte Ltd ***	Singapore	Trading	--	100.00%	--	4,985,955,682	4,648,411,779
Lippo Karawaci Corporation Pte Ltd*** and subsidiaries	Singapore	Investment, Trading and Services	100.00%	--	--	536,104,452,256	455,785,406,201
LK Reit Management Pte Ltd**** and subsidiary	Singapore	Investment, Trading and Services	--	100.00%	--	536,104,462,007	455,785,415,623
Bowsprit Capital Corporation Ltd****	Singapore	Investment, Trading and Services	--	100.00%	2006	536,104,452,256	455,785,406,201
Jesselton Investment Limited*** and subsidiaries	Malaysia	Investment, Trading and Services	100.00%	--	--	500,438,252,028	478,464,512,018
Peninsula Investment Limited*** and subsidiary	Malaysia	Investment, Trading and Services	--	100.00%	--	500,438,265,821	478,464,524,458
LMIRT Management Ltd ****	Singapore	Investment, Trading and Services	--	100.00%	2007	500,438,252,028	478,464,512,018
PT Primakreasi Propertiindo and subsidiaries (0.05% ownership in PT Gowa Makassar Tourism Development Tbk)	Tangerang	Real Estate	99.99%	0.01%	--	10,192,368,427,422	7,837,655,412,752
PT Mujur Sakti Graha and subsidiaries	Tangerang	Real Estate	--	100.00%	--	48,223,381,969	25,546,934,531
PT Surplus Main Makmur and subsidiary	Jakarta	Real Estate	--	90.00%	--	67,263,961,296	44,590,731,858
PT Arta Sarana	Bandung	Investment, Trading and Services	--	81.00%	--	67,269,439,275	44,594,110,337
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%	--	589,769,816,739	564,260,253,179
PT Gempita Sinar Abadi	Jakarta	Development, Trading and Services	--	100.00%	--	20,153,153,609	20,153,684,173
PT Tata Bangun Nusantara	Tanqerang	Development, Trading and Services	--	100.00%	--	5,783,526,903	6,484,801,290
PT Lintas Lautan Cemerlang	Tanqerang	Development, Trading and Services	--	100.00%	--	10,948,173,364	10,494,851,647
PT Nitam Biru Bersinar (3.91% ownership in PT Sicoam International Hospitals Tbk)	Tanqerang	Development, Trading and Services	--	100.00%	--	107,371,000,238	114,452,874,393
PT Salsira Prima Utama (2.14% ownership in PT Sicoam International Hospitals Tbk)	Tangerang	Development, Trading and Services	--	100.00%	--	962,085,510,656	125,747,926,689
PT Kalimaya Pundi Bumi	Tangerang	Development, Trading and Services	--	100.00%	--	1,061,156,484,719	877,028,352,524
PT Gloria Mulia (4.32% ownership in PT Sicoam International Hospitals Tbk)	Tangerang	Development, Trading and Services	--	100.00%	--	62,855,297,333	62,859,299,858
PT Graha Solusi Mandiri and subsidiaries	Jakarta	Services	--	100.00%	--	115,840,230,785	116,209,887,731
PT Wijaya Wisesa Propertiindo	Jakarta	Development and Services	--	100.00%	--	128,269,155	128,269,155
PT Kharisma Ekacipta Persada	Tangerang	Development, Trading and Services	--	100.00%	--	836,815,072	837,936,902
PT Cipta Mahakarya Gemilang	Tangerang	Development, Trading and Services	--	100.00%	--	98,085,547,608	80,585,959,945
PT Mandiri Cipta Gemilang and subsidiaries	Jakarta	Development, Trading and Services	--	100.00%	2003	5,359,772,584,370	4,613,658,074,696
PT Tisari Semesta Raya	Jakarta	Development, Trading and Services	--	100.00%	--	152,735,911,089	98,312,625,406
PT Adijaya Pratama Mandiri	Jakarta	Development, Trading and Services	--	100.00%	2013	165,184,501,524	120,443,039,582
PT Esatama Lestari Jaya	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	2,466,061,055	2,473,364,010
PT Bahtera Perkasa Makmur	Manado	Development, Trading, Printing and Services	--	100.00%	--	343,382,182,073	244,372,362,940
PT Gading Makmur Jaya	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	67,518,029,603	29,987,464,604
PT Bimasakti Jaya Abadi and subsidiaries	Jakarta	Development, Trading, Printing and Services	--	100.00%	2011	692,440,162,336	684,601,729,872
PT Kuta Beach Paragon and subsidiaries	Tanqerang	Development, Trading and Services	--	100.00%	--	496,342,111,971	468,915,359,383
PT Graha Buana Utama and subsidiaries	Tanqerang	Development, Trading and Services	--	100.00%	--	496,236,767,718	449,860,854,085
PT Berkat Langgeng Jaya and subsidiaries	Tanqerang	Development, Trading and Services	--	100.00%	--	496,803,589,718	450,427,476,085
PT Pamor Paramita Utama and subsidiaries	Badung	Development, Trading and Services	--	100.00%	2013	487,350,358,983	439,900,736,204
PT Kidarkarya Anugerah Utama *)	Badung	Development, Trading and Services	--	100.00%	--	600,000,000	--
PT Kencana Agung Pratama *)	Badung	Development, Trading and Services	--	100.00%	--	600,000,000	--
PT Trimulia Kencana Abadi *)	Badung	Development, Trading and Services	--	100.00%	--	600,000,000	--

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Subsidiary	Domicile	Main Business	Direct Ownership Percentage	Indirect Ownership Percentage	Year of Starting Operation	Total Assets	
						2015 Rp	2014 Rp
PT Surya Megah Lestari	Jakarta	Development, Trading, Printing, Land Transport, Industry, Agriculture and Services	--	100.00%	--	4,041,556,478	3,999,011,976
PT Gunung Halimun Elok	Tangerang	Development, Trading and Services	--	100.00%	--	439,260,589,848	324,147,004,722
PT Danisa Indah Cipta and subsidiary	Tangerang	Trading Industry, Printing and Services	--	100.00%	--	525,051,461	544,184,929
PT Fajarindo Sinar Sakti	Tangerang	Trading Industry, Printing and Services	--	100.00%	--	82,825,717	101,389,170
PT Jaya Makmur Bersama	Badung	Development, Trading and Services	--	100.00%	--	3,741,589,528	3,743,180,248
PT Gumarang Karya Sejati	Manado	Development, Trading, Printing and Services	--	100.00%	--	1,976,952,108	1,996,146,526
PT Grand Villa Perdana (0.5% ownership in PT Gowa Makassar Tourism Development Tbk)	Tangerang	Real Estate	--	100.00%	--	54,201,213,000	41,753,819,692
PT Mega Proyek Pertiwi	Tangerang	Development, Trading and Services	--	100.00%	--	15,566,114,296	15,567,249,436
PT Sinar Surya Timur	Tangerang	Development, Trading and Services	--	100.00%	--	52,883,372,764	29,602,681,962
PT Gempita Cipta Bersama	Semarang	Development, Trading and Services	--	100.00%	--	1,986,816,333	1,780,260,937
PT Suryamas Khatulistiwa	Tangerang	Development, Trading and Services	--	100.00%	--	586,968,750	587,618,750
PT Lautan Sinar Abadi	Tangerang	Development, Trading and Services	--	100.00%	--	1,356,033,288	361,097,840
PT Karimata Putra Alam	Tangerang	Development, Trading and Services	--	100.00%	--	583,750,000	584,750,000
PT Timor Eka Selaras	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	5,111,793,383	5,118,094,087
PT Sultana Semesta Prima	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	36,717,871,271	36,716,926,574
PT Wijayakusuma Sukses Maju	Padang	Development, Trading, Printing and Services	--	100.00%	--	11,236,947,569	11,182,399,840
PT Andalan Utama Maju	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	2,325,167,400	2,326,167,400
PT Bumi Aurum Sejahtera	Medan	Development, Trading, Printing and Services	--	100.00%	--	63,588,734,445	47,017,100,849
PT Mentari Panen Raya	Jakarta	Development, Trading, Printing and Services	--	100.00%	--	58,705,000	63,005,000
PT Satyagraha Dinamika Unggul	Tangerang	Development, Trading, Printing and Services	--	70.00%	2013	1,011,670,328,438	794,563,922,776
PT Jayadipta Utama Makmur	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	2,325,167,400	2,326,167,400
PT Bumi Sindang Jaya	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	141,213,197	154,463,197
PT Cahaya Teratai Sakti	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	588,161,989	581,980,381
PT Damarindo Perkasa	Jambi	Development, Trading, Printing and Services	--	100.00%	--	66,123,746,499	42,633,127,624
PT Cipta Dunia Abadi	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	595,515,923	589,329,126
PT Sekawan Dunia Dinamika	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	581,500,000	584,000,000
PT Citra Dwi Anugrah	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	519,780,515	530,373,719
PT Pelangi Mutiara Timur	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	518,509,311	514,070,812
PT Sari Karya Muda	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	486,389,017	493,549,517
PT Sinar Biru Artha	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	581,500,000	584,000,000

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						2015 Rp	2014 Rp
PT Tunggal Mekar Abadi	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	563,000,000	584,000,000
PT Bowsprit Asset Management	Jakarta	Investment Trading	--	100.00%	2015	24,034,423,490	24,696,754,836
PT Mega Pratama Serasi	Depok	Development, Trading, Printing and Services	--	100.00%	--	217,191,186	927,629,672
PT Mulia Aditama Setia	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	30,350,000	31,350,000
PT Mentari Adi Perkasa	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	997,755,000	998,655,000
PT Berdikari Jaya Abadi	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	72,255,000	73,505,000
PT Lumbung Mas Trijaya and subsidiaries	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	870,735,577,840	805,675,772,633
PT Karyatama Buana Cemerlang and subsidiary	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	790,741,518,236	745,594,458,836
PT Mapalus Mancacakti	Tangerang	Development, Trading, Printing and Services	--	70.00%	2014	730,423,687,982	685,308,685,960
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	584,000,000
PT Prabu Cipta Prima	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	581,517,500	584,000,000
PT Multi Panen Utama	Kupang	Development, Trading, Printing and Services	--	100.00%	--	5,908,209,435	5,981,509,435
PT Pancuran Intan Makmur	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	89,752,402,218	50,502,630,728
PT Solusi Dunia Baru	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	72,205,241,071	72,186,726,571
PT Suar Lintas Samudra	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	581,500,000	584,000,000
PT Berkat Samiguna Sukses	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	574,000,000	584,000,000
PT Global Lintas Multitama	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	584,000,000	584,000,000
PT Sarana Ciptakarya Utama	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	581,500,000	584,000,000
PT Mitra Samiguna Makmur	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	9,977,026,000	578,025,000
PT Cipta Muliana Sukses	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	149,978,000,000	149,979,000,000
PT Suar Muliana Semesta	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	584,000,000	600,000,000
PT Manyala Harapan	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	92,685,594,499	80,081,744,189
PT Suar Lintas Benua and subsidiary	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	863,650,000	1,185,000,000
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%	--	582,500,000	585,000,000
PT Andromeda Sakti	Tangerang	Development, Trading, Printing and Services	--	100.00%	2015	102,013,197,250	600,000,000
PT Persada Mandiri Jaya *)	Jakarta	Agriculture and Services	--	55.00%	--	586,500,000	600,000,000
PT Bandha Mulia Abadi *)	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	11,154,600,000	11,154,900,000

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						2015 Rp	2014 Rp
PT Dutamas Cakra Tunggal *)	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	583,559,730	600,000,000
PT Indocitra Mulia Pratama *)	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	1,313,000,953	600,000,000
PT Praja Adikara Utama *)	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	3,048,283,917	600,000,000
PT Pusaka Sumber Artha *)	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	591,225,000	600,000,000
PT Prima Sentosa Jaya Abadi *)	Jakarta	Development, Trading, Printing and Services	--	100.00%	--	586,950,000	600,000,000
PT Indahjaya Sukses Abadi *)	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	588,375,000	600,000,000
PT Mandara Nusa Loka *)	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	588,350,000	600,000,000
PT Garda Utama Manado *)	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	588,350,000	600,000,000
PT Cipta Bakti Utama *)	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	1,094,238,892	600,000,000
PT Binaman Cipta Mandiri *)	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	39,508,475,332	600,000,000
PT Sentra Dwimandiri and subsidiaries (1.63% ownership in PT Gowa Makassar Tourism Development Tbk)	Jakarta	Real Estate	99.99%	0.01%	--	5,855,097,222.765	5,554,696,500.604
PT Prudential Development	Jakarta	Real Estate	--	100.00%	--	566,430,123	6,254,108,920
PT Sentra Realindo Development and subsidiaries (4.62% ownership in PT Lippo Cikarang Tbk)	Jakarta	Home Care	--	100.00%	2001	143,912,331,574	125,456,126,578
PT Dama Sarana Nusa Pratama and subsidiary	Tangerang	Real Estate	--	52.70%	1997	72,905,668,870	78,871,020,367
PT Tata Mandiri Daerah Villa Permata	Tangerang	Town	--	42.16%	2001	7,359,760,353	5,133,315,616
PT Golden Pradamas and subsidiaries	Tangerang	Management	--	100.00%	--	733,793,521,174	618,852,901,965
PT Mulia Bangsun Semesta and subsidiaries	Tangerang	Real Estate	--	100.00%	2002	811,992,028,933	628,417,382,080
PT Villa Permata Cihodas and subsidiaries	Tangerang	Real Estate	--	100.00%	1995	298,803,357,037	193,744,121,719
PT Puncak Resort International and subsidiaries	Tangerang	Real Estate	--	99.99%	1994	76,193,943,809	75,594,266,697
PT Dona Indo Prima	Tangerang	Real Estate	--	100.00%	--	41,078,593,520	50,000,000
PT Sentosa Sekelama	Cianjur	Real Estate	--	100.00%	1994	22,670,912,374	22,671,635,374
PT Purnimegh Swarga Buana	Cianjur	Real Estate	--	100.00%	1994	9,351,285,285	8,903,451,587
PT Adigraha Rancang Sempurna	Cianjur	Real Estate	--	100.00%	1994	7,181,954,068	7,182,386,068
PT Peleanggrahan Surpematana Agung	Cianjur	Real Estate	--	100.00%	1994	1,824,436,812	1,825,161,812
PT Sukmaprma Sejatiara	Tangerang	Real Estate	--	100.00%	--	50,000,000	50,000,000
PT Villapematna Gemilang Abadi *)	Jakarta	Real Estate	--	100.00%	--	600,000,000	600,000,000
PT Bumi Sawarna Indah *)	Jakarta	Development, Trading, 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	402,589,982,356	370,159,105,566
PT Sentra Asitama Realty Development and subsidiaries	Tangerang	Installation and Water Treatment	--	100.00%	1994	204,103,464,536	205,842,879,018
PT Tata Mandiri Daerah Lippo Karawaci and susidiary	Tangerang	Town	--	100.00%	1999	187,450,907,583	188,838,584,634
PT Surya Makmur Alam Perada	Jakarta	Management	--	99.99%	--	20,330,325,285	20,332,287,869
PT Karya Bersama Jaya	Jakarta	Installation and Water Treatment	--	100.00%	2010	32,890,064,172	30,798,919,227
PT Sentragraha Mandiri	Jakarta	Real Estate	--	100.00%	--	33,361,768,217	33,367,856,443
PT Saptaperasada Jagat Nusa	Tangerang	Bowling	--	100.00%	1998	7,844,810,637	8,288,307,254
PT Seputriaya Selaras	Jakarta	Real Estate	--	100.00%	--	13,200,319,878	13,125,256,493
PT Bahtera Pratama Wirasakti	Jakarta	Real Estate	--	100.00%	--	16,700,451,232	16,705,594,306
PT Sentra Office Realty	Tangerang	Development	--	100.00%	1998	722,781,760	722,781,760
PT Dinamika Intertrans	Jakarta	Transportation	--	100.00%	1994	1,157,602,808	964,049,979
PT Imperial Karawaci Golf	Tangerang	Golf	--	100.00%	--	465,520,500	468,508,000
PT Agung Sepadan	Tangerang	Real Estate	--	100.00%	--	2,551,501,213	2,554,714,463
PT Prudential Townhouse Development	Tangerang	Real Estate	--	100.00%	--	187,063,301	181,033,503
PT Wahana Tatabangunan Cemerlang Matahari	Tangerang	Real Estate	--	100.00%	--	5,913,708	7,295,708
PT Wahana Tatabangunan Cemerlang	Tangerang	Real Estate	--	100.00%	--	5,532,966	6,914,966
PT Manunggal Bumi Sejatiara and subsidiary	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	531,233,655,665	280,259,865,094
PT Asiatic Sejahtera Finance	Tangerang	Development, Trading, Printing and Services	--	100.00%	2009	427,015,850,305	15,572,832,958
PT Paragon City	Jakarta	Real Estate and Trading	--	100.00%	--	15,695,892,615	15,693,826,615
PT Padang Indah City	Padang	Trading	--	100.00%	--	16,720,547,228	16,730,973,693
Bridgewater International Ltd***	Seychelles	Investment and Trading	--	100.00%	2006	4,260,614,432,503	4,404,916,617,928
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	--	100.00%	--	10,217,805,495	222,777,677
PT TMD Manado Manajemen *)	Tangerang	Management	--	100.00%	--	10,000,000,000	10,000,000,000
Brightlink Capital Limited***	Malaysia	Investment, Trading and Services	--	100.00%	--	102,088,788,768	92,147,606,642
Evodia Strategic Investment Limited***	Malaysia	Investment, Trading and Services	--	100.00%	--	487,549,995,340	471,099,995,497
PT St Moritz Management	Jakarta	Development, Trading and Services	--	100.00%	2014	14,761,833,436	8,882,409,080

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						2015 Rp	2014 Rp
PT Kemang Village Management	Jakarta	Hotel	--	100.00%	2014	32,038,078,824	19,759,833,203
PT TMD Depok Manajemen	Depok	Services	--	100.00%	--	10,000,000,000	10,000,000,000
PT Dinamika Megah Cemerlang *)	Tangerang	Trading and Development	--	100.00%	--	600,000,000	600,000,000
PT Sentrasemesta Indah Cemerlang *)	Tangerang	Printing and Services	--	100.00%	--	600,000,000	600,000,000
PT Wiama Jatin Proptendo and subsidiaries (1.23% ownership in PT Gowa Makassar Tourism Development Tbk)	Jakarta	Trading and Services	100.00%	--	--	5,752,773,130,589	5,523,249,922,896
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%	--	3,208,720,342,821	5,695,597,309,696
PT Wahana Usaha Makmur and subsidiaries	Jakarta	Real Estate	--	100.00%	--	1,724,714,244,769	5,695,540,104,557
PT Almaron Perkasa and subsidiaries	Jakarta	Real Estate	--	100.00%	2005	1,706,872,089,223	5,681,674,371,674
PT Multiguna Selaras Maju	Tangerang	Development, Trading and Services	--	100.00%	2014	33,836,430,746	1,628,887,735
PT Gelora Raya Semesta	Tangerang	Trading and Development	--	100.00%	2013	259,062,090,279	276,004,785,749
PT Prima Aman Sarana	Jakarta	Services	--	100.00%	--	139,139,604,503	116,643,334,519
PT Kemang Multi Sarana	Jakarta	Real Estate and Urban	--	100.00%	2013	36,470,032,019	37,200,819,290
PT Harapan Insan Mandiri	Jakarta	Development and Urban	--	100.00%	2014	22,733,502,448	600,000,000
PT Violet Pelangi Indah	Tangerang	Development, Trading and Services	--	100.00%	2014	19,338,125,177	600,000,000
PT Lippoindo Abadi and subsidiaries	Jakarta	Trading	--	100.00%	--	238,242,381,539	238,276,260,634
PT Kemuning Sattatama and subsidiaries (42.20% ownership in PT Lippo Cikarang Tbk)	Jakarta	Trading	--	100.00%	--	233,329,575,466	233,361,108,783
PT Megachandra Karyalistri	Jakarta	Trading	--	100.00%	1992*	283,171,674	284,019,258
PT Prudential Apartment Development	Jakarta	Services	--	100.00%	--	569,474,944	573,438,194
PT Sentraharisma Indah and subsidiary	Jakarta	Services	--	100.00%	--	2,171,594,120	2,173,711,120
PT Sentra Codihi Business Park	Jakarta	Services	--	90.00%	--	--	--
PT Carakataa Dirgantara and subsidiary	Jakarta	Trading	--	100.00%	--	68,923,066,067	69,834,348,222
PT Prudential Hotel Development	Tangerang	Trading and Services	--	100.00%	1994*	68,908,990,902	69,812,701,335
PT Ariasindo Sejai and subsidiaries	Jakarta	Trading and Services	--	95.00%	--	182,440,215,774	191,748,810,171
PT Untech Prima Indah and subsidiary	Tangerang	Real Estate	94.69%	2004	189,416,530,150	192,761,131,922	
PT Karya Cipta Pesona	Medan	Accommodation service provider	94.69%	2014	68,932,342,486	74,896,938,111	
PT Puri Istana Megah	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	647,400,000	584,000,000
PT Metropolitan Leisure Corporation and subsidiaries	Jakarta	Trading and Services	--	100.00%	--	38,834,979,960	41,557,718,775
PT Kurmasindo Sejahtera	Jakarta	Trading and Services	--	100.00%	--	139,767,149	137,598,822
PT Graha Tata Cemerlang Makassar (0.34% ownership in PT Lippo Cikarang Tbk)	Makassar	Real Estate	--	100.00%	2002	35,542,419,390	38,655,688,284
PT Guna Tata Carakataa	Makassar	Trading and Services	--	100.00%	2002	257,117,145	201,928,602
PT Lippo Land Cahaya Indonesia	Tangerang	Services	--	100.00%	2003	2,895,674,245	2,561,472,245
PT Kanunia Persada Raya and subsidiary	Tangerang	Trading	--	100.00%	--	86,368,298,496	77,299,339,376
PT Pondok Niaga	Malang	Real Estate	--	100.00%	2004	86,368,298,496	77,299,339,376
PT Larasati Anugerah	Jakarta	Trading	--	100.00%	--	19,730,420	20,762,420
PT Bathara Bathara Sakti (0.05% ownership in PT Gowa Makassar Tourism Development Tbk)	Tangerang	Trading and Services	--	100.00%	1992*	4,790,614,247	4,795,177,427
PT Realty Limanbu	Jakarta	Services	--	100.00%	1998*	344,735,579	349,690,497
PT Dwisindo Jaya (0.05% ownership in PT Gowa Makassar Tourism Development Tbk)	Jakarta	Trading	--	100.00%	--	113,543,879	114,474,044
PT Kanunia Alam Damai and subsidiary	Jakarta	Trading	--	100.00%	--	203,190,705,028	196,663,052,126
PT Jagatperhta Nusantara	Depok	Real Estate	--	100.00%	2004	203,190,705,028	196,663,052,126
PT Mullamuki Persada Perkasa	Jakarta	Trading	--	100.00%	--	--	1,321,000
PT Kemang Village and subsidiaries	Jakarta	Trading	--	100.00%	--	281,636,959,741	279,875,638,597
PT Menara Bhunimegah and subsidiaries	Jakarta	Services	--	100.00%	2005	183,324,266,430	189,377,399,443
PT Jaya Usaha Prima and subsidiary	Jakarta	Real Estate	--	99.90%	--	118,223,401,559	104,335,643,396
PT Persada Mandiri Abadi	Jakarta	Real Estate	--	99.90%	2005	118,221,429,559	104,333,671,396
PT Achi Utama Dinamika	Jakarta	Real Estate	--	100.00%	--	98,826,140,559	91,009,848,574
PT Menara Perkasa Megah and subsidiaries	Surabaya	Real Estate and Urban Development	--	100.00%	2005	501,976,724,625	496,292,902,223
PT Pelangi Cahaya Intan Makmur and subsidiaries	Surabaya	Trading	--	85.00%	--	412,311,793,261	405,866,682,928
PT Surya Mitra Jaya and subsidiary	Sidoarjo	Trading and Services	--	85.00%	2005	391,444,673,035	405,902,441,099
PT Citra Harapan Baru	Surabaya	Accommodation	--	87.50%	--	2,000,000,000	2,000,000,000
PT Niaga Utama	Jakarta	Trading	--	100.00%	--	100,750,000	100,750,000
PT Mitra Kasih Kanunia	Jakarta	Real Estate	--	100.00%	--	1,867,217,700	1,867,217,700
PT Kresni Megatama Gemilang and subsidiaries (0.05% ownership in PT Gowa Makassar Tourism Development Tbk)	Tangerang	Development, Industry, Agriculture, and Services	--	100.00%	--	1,004,411,143,767	779,553,625,206
PT Lippo Malls Indonesia and subsidiaries (2.73% ownership in PT Lippo Cikarang Tbk)	Tangerang	Trading and Services	--	100.00%	2002	1,012,073,038,335	779,806,682,710
PT Kresni Gemilang Perkasa	Tangerang	Development, Trading and Services	--	100.00%	2013	5,494,973,738	4,186,335,003
PT Kilau Intan Murni	Tangerang	Development, Trading and Services	--	100.00%	--	79,581,597,600	79,453,686,600
PT Mulia Citra Abadi and subsidiaries	Yogyakarta	Development, Trading, Printing, Land Transport, Industry, Agriculture and Services	--	100.00%	2012	498,831,588,231	345,113,361,598
PT MuliaCipta Sarana Sukses *)	Yogyakarta	Trading	--	100.00%	--	600,000,000	--
PT Manunggal Megah Serasi *)	Yogyakarta	Development, Printing, Agriculture, and Services	--	100.00%	--	600,000,000	--

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Subsidiary	Domicile	Main Business	Direct Ownership Percentage	Indirect Ownership Percentage	Year of Starting Operation	Total Assets	
						2015 Rp	2014 Rp
PT Andhikarya Sukses Pratama *)	Yogyakarta	Trading Development, Printing, Agriculture, and Services	--	100.00%	--	600,000,000	--
PT Nusa Bahana Semesta *)	Tangerang	Development, and Services	--	100.00%	--	600,000,000	600,000,000
PT Sky Parking Indonesia and subsidiaries *)	Tangerang	Trading and Services	--	100.00%	--	43,855,908,044	21,000,000,000
PT Sky Parking Nusantara and subsidiary *)	Tangerang	Trading and Services	--	70.00%	--	43,855,233,044	--
PT Sky Parking Utama *)	Tangerang	Trading and Services	--	70.00%	2015	43,853,632,333	--
PT Gayana Sumber Cipta and subsidiary	Tangerang	Development, Trading and Services	--	100.00%	--	709,550,000	737,150,000
PT Gaharu Alam Permai	Tangerang	Development, Trading and Services	--	100.00%	--	600,000,000	600,000,000
PT Semboja Indah Cipta	Tangerang	Development, Trading and Services	--	100.00%	--	552,550,000	4,501,044,310
PT Putera Abadi Karya	Bogor	Development, Trading and Services	--	100.00%	--	552,550,000	578,150,000
PT Buana Mediatama	Tangerang	Development, Trading and Services	--	100.00%	--	559,800,000	586,400,000
PT Nusalindah Bukit Permai	Tangerang	Development, Trading and Services	--	100.00%	--	550,950,000	5,046,378,129
PT Lembayung Karya Nirwana	Jakarta	Development, Trading and Services	--	100.00%	--	559,550,000	577,150,000
PT Inspira Ide Cemerlang	Tangerang	Development, Trading and Services	--	100.00%	--	559,550,000	587,150,000
PT Irama Karya Megah	Surabaya	Development, Trading and Services	--	100.00%	--	251,476,498,945	251,058,661,491
PT Usahatama Kreatif	Tangerang	Development, Trading and Services	--	100.00%	--	1,303,083,288	458,647,840
PT Usahautama Kreatif *)	Tangerang	Development, Trading, Industry, Agriculture, Land Transportation and Services	--	100.00%	--	600,000,000	--
PT Seputra Karya (0.05% ownership in PT Gowa Makassar Tourism Development Tbk)	Surabaya	Real Estate and Urban Development	--	100.00%	--	124,395,714,267	102,500,564,787
PT Grand Provita and subsidiary (0.05% ownership in PT Gowa Makassar Tourism Development Tbk)	Tangerang	Real Estate	--	100.00%	--	464,646,900	473,106,900
PT Grand Prima Propertindo	Tangerang	Real Estate	--	65.00%	--	5,348,100	7,296,100
PT Pacific Sejahtera	Tangerang	Real Estate	--	100.00%	--	14,122,400	16,687,400
PT Anugerah Bahagia Abadi and subsidiaries	Jakarta	Real Estate	--	100.00%	--	527,642,541,736	426,465,498,672
PT Intermusa Prima Abadi	Jakarta	Real Estate	--	85.00%	--	527,639,590,865	1,013,883,079
PT Bangun Bina Benama and subsidiary	Jakarta	Real Estate	--	85.00%	--	527,154,073,365	426,462,547,862
PT Satriamandiri Idola Utama	Jakarta	Real Estate	--	85.00%	--	157,058,282,729	117,835,814,312
PT Mahakaya Abadi	Tangerang	Real Estate	--	100.00%	--	477,345,600	478,623,100
PT Persada Mandiri Dunia Niaga and subsidiaries (0.05% ownership in PT Gowa Makassar Tourism Development Tbk)	Jakarta	Real Estate	--	100.00%	--	4,950,000,000	4,950,000,000
PT Ekaputra Kencana Abadi	Jakarta	Real Estate	--	100.00%	--	69,175,797,596	69,231,905,196
PT Capura Sakti Prima and subsidiaries	Jakarta	Real Estate	--	100.00%	--	69,040,432,223	69,095,997,694
PT Menara Megah Tunggal and subsidiary	Jakarta	Real Estate	--	100.00%	2005	68,870,925,806	68,923,453,279
PT Trias Mitra Investama	Binjai	Real Estate	--	100.00%	--	522,480,130	1,181,225,795
PT Permata Agung Propertindo	Jakarta	Development, Transportation, Trading and Services	--	100.00%	--	645,075,000	575,175,000
PT Kencana Mitra Lestari	Jakarta	Development, Transportation, Trading and Services	--	100.00%	--	645,075,000	575,175,000
PT Direct Power and subsidiaries	Bogor	Trading, Real Estate, Industri, Agrobisnis, Transportation and Services	--	100.00%	2007	125,337,920,962	124,629,800,619
PT Mitra Mula Kreasi and subsidiary	Jakarta	Development, Industri, Mining, Agrobisnis, Transportation and Services	--	80.00%	--	42,679,605,288	41,971,484,946
PT Belianova Country Mall	Bogor	Trading and Services	--	80.00%	2005	42,589,675,288	41,881,554,945
PT Tirta Sentosa Dinamika *)	Tangerang	Trading, Printing, and Services	--	100.00%	--	600,000,000	--
PT Pinus Permai Sejahtera *)	Cianjur	Development, Printing, and Services	--	100.00%	--	15,762,983,041	--
PT Emas Makmur Cemerlang and subsidiary	Jakarta	Trading, Printing, and Services	--	100.00%	--	10,887,100,000	--
PT Guna Sejahtera Karya	Jakarta	Development, Printing, and Services	--	100.00%	--	427,127,204,143	403,656,624,893
PT Sarana Global Multindo and subsidiaries	Jakarta	Development, Industri, Agrobisnis, Pertambangan and Services	--	100.00%	--	575,157,607,960	355,465,506,039
PT Citra Sentosa Raya and subsidiaries	Jakarta	Development, Transportation, Perdagangan and Services	--	100.00%	--	572,547,649,912	516,676,784,304

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Subsidiary	Domicile	Main Business	Direct Ownership Percentage	Indirect Ownership Percentage	Year of Starting Operation	Total Assets	
						2015 Rp	2014 Rp
PT Gading Nusa Utama	Jakarta	Trading, Development, Industri, Agrobisnis, Pertamanan and Services	--	100.00%	--	19,076,707,333	27,300,259,404
Rosenet Limited**** and subsidiary	British Virgin Island	Investment	--	100.00%	--	571,054,888,841	546,201,825,184
Sea Pejaten Pte. Ltd****	Singapore	Investment	--	100.00%	--	44,650,214,701	546,201,825,184
Continental Investment Limited****	Malaysia	Trading and Services	--	100.00%	--	28,735,537	25,916,625
PT Sandiego Hills Memorial Park and subsidiary	Karawang	Trading, Development, Transportation and Services	--	100.00%	2006	596,305,567,169	448,980,687,326
PT Penglola Memorial Park	Karawang	Trading and Services	--	100.00%	2010	80,393,041,067	68,225,906,669
PT CB Commercial	Tangerang	Trading and Services	--	100.00%	--	581,730,437	582,762,161
PT Kemilau Karyacipta Persada	Tangerang	Trading and Services	--	100.00%	--	2,455,091,000	2,458,223,000
PT Bumi Indah Pertiwi	Tangerang	Trading and Services	--	100.00%	--	2,579,391,024	2,216,817,102
PT Galang Karya Usaha	Tangerang	Trading and Services	--	100.00%	--	100,000,000	100,000,000
PT Alona Griya Utama and subsidiary	Tangerang	Trading, Printing and Services	--	60.00%	--	4,936,565,421	1,673,963,537
PT Cipta Semesta Prima	Tangerang	Trading, Printing and Services	--	60.00%	--	4,918,797,508	1,748,962,537
PT Kreasi Ciptaprima Gemilang	Tangerang	Trading, Printing and Services	--	100.00%	--	73,000,000	100,000,000
PT Manikam Mulu Prima and subsidiary	Tangerang	Trading, Printing and Services	--	100.00%	--	60,251,000	674,251,000
PT Holland Village Manado *)	Tangerang	Trading, Printing and Services	--	100.00%	--	600,000,000	600,000,000
PT Suporta Developa Jaya	Tangerang	Trading, Printing and Services	--	100.00%	--	69,200,000	71,000,000
PT Wismacahaya Sentosa Megah *)	Tangerang	Trading, Printing and Services	--	100.00%	--	600,000,000	600,000,000
PT Ciptasindah Selaras Persada *)	Tangerang	Trading, Printing and Services	--	100.00%	--	600,000,000	600,000,000
PT Asri Griya Terpadu and subsidiary *)	Tangerang	Trading, Printing and Services	--	85.00%	--	49,990,000,000	--
PT Asri Griya Utama *)	Tangerang	Trading, Printing and Services	--	85.00%	--	1,673,497,537	600,000,000
PT Cakrawala Semesta Abadi *)	Tangerang	Trading, Printing and Services	--	100.00%	--	586,232,000	600,000,000
PT Sarana Sentosa Propertiindo *)	Tangerang	Trading, Printing and Services	--	100.00%	--	6,938,039,595	600,000,000
PT Bahana Megah Pratama and subsidiary *)	Tangerang	Trading, Printing and Services	--	100.00%	--	588,350,000	600,000,000
PT Bahana Perisai Abadi *)	Tangerang	Trading, Printing and Services	--	100.00%	--	567,349,935	600,000,000
PT Cahaya Puspa Raya *)	Tangerang	Trading, Printing and Services	--	100.00%	--	588,350,000	600,000,000
PT Karyaalam Indah Lestari *)	Tangerang	Trading, Printing and Services	--	100.00%	--	600,000,000	--
PT Prakarsa Dinamika Unggul *)	Tangerang	Trading, Printing and Services	--	100.00%	--	600,000,000	--
PT Setra Bumi Utama *)	Tangerang	Trading, Printing and Services	--	100.00%	--	588,000,000	--
PT Tanuna Multi Utama *)	Tangerang	Trading, Printing and Services	--	100.00%	--	1,979,500,000	--
PT Puri Istana Megah *)	Tangerang	Trading, Printing and Services	--	100.00%	--	647,400,000	--
PT Grahatama Asri Makmur	Tangerang	Trading, Printing and Services	--	100.00%	--	624,583,288	915,147,840
PT Lippo Cikarang Tbk and subsidiaries	Bekasi	Real Estate	--	54.37%	1989	5,476,757,336,509	4,390,498,820,383
PT Great Jakarta Inti Development and subsidiary	Bekasi	Town Development and Real Estate	--	54.37%	1992	399,691,712,048	166,167,908,743
PT Menara Inti Development	Bekasi	Real Estate	--	54.37%	2012	17,649,902,438	19,106,103,848
PT Tunas Pundi Bumi	Bekasi	Town Management	--	54.37%	2010	69,213,327,034	220,879,340,910
PT Erabaru Realindo	Bekasi	Real Estate	--	54.37%	--	26,768,406,656	26,675,274,843
PT Dian Citimarga	Bekasi	Transportation	--	54.37%	1993	611,000,223	574,166,188
PT Kreasi Dunia Keluarga	Bekasi	Recreational Park	--	54.37%	1993	3,848,349,610	8,905,263,816
PT Chandra Mulia Adhishama	Bekasi	Property Management	--	54.37%	2011	26,037,970,359	47,947,330,121
PT Tirta Sari Nimala	Bekasi	Water Treatment	--	54.37%	2011	35,608,402,065	70,243,590,666
PT Waska Sentana	Bekasi	Real Estate	--	54.37%	2014	197,448,696,592	504,659,575,649
PT Swadaya Teknopolis dan dan subsidiaries	Bekasi	Real Estate	--	54.37%	2009	170,100,001,000	250,000,000
Premium Venture International Ltd and subsidiary	British Virgin Island	Investment	--	54.37%	2015	167,426,688,280	--
Intelltop Finance Ltd	British Virgin Island	Investment	--	28.12%	2014	374,224,622,865	--



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Subsidiary	Domicile	Main Business	Direct Ownership Percentage	Indirect Ownership Percentage	Year of Starting Operation	Total Assets	
						2015 Rp	2014 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%	--	279,139,052,611	85,140,741,861
PT Zeus Karya Prima	Tangerang	Development, Trading, Printing and Services	--	54.37%	--	31,696,793,617	27,801,089,340
PT Manunggal Utama Mekmur	Tangerang	Real Estate	--	54.37%	--	598,003,173	592,353,788
PT Mahkota Sentosa Ekranusa	Bekasi	Real Estate	--	54.37%	2015	49,734,869,396	18,632,125,396
PT Mega Kresni Teknika	Bekasi	Building Construction	--	54.37%	--	155,198,464	262,498,497
PT Astana Artha Mas	Tangerang	Real Estate	--	54.37%	--	155,665,273,863	132,773,308,048
PT Mega Kresni Nusantara Teknologi	Bekasi	Real Estate	--	54.37%	--	3,000,000,000	3,000,000,000
PT Pondera Prima Sarana	Tangerang	Real Estate	--	54.37%	--	14,086,542,000	123,200,000
PT Telaga Banyu Murni and subsidiary	Tangerang	Real Estate	--	54.37%	--	42,052,164,000	162,200,000
PT Karmata Alam Damai	Tangerang	Real Estate	--	54.37%	--	55,921,151,800	41,950,330,000
PT Megakreasi Cikarang Damai	Tangerang	Real Estate	--	54.37%	--	9,952,431,270	2,979,317,511
PT Megakreasi Cikarang Permai	Tangerang	Real Estate	--	54.37%	--	102,125,875,000	500,000,000
PT Megakreasi Cikarang Auri <sup>1)</sup>	Bekasi	Real Estate	--	40.78%	2015	33,000,800,000	33,000,800,000
PT Megakreasi Properti Utama <sup>1)</sup>	Bekasi	Real Estate	--	40.78%	--	67,627,567,693	33,000,817,000
PT Megakreasi Cikarang Realindo <sup>1)</sup>	Bekasi	Development, Trading, and Services	--	54.37%	--	7,399,897,925	--
PT Mahkota Sentosa Utama <sup>1)</sup>	Bekasi	Marketing and Building Management	--	54.37%	--	1,250,000,000	--
PT Megapratama Karya Persada and subsidiaries	Tangerang	Investment, Trading and Services	100.00%	--	--	5,142,753,364,187	5,041,931,170,285
PT Siloam International Hospitals Tbk and subsidiaries	Tangerang	Healthcare Service	--	70.82%	2010	2,986,270,148,106	2,846,213,517,906
PT Antitandio Pernalsemersta	Jakarta	Trading, Development, Mining, Agriculture Land Transport, Printing and Industry	--	70.82%	--	76,559,368	78,124,746
PT Perdana Kencana Mandiri	Jakarta	Development, Trading, Land Transport, Workshops, Printing, Agriculture, Mining and Services	--	70.82%	--	600,000	520,403,206
PT Multibelas Anugerah	Tangerang	Development, Trading and Services	--	70.82%	--	9,138,115	448,067,441
PT Nusa Medika Perkasa	Jakarta	Healthcare Service, Development, Transportation, Trading and Services	--	57.79%	--	932,687,770	926,687,462
PT Siloam Graha Utama and subsidiary	Jakarta	Healthcare Service, Development, Transportation, Trading and Services	--	70.82%	--	118,401,195,607	142,511,589,460
PT East Jakarta Medika	Bekasi	Healthcare Service	--	64.30%	2002	118,394,342,094	142,492,350,947
PT Guchi Kencana Emas and subsidiary	Jakarta	Development, and Services	--	70.82%	--	81,070,295,372	88,570,503,605
PT Golden First Atlanta	Jambi	Healthcare and Pharmacy	--	58.78%	2008	81,068,056,854	88,539,839,436
PT Prawira Tata Semesta and subsidiary	Jakarta	Trading, Development, Industry, Mining, Land Transportation, Agriculture, Printing, Workshop and Services except Services of Legal and Tax	--	70.82%	--	228,123,139,722	237,404,060,017
PT Balikpapan Damai Husada	Balikpapan	Healthcare including Hospital, Clinic, Health Centre, Polyclinic and Other related Services	--	56.37%	2007	188,952,720,833	198,183,010,595
PT Siloam Emergency Services	Tangerang	Healthcare Services	--	70.82%	2013	2,611,998,278	2,624,415,127
PT Medika Harapan Cemerlang Indonesia	Tangerang	Trading, Industry and Services	--	70.82%	2013	3,469,450,033	2,177,323,630
PT Pancawarna Semesta and subsidiary	Tangerang	Trading, Development, Printing and Services	--	70.82%	--	66,955,366,327	70,026,074,020
PT Diagram Healthcare Indonesia	Depok	Healthcare Services	--	56.66%	2006	36,398,484,767	39,467,645,852
PT Adamania Karya Sejahtera	Jakarta	Trading, Development, Printing and Services	--	70.82%	--	1,012,778,138	995,085,833
PT Brenada Karya Bangsa	Tangerang	Development, Printing and Services	--	70.82%	--	594,998,333	605,403,333
PT Hamoni Selaras Indah	Tangerang	Trading, Industry Printing and Services	--	70.82%	--	594,665,000	597,340,833
PT Kusuma Prima dana and subsidiaries	Tangerang	Trading, Industry Printing and Services	--	70.82%	--	144,519,575,447	102,195,707,668
PT Adjaya Buana Sakti and subsidiaries	Tangerang	Trading, Industry Printing and Services	--	56.66%	--	144,518,510,447	102,188,966,835
PT Siloam Sumsel Kemitraan and subsidiary	Tangerang	Land Transportation, Printing and Services	--	69.66%	--	7,991,123,670	8,003,625,337
PT RS Siloam Hospital Sumsel	Palembang	Healthcare Services	--	61.86%	2012	145,516,091,499	103,163,599,553
PT Optimum Karya Persada	Jakarta	Trading, Industry and Services	--	70.82%	--	1,000,970,300	1,017,232,500

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						2015 Rp	2014 Rp
PT Roseta Indah Cipta	Jakarta	Trading, Industry and Services	--	70.82%	--	594,665,000	597,153,333
PT Sembada Karya Megah	Tangerang	Trading, Industry and Services	--	70.82%	--	602,666,157	617,340,833
PT Trijaya Makmur Bersama	Tangerang	Trading, Industry and Services	--	70.82%	--	594,665,000	597,340,833
PT Visindo Galaxi Jaya	Tangerang	Trading, Industry and Services	--	70.82%	--	4,984,948,333	4,993,540,833
PT Tunggal Pilar Perkasa and subsidiaries	Tangerang	Development, Trading, Real Estate, Printing, Industry, Agribusiness, and Services	--	70.82%	--	1,104,842,861,746	902,863,440,805
PT Tirtasari Kencana	Serang	Development, Trading, and Services	--	70.82%	--	1,129,177,218	1,130,696,718
PT Gramari Prima Nusa	Medan	Development, Trading, and Services	--	70.82%	2014	142,285,912,947	130,585,488,531
PT Krisolis Jaya Mandiri	Kupang	Healthcare Services	--	70.82%	2014	135,816,231,542	69,331,687,626
PT Kusuma Bhakti Anugerah	Tangerang	Trading, Industry and Services	--	70.82%	--	7,186,262,922	7,199,648,894
PT Agung Cipta Raya	Tangerang	Healthcare Services	--	70.82%	--	964,225,000	972,630,000
PT Bina Cipta Semesta	Padang	Healthcare Services	--	70.82%	--	988,888,474	1,012,427,500
PT Mega Buana Bhakti	Bangka	Trading, Industry and Services	--	70.82%	--	6,289,590,225	5,982,333,520
PT Taruna Perkasa Megah	Yogyakarta	Trading, Industry and Services	--	70.82%	--	96,121,791,102	19,014,504,078
PT Tataka Bumi Karya	Bogor	Trading, Industry and Services	--	70.82%	--	845,251,870	610,452,500
PT Tataka Karya Indah	Bandung	Trading, Industry and Services	--	70.82%	--	825,433,327	837,254,382
PT Siloam Medika Cemerlang	Tangerang	Trading, Industry and Services	--	70.82%	--	12,240,837,850	3,388,608,668
PT Koridor Usaha Maju and subsidiaries	Tangerang	Development, Trading, Printing and Services	--	70.82%	--	480,847,930,537	458,363,437,079
PT Medika Sarana Translansi and subsidiary	Bali	Development, Trading, Printing and Services	--	70.82%	2008	266,476,908,793	256,054,381,752
PT Trisaka Rakasa Waluya	Tangerang	Healthcare and Other related Services	--	70.82%	2008	137,390,081,888	132,956,917,983
PT Buana Utama Sejati *)	Tangerang	Healthcare Service	--	70.82%	--	23,370,843,650	16,312,100,196
PT Sentra Sejahtera Utama*)	Sorong	Healthcare Service	--	70.82%	--	600,000,000	600,000,000
PT Bumi Unggul Persada	Tangerang	Healthcare Service	--	70.82%	--	641,265,124	--
PT Berlian Cahaya Indah	Tangerang	Healthcare Service	--	70.82%	2014	138,001,094,698	45,004,044,700
PT Rashal Sier Cakra Medika	Jakarta	Trading, Development, Real Estate, Industry, Printing, Agrobusiness, Services and Transportation	--	70.82%	2008	59,415,242,800	53,352,264,266
PT Mulia Pratama Cemerlang *)	Tangerang	Trading, Development, Real Estate, Industry, Printing, Agrobusiness, Services and Transportation	--	70.82%	2014	3,679,309,300	600,000,000
PT Medika Rescue International *) (formerly PT Karya Pesona Cemerlang)	Tangerang	Trading, Development, Real Estate, Industry, Printing, Agrobusiness, Services and Transportation	--	70.82%	--	878,649,715	600,000,000
PT Indah Kemilau Abadi *)	Jember	Trading, Development, Real Estate, Industry, Printing, Agrobusiness, Services and Transportation	--	70.82%	--	657,128,900	600,000,000
PT Persada Dunia Semesta *)	Tangerang	Trading, Development, Real Estate, Industry, Printing, Agrobusiness, Services and Transportation	--	70.82%	--	2,349,333,094	600,000,000
PT Inti Pratama Medika *)	Tangerang	Trading, Development, Real Estate, Industry, Printing, Agrobusiness, Services and Transportation	--	70.82%	--	600,363,000	600,000,000

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Subsidiary	Domicile	Main Business	Direct Ownership Percentage	Indirect Ownership Percentage	Year of Starting Operation	Total Assets	
						2015 Rp	2014 Rp
PT Sentra Sehat Sejahtera *)	Tangerang	Trading, Development, Real Estate, Industry, Printing, Agrobusiness, Services and Transportation	--	70.82%	--	878,649,715	600,000,000
PT Genta Raya Internusa *)	Tangerang	Development, Real Estate, Industry, Printing, Agrobusiness, Services and Transportation	--	70.82%	--	600,388,000	600,000,000
PT Sembilan Raksa Dinamika *)	Tangerang	Health Center, Clinic, Polyclinic and Other related Services	--	70.82%	--	54,795,114,119	600,000,000
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 Anyamedika Teguh Tunggal *)	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%	--	37,690,051,627	38,623,709,806
PT Bumi Unggul Persada *)	Tangerang	Health Center, Clinic, Polyclinic and Other Related Services	--	70.82%	--	641,265,124	--
PT Lintas Buana Jaya *)	Manggarai Barat	Health Center, Clinic, Polyclinic and Other Related Services	--	70.82%	--	9,886,018,026	--
PT Bina Bahtera Sejaht *)	Bau Bau	Health Center, Clinic, Polyclinic and Other Related Services	--	70.82%	--	600,000,000	--
PT Lintang Laksana Utama *)	Lubuk Linggau	Health Center, Clinic, Polyclinic and Other Related Services	--	70.82%	--	600,000,000	--
PT Ciptakarya Tirta Cemerlang *)	Tangerang	Health Center, Clinic, Polyclinic and Other Related Services	--	70.82%	--	600,000,000	--
PT Eramulita Pratamajaya and subsidiaries	Jakarta	Healthcare Service	99.99%	0.01%	--	1,215,478,000,217	1,075,613,293,094
PT Pradamas Graha Indah	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	76,552,500	71,102,500
PT Siloam Karya Sejahtera	Jakarta	Trading and Services	--	100.00%	--	373,898,296,232	381,154,412,415
PT Sentra Tata Prima	Surabaya	Development, Transportation, Trading, and Services	--	100.00%	--	3,357,430,094	3,365,647,721
PT Sentra Sarana Karya (formerly PT Siloam Sarana Karya)	Makassar	Development, Transportation, Trading, and Services	--	100.00%	--	3,357,064,837	3,239,776,633
PT Sarana Dinamika Perkasa (formerly PT Siloam Dinamika Perkasa)	Jakarta	Development, Transportation, Trading, and Services	--	100.00%	--	133,833,329,993	135,684,650,111
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%	--	472,605,668,559	489,542,770,676
PT Serasi Adikarsa	Jakarta	Trading, Industry, Development and Mining	0.01%	99.99%	--	3,613,672,920	19,805,000
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	Printing and Services	--	100.00%	--	135,848,491,259	600,000,000
PT Nusantara Indah Semesta *)	Tangerang	Development, Printing and Services	--	100.00%	--	22,996,589,617	600,000,000
PT Magenta Sinar Abadi *)	Tangerang	Development, Printing and Services	--	100.00%	--	600,000,000	600,000,000
PT Pesona Puspita Gemilang *)	Tangerang	Printing and Services	--	100.00%	--	600,000,000	600,000,000
PT Caraka Cipta Sejahtera *)	Tangerang	Development, Printing and Services	--	100.00%	--	600,000,000	600,000,000
PT Sentra Mutiara Timur *)	Tangerang	Development, Printing and Services	--	100.00%	--	600,000,000	600,000,000
PT Tiara Permata Gemilang *)	Tangerang	Development, Printing and Services	--	100.00%	--	600,000,000	--
PT Berkat Talenta Unggul *)	Tangerang	Development, Printing and Services	--	100.00%	--	600,000,000	--

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Subsidiary	Domicile	Main Business	Direct Ownership Percentage	Indirect Ownership Percentage	Year of Starting Operation	Total Assets	
						2015 Rp	2014 Rp
PT Laskar Unggulan Prima *)	Tangerang	Trading, Development, Printing and Services	--	100.00%	--	600,000,000	--
PT Sentana Prima Jaya *)	Tangerang	Trading, Development, Printing and Services	--	100.00%	--	600,000,000	--
PT Buana Digidaya Sejahtera *)	Tangerang	Trading, Development, Printing and Services	--	100.00%	--	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, Cafe and Catering	0.01%	99.99%	1998*	520,920	520,920
PT Shimatama Graha	Jakarta	Hotel Management	--	100.00%	1989	10,788,591,967	5,841,821,996
PT Anyaduta International Management and subsidiaries	Jakarta	Hotel Management	--	100.00%	1998	10,788,591,967	13,376,094,582
PT Anyaduta Surabaya Management	Surabaya	Services	--	100.00%	--	583,898,000	588,906,447
PT Anyaduta Medan Management	Medan	Services	--	100.00%	--	565,890,500	586,878,000
PT Anyaduta Karawaci Management	Tangerang	Services	--	100.00%	--	17,658,309,858	22,947,375,366
PT Anyaduta Makassar Management	Makassar	Services	--	100.00%	--	577,200,000	593,327,000
PT Anyaduta Residences	Jakarta	Services	--	100.00%	--	4,484,236,472	3,156,413,733
PT Anyaduta Hotels & Resorts	Jakarta	Services	--	100.00%	--	580,596,500	581,740,500
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 Anyaduta Kuta Bali	Badung	Tourism	--	100.00%	--	600,000,000	600,000,000
PT Cahaya Gernierlap Abadi *)	Tangerang	Pembangunan, 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 *)	Tangerang	Trading, Development, Industry, Printing and Services	99.99%	0.01%	--	20,000,000,000	--
PT Karyaindah Cipta Prima *)	Tangerang	Trading, Development, Industry, Printing and Services	0.01%	99.99%	--	600,000,000	--
PT Sunshine Prima Utama and subsidiarv *)	Tangerang	Trading, Development, Industry, Printing and Services	--	100.00%	--	20,000,000,000	--
PT Sunshine Food International *)	Tangerang	Trading, Development, Industry, Printing and Services	--	100.00%	--	20,000,000,000	--
PT Kreasi Tunas Bangsa	Tangerang	Development, Trading and Services	--	100.00%	--	1,203,833,288	894,398,840
PT Maxx Food Pasifik *)	Tangerang	Development, Trading and Services	--	100.00%	--	600,000,000	--
PT Graha Jaya Pratama and subsidiaries	Tangerang	Real Estate and Development, Trading	100.00%	--	--	1,788,869,823,183	1,596,229,076,687
PT Tateguna Cemerlang	Jakarta	Trading	--	100.00%	--	100,000,000	--
PT Aresta Amanda Lestari (0.31% ownership in PT Gowa Makassar Tourism Development Tbk)	Jakarta	Trading	--	100.00%	--	1,777,668,968	1,048,135,730
PT Aresta Permata Utama (3.45% ownership in PT Gowa Makassar Tourism Development Tbk)	Jakarta	Trading	--	100.00%	--	18,461,698,851	11,737,065,174
PT Fajar Usaha Semesta (4.73% ownership in PT Gowa Makassar Tourism Development Tbk)	Jakarta	Trading	--	100.00%	--	26,690,706,052	15,697,407,503
PT Fajar Raya Cemerlang (4.58% ownership in PT Gowa Makassar Tourism Development Tbk)	Jakarta	Trading	--	100.00%	--	25,866,693,677	15,206,784,862
PT Fajar Abadi Aditama (3.45% ownership in PT Gowa Makassar Tourism Development Tbk)	Jakarta	Trading	--	100.00%	--	18,459,862,937	11,448,214,800
PT Nuansa Indah Lestari and subsidiaries	Jakarta	Trading	--	100.00%	--	217,811,741,232	142,262,148,482
PT Metropolitan Permesta and subsidiaries	Jakarta	Trading	--	89.74%	--	221,477,872,332	142,233,500,552
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%	--	216,808,561,954	138,073,156,204
PT Tribuana Jaya Raya	Tangerang	Development, Trading, Printing and Services	--	77.56%	--	680,755,162,289	578,018,813,753
PT Gowa Makassar Tourism Development Tbk and subsidiaries	Makassar	Real Estate	4.92%	49.05%	1997	1,273,990,253,786	1,524,317,216,546
PT Kenanga Elok Asri and subsidiaries	Tangerang	Development, Trading, Printing and Services	--	53.97%	--	252,178,148,189	580,527,450,840
PT Krisanta Esa Maju	Tangerang	Development, Trading, Printing and Services	--	53.97%	--	1,074,461,825	99,849,158
PT Griya Megah Sentosa	Makassar	Development, Trading, Printing and Services	--	53.97%	--	7,158,510,233	2,389,906,938
PT Griya Ekotika Utama	Tangerang	Development, Trading, Printing and Services	--	53.97%	--	178,369,707	193,879,903

\* Liquidated

\*\* Transferred

\*\*\* Functional Currency is USD

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

1) Established in 2015

2) Established in 2014

On March 13, 2014, PT Kalimaya Pundi Bumi, a subsidiary, disposed 82,500,000 shares ownership in PT Siloam International Hospitals Tbk, a subsidiary, at Rp858,000,000,000. Upon the disposal, the Company recorded Difference in Transactions with Non-Controlling Interest amounted to Rp741,092,494,948 (see Note 32).

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On May 12, 2014, PT Wisma Jatim Propertindo (WJP), a subsidiary, acquired all ownership in PT Anugerah Bahagia Abadi (ABA) (through 99.99% direct ownership and 0.01% indirect ownership of PT Maharama Sakti (MS), with acquisition cost of Rp549,686,500,000. This transaction is a business combination (see Note 48).

On May 19, 2014, PT Primakreasi Propertindo (PKP), a subsidiary, acquired all ownership in PT Andromeda Sakti (AS) (through 99.83% direct ownership and 0.17% indirect ownership of PT Grand Villa Persada (GVP) with acquisition cost of Rp600,000,000. At the acquisition date, AS has not yet started operation and therefore, recorded as an asset acquisition.

On July 23, 2014, PT Tunggal Pilar Perkasa (TPP) and PT Mandiri Buana Selaras, subsidiaries, acquired 75% and 25% ownership in PT Rashal Siar Cakra Medika (RSCM), with acquisition cost of Rp78,540,426,657 and Rp26,180,142,219, respectively. This transaction is a business combination (see Note 48). RSCM has started its commercial operation since 2008.

On November 28, 2014, TPP, a subsidiary, acquired 20% share ownership in PT Medika Sarana Tralliansia from Steer Clear Limited with acquisition cost of Rp45,030,000,000. TPP recorded Difference in Transactions with Non-Controlling Interest amounted to Rp25,748,354,393 (see Note 32).

On December 20, 2014, PT Manunggal Bumi Sejahtera and PT Sentra Realtindo Development, subsidiaries, acquired all ownership in PT Asiatic Sejahtera Finance (ASF), with acquisition cost of Rp80,000,000,000. This transaction is a business combination (see Note 48). ASF has started its commercial operation since July 2009.

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 32).

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 32).

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 32).

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 48). PVIL is the parent entity of Intellitop Finance Ltd with the ownership of 51.72%.

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

Based on Deeds of Extraordinary General Meeting of Stockholders No. 30 dated July 3, 2015 and No. 10 dated April 23, 2014 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 December 31, 2015 and 2014 are as follows:

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	December 31, 2015	December 31, 2014
<b>Board of Commissioners:</b>		
President Commissioner :	Theo L. Sambuaga	Theo L. Sambuaga
Vice President Commissioner :	Surjadi Soedirdja*	Surjadi Soedirdja*
Independent Commissioner :	--	Tanri Abeng
Independent Commissioner :	Agum Gumelar	Agum Gumelar
Independent Commissioner :	Farid Harianto	Farid Harianto
Independent Commissioner :	Muladi	Muladi
Independent Commissioner :	Sutiyoso	Sutiyoso
Commissioner :	Gouw Viven (Viven G Sitiabudi)	Gouw Viven (Viven G Sitiabudi)
Commissioner :	Tanri Abeng	Benny Haryanto Djie

\* also as Independent Commissioner

The composition of the Directors as of December 31, 2015 and 2014 are as follows:

	December 31, 2015	December 31, 2014
<b>Directors:</b>		
President Director :	Ketut Budi Wijaya	Ketut Budi Wijaya
Director :	Tjokro Libianto	Tjokro Libianto
Director :	Johanes Jany	Djoko Harjono*
Director :	Rahmawaty	Rahmawaty
Director :	Stephen Choo Kooi Yoon	Stephen Choo Kooi Yoon
Director :	Ninik Prajitno	Ninik Prajitno
Unaffiliated Director :	Jenny Kuistono	Jenny Kuistono
Unaffiliated Director :	Alwi Sjaaf	--

\* Effective resign on September 15, 2014 as reported to OJK based on letter No. 117/LK-COS/VIII/2014 dated August 14, 2014

The Audit Committee composition as of December 31, 2015 and 2014 are as follows:

<b>Audit Committee:</b>		
Chairman :	Muladi	
Members :	Herbudianto	
	Achmad Kurniadi	

The Company's Corporate Secretary as of December 31, 2015 and 2014 is Sri Mulyati Handoyo and Jenny Kuistono, respectively.

As of December 31, 2015 and 2014, the Group have 11,200 and 11,129 permanent employees, respectively (unaudited).

## 2. Summary of Significant Accounting Policies

### 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 Financial Statements

The consolidated financial statements have been prepared and presented based on going concern assumption and accrual basis of accounting, except for the consolidated statements of cash flows. Basis of measurement in preparation of these consolidated financial statements is the historical

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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 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 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, 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 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.



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- 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 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.

This amendments have been applied retrospectively (except for changes to the carrying value of assets that include employee benefit costs in the carrying amount) and the effect of the revised standard is presented in Note 3.

- 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 Group has reclassified the presentation of final income tax expense and comparative information has been restated accordingly (see Note 3).

- 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 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.

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.

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- **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 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.

The group had adopted this standard and comparative information has been restated accordingly (see Note 3).

- **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 financial statements.

The application of this standard has resulted in more extensive disclosures in the Group's consolidated 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 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 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 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 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 recognised directly in equity and attributed to the owners of the parent.

If the Group loses control, the Group:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;
- 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);
- Recognizes the fair value of the consideration received, if any, from the transaction, event or circumstances that resulted in the loss of control;
- Recognizes any investment retained in the former subsidiary at fair value at the date when control is lost;
- 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;
- 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 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 year. All resulting exchange differences shall be recognized in other comprehensive income.

Transactions during the year 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 year, foreign currency monetary items are translated to Rupiah using the closing rate, i.e., middle rate of Bank of Indonesia at December 31, 2015 and 2014 as follows:

	2015 Rp	2014 Rp	2013 Rp
1 USD	13,795	12,440	12,189
1 SGD	9,751	9,422	9,628

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	2015 Rp	2014 Rp	2013 Rp
1 EUR	15,070	15,133	16,821
100 JPY	11,452	10,425	11,617
1 AUD	10,064	10,218	10,876

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 recognised at cost and the carrying amount is increased or decreased to recognise 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 recognised 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 Notes.

**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 year.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and selling costs.

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The amount of any write-down of inventories to NRV and all losses of inventories shall be recognised as an expense in the year the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in NRV, is recognised as a reduction in the amount of inventories recognised as an expense in the year 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 recognised 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 year for purposes other than to produce inventories during that year.

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 recognised 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:

	<u>Year</u>
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 year, 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 year 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 year 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 year 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 year, 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 its 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 year 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 years 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 years, a changes 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 year 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 year, 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 year, 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 year 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.

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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 year. The amount charges as expenses in 2015 is Rp1,373,756,812.

**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.

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- (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.
- (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 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 year.

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 years 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 year 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 year of its membership.

Expenses are recognised 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 year. 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 years shall, to the extent unpaid, be recognised as a liability. If the amount already paid in respect of current and prior years exceeds the amount due for those years, the excess shall be recognised as an asset. Current tax liabilities (assets) for the current and prior years shall be measured at the amount expected to be paid to (recovered from) the taxation

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authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year.

Tax benefits relating to tax loss that can be carried back to recover current tax of a previous years 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.

A deferred tax liability shall be recognised 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 recognised 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 year 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 year. 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 year, 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 year. 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 year.

For the purpose of calculationg 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.

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#### **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 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.

#### **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 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.



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(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.

(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.

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**Impairment of Financial Assets**

At the end of each reporting year, 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 losses 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.

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 year. 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 year 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,

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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.

**Offsetting a Financial Asset and a 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 realise 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 categorised 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 recognised by the Group at the end of the reporting year 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 recognised (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 recognised in profit or loss.

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No adjustment is made to the hedged item.

If a hedge of a forecast transaction subsequently results in the recognition of a financial assets or liabilities, the related gain or loss previously recognized in other comprehensive income shall be reclassified from equity to profit or loss as a reclassification adjustment in the same year 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 a 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 recognised 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 recognised 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 year.

In the preparation of these consolidated 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 year that could materially affect the carrying amounts of assets and liabilities in the subsequent reporting year.

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 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 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 year 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 year, but the change, however, will not be attributable to the assumptions and estimates made as of this reporting date (see Notes 5 and 7).

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**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 transferred, the entire value of goodwill previously recorded will be impaired. The carrying value of goodwill is presented in Note 16.

**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 years, 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 20.b).

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

Management makes a yearic review of the useful lifes 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 14 and 15).

**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. Changes in these assumptions will affect the carrying amount of post-employment benefits (see Note 26).

The Group determines the appropriate discount rate at end of reporting year 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 year to the corresponding year of obligation. Other key assumption is partly determined by current market conditions, during the year 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 year.

**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 financial statements:

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**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.

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 year, in which the material error correction will be carried out retrospectively (see Note 37).

**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 37).

**3. Restatement and Reclassification of Consolidated Financial Statements**

Implementation of SFAS No. 24 (Revised 2013) "Employee Benefits"

In connection with the adoption of the revised SFAS No. 24 (Revised 2013) "Employee Benefits" effective January 1, 2015, the Group has changed its accounting policy with respect to the recording of defined benefit post-employment benefit obligations in the previous year were treated with the corridor approach. These changes include:

- The recognition actuarial gain (loss) through other comprehensive income;
- All past service cost is recognized as an expense on an earlier date between when the amendment/curtailment program occurs or when the entity recognizes related restructuring costs or severance. So the cost of past service vested no longer be deferred and recognized over the vesting year; and
- Interest expense and returns of the plan assets used previously in SFAS No. 24 previous is replaced by the concept of net interest, which is calculated using a discount rate liabilities (assets) net defined benefits determined at the beginning of each annual reporting year.

Implementation of SFAS No. 46 (Revised 2014) "Income Taxes"

In connection with the adoption of the revised SFAS No. 46 (Revised 2014) "Income Tax", effective January 1, 2015, the Group reclassified the presentation of the final income tax which was previously as part of the corporate tax expense of the Group, into part of revenues in profit and loss for the year ended December 31, 2014.

Implementation of SFAS No. 66 (Revised 2013) "Joint Arrangement"

In connection with the adoption of the revised SFAS No. 66 (Revised 2013) "Joint Arrangement" effective January 1, 2015, the Group has changed its accounting policy with respect to the presentation of joint operation on DS8. Upon the adoption of this standard, the Group revised the respective accounting policy therefore, the Group recognizes the assets, liabilities, revenues and expenses in accordance with the agreed shares in joint operation agreement.

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The addition of goodwill and revised comparative information of the consolidated financial statements

On May 24, 2014, PT Koridor Usaha Maju, a subsidiary, made an additional adjustment of acquisition cost of PT Sarana Medika Traliansia (MST) which was done on December 13, 2013. The additional cost was as a result of additional acquisition cost amounted to Rp5,708,712,083 determined in the next period in accordance with the MST's acquisition agreement. Therefore, the Group revised the comparative information of the consolidated statement of financial position in 2013 for comparative purposes.

The following are the consolidated statements of financial position as of December 31, 2014 and January 1, 2014/ December 31, 2013 before and after revision, reclassification and restatement as follows:

	December 31 2014		January 1, 2014/ December 31, 2013	
	Before Revision, Reclassification and Restatement Rp	After Revision, Reclassification and Restatement Rp	Before Revision, Reclassification and Restatement Rp	After Revision, Reclassification and Restatement Rp
<b>Current Assets</b>				
Cash and Cash Equivalents	3,529,169,475,504	3,582,643,822,338	1,855,051,780,961	1,855,051,780,961
Other Current Financial Assets	2,608,052,001,042	2,607,722,891,057	1,668,510,672,464	1,668,510,672,464
Inventory	16,553,035,543,518	16,579,175,843,160	13,894,009,358,067	13,894,009,358,067
<b>Total Current Assets</b>	<b>29,692,691,722,606</b>	<b>30,041,977,259,097</b>	<b>24,013,127,662,910</b>	<b>24,013,127,662,910</b>
<b>Non-Current Assets</b>				
Intangible Assets	522,577,738,505	528,286,450,588	331,840,973,411	337,549,685,494
Deferred Tax Assets	52,255,688,231	63,918,907,644	50,363,528,322	52,650,149,802
Advances	1,711,441,680,688	1,709,940,393,608	1,456,429,749,828	1,456,429,749,828
<b>Total Non-Current Assets</b>	<b>7,798,528,971,089</b>	<b>7,814,399,615,505</b>	<b>7,287,234,767,356</b>	<b>7,295,230,100,919</b>
<b>TOTAL ASSETS</b>	<b>37,761,220,693,695</b>	<b>37,856,376,874,602</b>	<b>31,300,362,430,266</b>	<b>31,308,357,763,829</b>
<b>Current Liabilities</b>				
Trade Accounts Payable - Third Parties	395,133,955,463	404,174,297,491	397,748,177,608	397,748,177,608
Accrued Expenses	1,125,429,552,800	1,129,923,477,800	551,608,473,508	557,317,185,591
Taxes Payable	647,229,469,182	648,190,083,093	253,597,145,454	253,597,145,454
Other Current Financial Liabilities	407,086,748,603	408,790,491,164	300,183,744,169	300,183,744,169
Advances from Customers	2,456,690,149,393	2,523,984,487,387	3,076,033,864,066	3,076,033,864,066
<b>Total Current Liabilities</b>	<b>5,725,392,423,352</b>	<b>5,808,885,384,846</b>	<b>4,841,563,711,972</b>	<b>4,847,272,424,055</b>
<b>Non-Current Liabilities</b>				
Long-Term Employment Benefits Liabilities	218,394,264,254	255,676,668,775	187,635,603,635	199,028,214,728
<b>Total Non-Current Liabilities</b>	<b>14,389,379,227,138</b>	<b>14,426,661,631,659</b>	<b>12,281,225,413,069</b>	<b>12,292,618,024,162</b>
<b>Total Liabilities</b>	<b>20,114,771,650,490</b>	<b>20,235,547,016,505</b>	<b>17,122,789,125,041</b>	<b>17,139,890,448,217</b>
<b>EQUITY</b>				
<b>Equity Attributable to Owner of the Parent</b>				
Retained Earnings	6,975,737,954,433	6,958,145,679,167	4,748,452,643,994	4,731,190,705,608
<b>Total Equity Attributable to Owner of the Parent</b>	<b>15,605,172,466,823</b>	<b>15,587,580,191,557</b>	<b>12,800,875,064,599</b>	<b>12,783,613,126,213</b>
<b>Non-Controlling Interests</b>	<b>2,041,276,576,382</b>	<b>2,033,249,666,540</b>	<b>1,376,698,240,626</b>	<b>1,384,854,189,399</b>
<b>Total Equity</b>	<b>17,646,449,043,205</b>	<b>17,620,829,858,097</b>	<b>14,177,573,305,225</b>	<b>14,168,467,315,612</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>37,761,220,693,695</b>	<b>37,856,376,874,602</b>	<b>31,300,362,430,266</b>	<b>31,308,357,763,829</b>



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The following are the consolidated statement of profit or loss and other comprehensive income for the year ended December 31, 2014 before and after reclassification and restatement as follows:

	Before Restatement and Reclassification Rp	After Restatement and Reclassification Rp
<b>REVENUES</b>	11,655,041,747,007	11,655,041,747,007
Final Tax Expenses	--	(372,429,257,496)
<b>NET REVENUES</b>	<b>11,655,041,747,007</b>	<b>11,282,612,489,511</b>
<b>GROSS PROFIT</b>	<b>5,397,377,636,819</b>	<b>5,024,948,379,323</b>
Operating Expenses	(2,120,565,543,596)	(2,119,155,611,804)
<b>PROFIT FROM OPERATIONS</b>	<b>3,808,790,116,489</b>	<b>3,437,770,790,785</b>
<b>PROFIT BEFORE TAX</b>	<b>3,694,978,541,909</b>	<b>3,323,959,216,205</b>
Tax Expenses	(559,762,631,282)	(184,007,957,716)
<b>PROFIT FOR THE YEAR</b>	<b>3,135,215,910,627</b>	<b>3,139,951,258,489</b>
<b>COMPREHENSIVE INCOME</b>		
Other Comprehensive Income Item that will not be Reclassified		
Subsequently to Profit or Loss:		
Remeasurement Actuarial Loss of Defined Benefit Plan	--	(19,048,967,529)
Income Tax Related to Item that will not be Reclassified		
Subsequently to Profit or Loss:	--	6,051,181,862
<b>OTHER COMPREHENSIVE LOSS FOR THE YEAR</b>	<b>(138,332,048,770)</b>	<b>(151,329,834,437)</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>2,996,883,861,857</b>	<b>2,988,621,424,052</b>
Profit for the Year Attributable to:		
Owner of the Parent	2,547,285,310,439	2,556,247,574,832
Non-Controlling Interests	587,930,600,188	583,703,683,657
	<b>3,135,215,910,627</b>	<b>3,139,951,258,489</b>
Total Comprehensive Income for the Year Attributable to:		
Owner of the Parent	2,408,953,261,669	2,408,622,924,789
Non-Controlling Interests	587,930,600,188	579,998,499,263
	<b>2,996,883,861,857</b>	<b>2,988,621,424,052</b>
<b>EARNINGS PER SHARE</b>		
Basic, Profit for the Year Attributable to		
Ordinary Shareholders of the Parent	111.86	112.26

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The following are the consolidated statement of cash flows for the year ended December 31, 2014 before and after revision and restatement as follows:

	Before Revision and Restatement Rp	After Revision and Restatement Rp
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Collections from Customers	10,860,045,389,639	10,927,339,727,633
Payments to Suppliers and Third Parties	(7,656,034,420,150)	(7,668,327,699,230)
Payments to Employees	(1,288,080,174,631)	(1,288,080,174,631)
Interest Received	64,860,824,565	64,860,824,565
Tax Payments	(450,403,061,640)	(450,403,061,640)
Interest Payments	(798,918,462,470)	(798,918,462,470)
Net Cash Used in Operating Activities	731,470,095,313	786,471,154,227
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of Subsidiaries, Net of Cash Acquired	(206,525,706,710)	(208,052,418,790)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	1,703,003,468,016	1,756,477,814,850
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>3,529,169,475,504</b>	<b>3,582,643,822,338</b>

#### 4. Cash and Cash Equivalents

	2015 Rp	2014 Rp
<b>Cash</b>		
(include 2015: USD 26,984, SGD 5,262, EUR 5,344, JPY 9,739, AUD 12,447; 2014: USD2,564, SGD500, EUR4,800, JPY113,800, AUD6,376)	8,556,332,898	6,620,446,207
<b>Bank</b>		
<b>Third Parties</b>		
<u>Rupiah</u>		
PT Bank CIMB Niaga Tbk	158,290,657,963	320,481,703,637
PT Bank Negara Indonesia (Persero) Tbk	88,774,300,403	133,666,875,261
PT Bank Central Asia Tbk	42,822,483,055	57,811,715,043
PT Bank Permata Tbk	27,899,048,428	237,174,662,552
PT Bank Rakyat Indonesia (Persero) Tbk	25,482,320,958	16,645,255,187
PT Bank Mandiri (Persero) Tbk	14,751,455,330	28,035,605,515
PT Bank Mega Tbk	10,933,046,807	16,547,697,141
PT Bank Danamon Indonesia Tbk	10,074,461,690	10,713,599,454
PT Bank OCBC NISP Tbk	3,892,240,627	3,841,943,155
PT Bank Maybank Indonesia (formerly PT Bank Internasional Indonesia Tbk)	3,787,230,456	2,986,264,647
PT Bank Tabungan Negara (Persero) Tbk	1,946,972,893	1,951,326,092
Others (each bellow Rp1 billion)	5,272,367,986	4,392,874,950
<u>Foreign Currencies</u>		
BNP Paribas, Singapore		
USD	202,215,222,426	54,895,277,406
SGD	11,932,459,599	71,383,502,267
OCBC Bank, Singapore - SGD	69,857,090,150	50,950,462,884
PT Bank Negara Indonesia (Persero) Tbk		
USD	5,673,018,713	8,950,532,697
SGD	14,170,668,870	519,085,305,443
PT Bank CIMB Niaga Tbk		
USD	5,171,123,626	14,565,105,541
SGD	11,873,673,033	832,888,419,697

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	2015 Rp	2014 Rp
Credit Suisse, Singapore		
USD	5,241,190,472	--
SGD	7,648,698,051	--
PT Bank ANZ Indonesia		
USD	5,690,910,669	9,572,022,812
SGD	3,586,077,645	4,086,002,246
EUR	2,785,627,924	2,679,901,063
AUD	3,586,077,645	4,086,002,246
PT Bank OCBC NISP Tbk		
SGD	6,759,802,937	358,434,677,891
USD	736,465,250	3,231,417,386
EUR	93,782,117	94,174,172
PT Bank Mega Tbk		
USD	1,198,316,194	2,517,140,451
SGD	2,286,079,338	2,206,932,491
PT Bank Maybank Indonesia (formerly PT Bank Internasional Indonesia Tbk) - USD	3,378,228,380	17,348,651,129
PT Bank Permata Tbk		
USD	2,496,802,574	7,412,647,182
SGD	250,493,146	9,424,726,727
Others (each bellow Rp1 billion)	1,604,842,259	1,719,989,289
<b>Related Party</b>		
<u>Rupiah</u>		
PT Bank Nationalnobu Tbk	271,965,255,233	347,242,393,752
	1,034,128,492,847	3,157,024,807,406
<b>Time Deposits</b>		
<b>Third Parties</b>		
<u>Rupiah</u>		
PT Bank CIMB Niaga Tbk	597,053,819,549	126,728,127,142
PT Bank Negara Indonesia (Persero) Tbk	128,250,300,000	135,896,596,412
PT Bank Mega Tbk	3,000,000,000	3,000,000,000
PT Bank Mandiri (Persero) Tbk	--	9,400,530,387
PT Bank Mayapada International Tbk	--	1,033,988,047
Others (each bellow Rp1 billion)	--	2,132,098,630
<u>Foreign Currencies</u>		
OCBC Bank, Singapore - SGD	68,257,000,098	74,560,695,591
PT Bank CIMB Niaga Tbk - USD	120,057,885	108,264,766
Credit Suisse, Singapore		
USD	--	4,633,865,666
SGD	--	61,504,402,084
	796,681,177,532	418,998,568,725
<b>Total</b>	<b>1,839,366,003,277</b>	<b>3,582,643,822,338</b>

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

	2015	2014
Interest Rate		
Rupiah	3.00% - 10.00%	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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**5. Trade Accounts Receivable**

	2015 Rp	2014 Rp
<b>Third Parties</b>		
Urban Development:		
Consumers Financing	261,011,608,016	206,250,000
Land Lots	162,911,845,467	51,067,566,957
Residential Houses and Shophouses	47,902,306,527	25,800,187,442
Memorial Park	23,702,794,029	22,855,595,423
Asset Enhancements	26,434,773,131	39,223,150,633
Others	18,556,390,817	15,611,497,188
Subtotal	<u>540,519,717,987</u>	<u>154,764,247,643</u>
Large Scale Integrated Development:		
Asset Enhancements	4,339,239,387	7,902,398,506
Apartments	2,672,299,686	19,182,165,804
Subtotal	<u>7,011,539,073</u>	<u>27,084,564,310</u>
Retail Malls:		
Asset Enhancements	123,819,136,187	151,884,010,118
Shopping Centers	20,068,291,250	21,207,942,024
Subtotal	<u>143,887,427,437</u>	<u>173,091,952,142</u>
Healthcare:		
Inpatient and Outpatient	596,132,428,238	403,650,789,171
Hospitality and Infrastructure:		
Town Management and Water Treatment	137,217,716,016	132,664,904,503
Hotels and Restaurants	16,897,138,911	13,801,721,957
Others	5,523,680,550	8,557,120,665
Subtotal	<u>159,638,535,477</u>	<u>155,023,747,125</u>
Property and Portfolio Management:		
Management Fees	68,496,531,253	98,875,298,186
Subtotal Trade Accounts Receivable from Third Parties	1,515,686,179,465	1,012,490,598,577
Less : Allowance for Impairment in Value	(91,468,709,993)	(64,936,716,285)
Total Trade Accounts Receivable from Third Parties - Net	<u>1,424,217,469,472</u>	<u>947,553,882,292</u>
<b>Related Parties</b>		
Healthcare:		
Inpatient and Outpatient	10,130,038,169	3,549,747,604
<b>Total</b>	<u><b>1,434,347,507,641</b></u>	<u><b>951,103,629,896</b></u>

Analysis of trade receivables by maturity is presented in Note 47.

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

	2015 Rp	2014 Rp
<b>Third Parties</b>		
Beginning Balance	64,936,716,285	50,066,447,517
Addition	26,531,993,708	15,897,116,807
Reversal	--	(1,026,848,039)
<b>Ending Balance</b>	<u><b>91,468,709,993</b></u>	<u><b>64,936,716,285</b></u>

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 year.

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

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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 24).

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 24).

Trade accounts receivable denominated in Rupiah and foreign currencies. Trade accounts receivable in foreign currencies are presented in Notes 45 and 47.

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

	2015 Rp	2014 Rp
At Cost		
Lippo Malls Indonesia Retail Trust (LMIR Trust)		
(2015: 816,883,084 units; 2014: 807,438,556 units)	3,288,543,737,433	3,272,180,664,720
First REIT (2015: 251,828,857 units; 2014: 246,633,504 units)	2,021,847,535,149	1,956,314,723,620
PT Kawasan Industri Jababeka Tbk (KIJA)		
(2015: 1,511,850,179 shares)	338,938,289,009	--
Foreign Exchange Translation	369,694,975,330	106,215,030,060
Accumulated Unrealized Gain (Loss):		
Charged to Consolidated Profit or Loss	(17,387,163,577)	(1,949,311,917)
Charged to Other Comprehensive Income	(132,573,932,936)	170,197,156,625
<b>Total</b>	<b>5,869,063,440,408</b>	<b>5,502,958,263,108</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 December 31, 2015 and 2014 are SGD1.20 and SGD1.26, for First REIT units, respectively, and SGD0.32 and SGD0.34, for LMIR Trust units, respectively. The quoted market price of KIJA as of December 31, 2015 is Rp247.

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 December 31, 2015 and 2014 are disclosed in Note 49.

Addition of investments in available for sell financial asset in KIJA includes 1,480,613,606 units from aquired entity of Rp387,920,764,772 (included in other comprehensive income amounted to Rp58,546,531,498) (see Note 48).

**7. Other Current Financial Assets**

	2015 Rp	2014 Rp
<b>Third Parties</b>		
Call Spread Option (See Note 43.d)	2,015,953,790,020	1,787,652,313,287
Other Accounts Receivable	695,184,124,483	675,295,473,336
Dividend Receivable	157,159,942,187	144,775,104,434
Investments in Mutual Fund	49,008,885,877	--
Promissory Note (2015: USD781,600)	10,782,172,000	--
<b>Total</b>	<b>2,928,088,914,567</b>	<b>2,607,722,891,057</b>

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**Other Accounts Receivable**

	2015 Rp	2014 Rp
<b>Third Parties</b>		
Receivables from Transfer of Land and Building Right	328,223,711,241	351,685,089,141
Billing of Joint Operation	46,664,899,527	46,664,899,527
Receivables from Operator and Tenant Association of Mall	36,917,811,640	42,485,710,463
Performance Guarantee Receivables Hospital and Hotel	18,000,000,000	--
Others	274,628,929,197	241,759,484,388
Subtotal	704,435,351,605	682,595,183,519
Less: Allowance for Impairment in value	(9,251,227,122)	(7,299,710,183)
<b>Net</b>	<b>695,184,124,483</b>	<b>675,295,473,336</b>

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

	2015 Rp	2014 Rp
<b>Third Parties</b>		
Beginning Balance	7,299,710,183	6,353,293,962
Addition	1,951,516,939	946,416,221
<b>Ending Balances</b>	<b>9,251,227,122</b>	<b>7,299,710,183</b>

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

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 billing of under achievement of EBITDA performance of hospitals and hotels acquired from third parties, as part of the deal in the sale and purchase agreement.

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 year ended December 31, 2015 amounted to Rp1,008,885,873 recorded as other income (expenses).

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**8. Inventories**

	2015 Rp	2014 Rp
Urban Development:		
Land under Development	10,498,080,080,427	8,311,654,996,176
Residential Houses and Shophouses	2,068,995,059,985	2,199,812,905,548
Apartments	299,698,103,057	87,142,119,963
Others	8,725,777,948	8,976,074,946
Subtotal	12,875,499,021,417	10,607,586,096,633
Large Scale Integrated Development:		
Land under Development	1,941,650,461,656	2,062,137,788,218
Shopping Centers	1,664,488,022,605	1,330,357,737,118
Apartments	1,839,198,442,789	1,132,228,299,221
Subtotal	5,445,336,927,050	4,524,723,824,557
Retail Malls:		
Shopping Centers	1,641,187,663,624	1,151,698,829,656
Land under Development	349,500,614,513	183,041,252,330
Subtotal	1,990,688,278,137	1,334,740,081,986
Healthcare:		
Medical and Non Medical Supplies	140,434,193,057	105,857,883,964
Hospitality and Infrastructure:		
Hotels and Restaurants	6,145,465,883	5,636,592,465
Recreation and Sports	856,190,099	582,131,842
Others	69,747,026	88,737,396
Less: Allowances Decline in Inventories Value	(39,505,683)	(39,505,683)
Subtotal	7,031,897,325	6,267,956,020
<b>Net</b>	<b>20,458,990,316,986</b>	<b>16,579,175,843,160</b>

In 2015, the Group reclassified inventory to investment property amounting to Rp66,455,920,125 (see Note 14).

As of December 31, 2015 property and equipment was reclassified to inventory amounted Rp461,342,063,858 (see Note 15).

In 2014, land for development was reclassified to inventory amounting to Rp441,635,251,200 (see Note 18).

As of December 31, 2014, inventory was reclassified to property and equipment amounting to Rp53,315,653,191 and property and equipment was reclassified to inventory amounting to Rp13,679,733,593 (see Note 15).

Land owned by Company for an area of 21,940 sqm used as a collateral for a loan from PT Bank Negara Indonesia (Persero) Tbk (see Note 22).

Land owned by PT Waska Sentana, a subsidiary, for an area of 38,901 sqm used as a collateral for a loan from PT Bank ICBC Indonesia (see Note 22).

Land owned by PT Pamor Paramita Utama, a subsidiary, for an area of 21,150 sqm used as a collateral for a loan from PT Bank CIMB Niaga Tbk (see Note 24).

Land owned by PT Mandiri Cipta Gemilang, a subsidiary, for an area of 73,716 sqm used as a collateral for a loan from PT Bank CIMB Niaga Tbk (see Note 22).

Borrowing costs capitalized into land under development for the years ended December 31, 2015 and 2014 amounting to Rp Rp1,696,443,015,384 (include bond interest amounted to Rp853,470,852,432) and Rp897,098,924,229 (include bond interest amounted to Rp575,116,386,833), respectively (see Notes 22 and 25).



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As of December 31, 2015, land under development consisted of land covering a net area of approximately 31 hectares in Kelapa Dua and Bencong Village, 11 hectares in Jalan Lingkar Luar Barat - Puri Kembangan, 62 hectares in Mampang Prapatan District, 20 hectares in Panunggangan Barat Village, 25 hectares in Binong Village, 2 hectares in Kelapa Indah Village, 9 hectares in Bonang Village, 20 hectares in Sukanagalih Village, 94 hectares in Margakaya Village, Telukjambe, Karawang, 170 hectares in Cibatu Village, 22 hectares in Serang Village, 25 hectares in Sukaresmi Village, 7 hectares in Cicau Village, 2 hectares in Kuta, Bali, 25 hectares in Jaya Mukti Village, 16 hectares in Tanjung Merdeka Village, 23 hectares in Macini Sombala Village, 13 hectares in Tamanyeleng Village, 32 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, 2 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 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 24).

The amount of inventory charged to cost of sales amounted to Rp2,241,701,472,930 and Rp4,276,040,362,277, respectively, for the years ended December 31, 2015 and 2014.

Management believes that there is no indication of change in circumstances that causes a decrease in the value of inventories at December 31, 2015.

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 December 31, 2015 and Rp7,810,000,000,000 and USD10,200,000 as of December 31, 2014, respectively. The Company and subsidiaries' management believe that the insured amount is adequate to cover any possible losses.

**9. Prepaid Expenses**

	2015 Rp	2014 Rp
Rental	139,101,322,739	138,391,344,438
Insurances	2,678,692,276	2,579,801,286
Others	87,885,650,142	55,932,218,963
<b>Total</b>	<b>229,665,665,157</b>	<b>196,903,364,687</b>

Prepaid expenses mainly represent rental of hospital and hotel properties leased from First REIT (see Note 43.b).

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

	2015 Rp	2014 Rp
Restricted Funds	685,854,507,978	561,596,218,297
Investments in Bond	10,000,000,000	--
Other Investments	58,329,023,011	58,329,023,011
<b>Total</b>	<b>754,183,530,989</b>	<b>619,925,241,308</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%.

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**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 December 31, 2015:

	Par Value Rp	Maturity	Coupon Rate
Obligasi Penawaran Umum Berkelanjutan II			
PT BCA Finance Tahap I Seri C	2,000,000,000	March 20, 2018	9.00%
Obligasi Garuda Indonesia	2,000,000,000	July 5, 2018	9.25%
Obligasi Berkelanjutan I			
PT Bumi Serpong Damai Tbk Tahap II	2,000,000,000	June 5, 2018	8.38%
Obligasi PT Semberdaya Sewatama I			
Tahun 2012 Seri B	1,000,000,000	November 30, 2017	9.56%
Obligasi Berkelanjutan I ADHI Tahap II Seri B	1,000,000,000	March 15, 2020	8.50%
Obligasi Penawaran Umum Berkelanjutan I			
PT Permodalan Nasional Madani (Persero)	1,000,000,000	October 12, 2017	9.56%
Obligasi Penawaran Umum Berkelanjutan I			
PT Pembangunan Perumahan (Persero)	1,000,000,000	March 19, 2018	8.38%
<b>Total</b>	<b>10,000,000,000</b>		

**Other Investments**

	Domicile	2015 Rp	2014 Rp
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 Mitradaya	Jakarta	160,000,000	160,000,000
Others	--	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.

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

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

	2015 Rp	2014 Rp	Percentage to Total Assets	
			2015 %	2014 %
<b>Cash and Cash Equivalents</b>				
PT Bank Nationalnobu Tbk	271,965,255,233	347,242,393,752	0.66	0.92
<b>Trade Accounts Receivable</b>				
PT Lippo General Insurance Tbk	4,378,335,377	504,165,422	0.30	0.07
Others (each below Rp1 billion)	5,751,702,792	3,045,582,182	0.40	0.40
<b>Total</b>	<b>10,130,038,169</b>	<b>3,549,747,604</b>	<b>0.70</b>	<b>0.46</b>
<b>Investments in Joint Venture</b>				
Yoma Siloam Hospital Pun Hlaing Ltd	132,594,167,310	--	0.32	--
PT Lippo Diamond Development	98,833,151,586	--	0.24	--
<b>Total</b>	<b>231,427,318,896</b>	<b>--</b>	<b>0.56</b>	<b>--</b>
<b>Investments in Associates</b>				
PT Surya Citra Investama	71,052,002,794	69,504,608,821	0.17	0.18
PT TTL Residences	60,086,122,586	28,031,250,000	0.15	0.07
PT Hyundai Inti Development	11,902,864,415	12,229,173,806	0.03	0.03
PT Anho Biogenesis Prima Indonesia	1,533,695,368	4,250,000,000	0.00	0.01
Others (each below Rp1 billion)	9,268,729,654	9,268,729,654	0.02	0.02
<b>Total</b>	<b>153,843,414,817</b>	<b>123,283,762,281</b>	<b>0.37</b>	<b>0.33</b>

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	2015 Rp	2014 Rp	Percentage to Total Assets/ Liabilities/ Revenue/ Operating Expense	
			2015 %	2014 %
<b>Due from Related Parties Non-Trade</b>				
PT Bumi Lemahabang Permai	32,051,733,936	9,910,889,654	0.08	0.03
Directors and Key Management	4,708,912,430	7,805,374,362	0.01	0.02
PT Duta Mas Kharisma Indah	4,891,935,451	4,891,935,451	0.01	0.01
Others (each below Rp1 billion)	11,023,654,919	4,753,601,521	0.03	0.01
Total	52,676,236,736	27,361,800,988	0.13	0.07
Less: Allowance for Impairment in Value	(15,582,751,676)	(12,573,437,421)	(0.04)	(0.04)
<b>Total</b>	<b>37,093,485,060</b>	<b>14,788,363,567</b>	<b>0.09</b>	<b>0.03</b>
<b>Due to Related Parties Non-Trade</b>				
PT Tirta Graha Sentana	1,991,540,182	2,215,692,479	0.01	0.01
Others (each below Rp1 billion)	5,537,457,594	1,163,585,640	0.02	0.01
<b>Total</b>	<b>7,528,997,776</b>	<b>3,379,278,119</b>	<b>0.03</b>	<b>0.02</b>
<b>Deferred Income</b>				
PT Mulia Persada Pertiwi	299,264,589,161	315,477,569,167	1.34	1.56
PT Matahari Putra Prima Tbk	140,508,177,979	134,362,277,359	0.63	0.66
<b>Total</b>	<b>439,772,767,140</b>	<b>449,839,846,526</b>	<b>1.96</b>	<b>2.22</b>
<b>Long-Term Post-Employment Benefits Liability</b>				
Directors, Commissioners and Key Management	8,776,903,677	12,220,099,936	0.04	0.06
<b>Revenues</b>				
PT Matahari Putra Prima Tbk	19,464,949,655	31,830,427,837	0.22	0.27
PT Mulia Persada Pertiwi	16,212,980,006	8,782,030,833	0.18	0.08
<b>Total</b>	<b>35,677,929,661</b>	<b>40,612,458,670</b>	<b>0.40</b>	<b>0.35</b>
<b>Operating Expenses</b>				
PT Multipolar Technology Tbk	26,456,526,000	21,477,786,511	0.30	0.18
PT Air Pasific Utama	18,684,448,000	14,513,416,666	0.21	0.12
PT Matahari Pasific	6,949,913,830	6,188,446,471	0.08	0.05
PT Sharestar Indonesia	795,279,021	1,285,627,673	0.01	0.01
<b>Total</b>	<b>52,886,166,851</b>	<b>43,465,277,321</b>	<b>0.59</b>	<b>0.37</b>
<b>Short-Term Post-Employment Benefits Expenses</b>				
Directors, Commissioners and Key Management	59,848,404,201	65,178,996,257	2.50	3.08

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 Venure	Investment in joint venture
PT Anho Biogenesis Prima Indonesia	Asosiasi	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

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Related Parties	Relationship with the Company	Transactions
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 and without maturity date of 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.

In 2014, PT Menara Bhumimegah, a subsidiary, has returned prepaid rental to PT Matahari Putra Prima Tbk (MPPa) amounted to Rp83,000,000,000.

On March 12, 2014, prepaid rental from MPPa, was novated to MPPI. Upon this novation, all rights and obligations arising from previous lease agreement were transferred to MPPI by MPPa.

## 12. Invesments in Associates

	Domicile	Percentage of Ownership	Acquisition Cost	Accumulated Share in Profit (Loss) - Net	2015		Additional of Investment	Correction	Carrying Value
					Accumulated Dividend Received	Accumulated Other Comperhenshif Income			
					Rp	Rp			
PT Surya Cipta Investama *)	Bekasi	49.81	32,964,983,496	42,009,247,383	--	(1,200,516,326)	--	(2,721,711,759)	71,052,002,794
PT TTL Residences	Bekasi	25.00	28,031,250,000	(6,534,127,414)	--	--	38,589,000,000	--	60,086,122,586
PT Hyundai Inti Development	Bekasi	45.00	6,155,423,370	99,032,314,907	(93,284,873,862)	--	--	--	11,902,864,415
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>38,589,000,000</b>	<b>(2,721,711,759)</b>	<b>153,843,414,817</b>

	Domicile	Percentage of Ownership	Acquisition Cost	Accumulated Share in Profit (Loss) - Net	2014		Disposal	Carrying Value
					Accumulated Dividend Received	Disposal		
					Rp	Rp		
PT Surya Cipta Investama *)	Bekasi	49.81	32,964,983,496	36,539,625,325	--	--	--	69,504,608,821
PT Hyundai Inti Development	Bekasi	45.00	6,155,423,370	99,200,501,635	(93,126,751,199)	--	--	12,229,173,806
PT TTL Residences	Bekasi	25.00	28,031,250,000	--	--	--	--	28,031,250,000
PT Graha Teknologi Nusantara	Jakarta	20.00	15,295,000,000	--	--	(15,295,000,000)	--	--
PT Anho Biogenesis Prima Indonesia **)	Jakarta	42.50	4,250,000,000	--	--	--	--	4,250,000,000
Others (each below Rp5 billion)			25,143,494,000	(15,874,764,346)	--	--	--	9,268,729,654
<b>Total</b>			<b>111,840,150,866</b>	<b>119,865,362,614</b>	<b>(93,126,751,199)</b>	<b>(15,295,000,000)</b>		<b>123,283,762,281</b>

\*) Parent Company of PT Multifiling Mitra Indonesia Tbk

\*\*) Parent Company of PT Biogenesis Genome International

The following are financial information of subsidiaries of associates as of December 31, 2015 and 2014:

Subsidiaries	Domicile	Main Business	Percentage of Ownership	Total Assets	
				2015	2014
				Rp	Rp
PT Multifiling Mitra Indonesia Tbk	Bekasi	Services	65.98	184,786,688,849	160,411,216,302
PT Biogenesis Genome International	Jakarta	Healthcare Services	89.00	10,000,000,000	10,000,000,000

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The following is a summary of financial information of the associates as of December 31, 2015 and 2014:

	2015	2014
	Rp	Rp
Total Agregate of Current Assets	144,132,664,218	39,064,044,980
Total Agregate of Non Current Assets	816,404,203,114	163,067,769,184
Total Agregate of Current Liabilities	57,149,924,487	10,337,545,674
Total Agregate of Non Current Liabilities	377,746,333,148	15,683,856,331
Total Agregate of Net Revenues for the Year	130,212,272,005	102,056,181,969
Total Agregate of Profit After Tax for the Year	28,773,912,805	25,721,854,533
Total Agregate of Comprehensive Income for the Year	26,363,721,426	--
Total Agregate of Profit or Loss and Other Comprehensive Income for the Year	14,772,074,844	25,721,854,533

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 December 31, 2015 and 2014 based on quoted market price information amounted to Rp93,485,021,300 and Rp168,972,926,200, respectively.

### 13. Investments in Joint Venture

			2015			
Domicile	Percentage of Ownership	Acquisition Cost	Accumulated Share in Profit (Loss) - Net	Accumulated Dividend Received	Accumulated Other Comprehensive 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>			<b>237,814,217,223</b>	<b>(6,386,898,327)</b>	<b>--</b>	<b>231,427,318,896</b>

#### 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.

Based on the said joint venture agreement, MCP and DRII, 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.

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

	2015 Rp
Total Agregate of Current Assets	370,495,019,453
Total Agregate of Non Current Assets	46,178,108,191
Total Agregate of Current Liabilities	16,758,539,343
Total Agregate of Non Current Liabilities	126,317,137,267
Total Agregate of Net Revenues for the Year	65,011,757,298
Total Agregate of Profit After Tax for the Year	(9,674,273,041)
Total Agregate of Comprehensive Income for the Year	--
Total Agregate of Profit or Loss and Other Comprehensive Income for the Year	(9,674,273,041)

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

**14. Investment Property**

	2015				December 31,
	January 1, Rp	Addition Rp	Deduction Rp	Reclassification Rp	Rp
<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	399,953,745,731	8,304,892,095	--	121,290,952,956	529,549,590,782
<b>Accumulated Depreciation</b>					
Building	89,648,991,228	22,900,291,298	--	--	112,549,282,526
Total Accumulated Depreciation	89,648,991,228	22,900,291,298	--	--	112,549,282,526
<b>Carrying Value</b>	<u>310,304,754,503</u>				<u>417,000,308,256</u>
	2014				December 31,
	January 1, Rp	Addition Rp	Deduction Rp	Reclassification Rp	Rp
<b>Acquisition Cost</b>					
Land	56,201,024,208	--	--	--	56,201,024,208
Building	322,292,252,875	21,460,468,648	--	--	343,752,721,523
Total Acquisition Cost	378,493,277,083	21,460,468,648	--	--	399,953,745,731
<b>Accumulated Depreciation</b>					
Building	72,132,171,875	17,516,819,353	--	--	89,648,991,228
Total Accumulated Depreciation	72,132,171,875	17,516,819,353	--	--	89,648,991,228
<b>Carrying Value</b>	<u>306,361,105,208</u>				<u>310,304,754,503</u>

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

	2015 Rp	2014 Rp
Rental Income	97,680,088,560	93,146,654,774
Direct Operating Cost Arises from the Rental Generated Investment Properties	41,247,573,171	33,647,438,937

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

	2015 Rp	2014 Rp
Cost of Revenue	9,644,522,561	3,557,448,201
Selling Expense (see Note 39)	13,255,768,737	13,959,371,152
<b>Total</b>	<u>22,900,291,298</u>	<u>17,516,819,353</u>

In 2015, the Group reclassified inventory to investment property amounting to Rp66,455,920,125 (see Notes 8 and 49).

In 2015, the Group reclassified property and equipment to investment property amounting to Rp54,835,032,831 (see Notes 15 and 49).

The fair value of all inventories (see Note 8), investment property, and property and equipment (see Note 15) 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

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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 December 31, 2015 was not impaired as compared to December 31, 2014.

Based on the evaluation of the value of investment properties as of December 31, 2015, management believes that there are no changes in circumstances indicate an impairment of investment properties.

**15. Property and Equipment**

	2015				
	January 1, Rp	Addition Rp	Deduction Rp	Reclassification Rp	December 31, 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	1,029,929,192,882	89,386,237,065	--	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
	<u>4,223,135,710,894</u>	<u>396,660,582,528</u>	<u>6,228,839,153</u>	<u>151,820,363,770</u>	<u>4,765,387,818,039</u>
<b>Construction in Progress</b>	837,191,957,954	117,479,367,589	--	(667,997,460,459)	286,673,865,084
<b>Total Acquisition Cost</b>	<u>5,060,327,668,848</u>	<u>514,139,950,117</u>	<u>6,228,839,153</u>	<u>(516,177,096,689)</u>	<u>5,052,061,683,123</u>
<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)	188,366,046,570
Bowling Machinery	14,372,469,025	15,126,228	--	--	14,387,595,253
Playground Areas	3,135,746,092	--	--	--	3,135,746,092
<b>Total Accumulated Depreciation</b>	<u>1,851,565,158,596</u>	<u>472,418,155,086</u>	<u>3,454,154,437</u>	<u>--</u>	<u>2,320,529,159,245</u>
<b>Carrying Value</b>	<u>3,208,762,510,252</u>				<u>2,731,532,523,878</u>
	2014				
	January 1, Rp	Addition Rp	Deduction Rp	Reclassification Rp	December 31, Rp
<b>Acquisition Cost</b>					
<b>Direct Ownership</b>					
Land	353,113,027,388	71,372,749,704	--	53,315,653,191	477,801,430,283
Building, Infrastructure and Renovations	843,617,829,618	84,494,475,753	--	101,816,887,311	1,029,929,192,882
Parks and Interiors	36,886,191,401	990,838,387	--	(13,300,429,409)	24,576,600,379
Golf Course and Club House	172,759,176,590	2,845,532,140	--	422,350,000	176,064,708,730
Transportation Equipment and Vehicles	44,293,024,041	1,840,303,183	158,063,626	--	46,397,613,598
Furniture, Fixtures and Office Equipment	581,125,590,144	81,945,957,174	989,017,775	8,615,535,391	670,698,064,934
Tools and Medical Equipment	1,330,651,853,267	166,404,346,766	1,072,435,349	26,542,347,417	1,522,526,112,101
Machinery and Project Equipment	230,860,561,610	27,207,688,624	--	--	258,068,250,234
Bowling Machinery	14,397,991,861	--	--	--	14,397,991,861
Playground Areas	3,135,746,092	--	--	--	3,135,746,092
	<u>3,610,840,992,012</u>	<u>437,101,891,731</u>	<u>2,219,516,750</u>	<u>(177,412,343,901)</u>	<u>4,223,135,710,894</u>
<b>Construction in Progress</b>	662,875,360,688	311,713,717,385	--	(137,397,120,119)	837,191,957,954
<b>Total Acquisition Cost</b>	<u>4,273,716,352,700</u>	<u>748,815,609,116</u>	<u>2,219,516,750</u>	<u>(40,015,223,782)</u>	<u>5,060,327,668,848</u>
<b>Accumulated Depreciation</b>					
<b>Direct Ownership</b>					
Building, Infrastructure and Renovations	233,663,427,726	54,593,177,004	--	--	288,256,604,730
Parks and Interiors	21,206,805,947	692,677,059	--	(379,304,184)	21,520,178,822
Golf Course and Club House	143,648,629,426	9,770,456,355	--	--	153,419,085,781
Transportation Equipment and Vehicles	29,074,260,283	4,277,809,536	158,063,626	--	33,194,006,193
Furniture, Fixtures and Office Equipment	365,391,970,828	113,234,343,650	967,381,395	--	477,658,933,083
Tools and Medical Equipment	499,005,568,015	184,494,341,446	907,435,345	--	682,582,474,116
Machinery and Project Equipment	153,341,047,381	24,084,613,733	--	--	177,425,660,754
Bowling Machinery	14,356,614,675	15,854,350	--	--	14,372,469,025
Playground Areas	3,135,746,092	--	--	--	3,135,746,092
<b>Total Accumulated Depreciation</b>	<u>1,462,824,070,373</u>	<u>391,153,272,773</u>	<u>2,032,880,366</u>	<u>(379,304,184)</u>	<u>1,851,565,158,596</u>
<b>Carrying Value</b>	<u>2,810,892,282,327</u>				<u>3,208,762,510,252</u>



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In 2015, the Group reclassified property and equipment to inventory amounting to Rp461,342,063,858 (see Note 8).

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

The addition of the Group's property and equipment, including non-cash transactions from realization of property and equipment advances amounted to Rp29,210,918,565 and Rp26,847,346,117 in December 31, 2015 and 2014 (see Note 49).

In 2014, the addition of property and equipment including from the acquired entity (see Notes 1.c and 48) with the acquisition cost of Rp154,614,736,423 and accumulated depreciation of Rp53,643,975,818 (see Note 48).

In 2014, the Group reclassified inventory to property and equipment amounting to Rp53,315,653,191 and reclassified property and equipment to inventory amounting to Rp13,679,733,593 (see Note 8).

Construction in progress represents hospitals and mall buildings. As of December 31, 2015, Construction in progress has reached 12% - 97% and estimated the completion within March 2016 until September 2016. Management believes that there is no other matter which will hinder the completion.

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

	2015 Rp	2014 Rp
Cost of Revenue	288,787,765,344	190,834,682,806
General and Administrative Expenses (see Note 39)	173,179,354,154	140,832,187,049
Selling Expenses (see Note 39)	10,451,035,588	5,842,427,100
<b>Total</b>	<b>472,418,155,086</b>	<b>337,509,296,955</b>

Acquisition cost of property and equipment that have been fully depreciated and still in use as of December 31, 2015 and 2014 amounted Rp117,871,462,880 and Rp112,186,371,970, respectively.

Details of the disposal on property and equipment of the Group for the years ended December 31, 2015 and 2014 are as follows:

	2015 Rp	2014 Rp
Acquisition Cost	6,228,839,153	2,219,516,750
Accumulated Depreciation	3,454,154,437	2,032,880,366
Net Carrying Value	2,774,684,716	186,636,384
Selling Price	171,214,960	665,198,588
Insurance Replacement Value	2,959,663,048	--
<b>Gain on Disposal on Property and Equipment</b>	<b>356,193,292</b>	<b>478,562,204</b>

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 24).

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 24).

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 December 31, 2015.

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**16. Intangible Assets**

Details of carrying value of intangible assets are as follows:

	2015			
	January 1, Rp	Addition Rp	Deduction Rp	December 31, 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
<b>Total Acquisition Cost</b>	<b>555,317,952,843</b>	<b>12,678,995,694</b>	<b>--</b>	<b>567,996,948,537</b>
<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>	<b>27,031,502,255</b>	<b>6,034,964,278</b>	<b>--</b>	<b>33,066,466,533</b>
<b>Carrying Value</b>	<b>528,286,450,588</b>			<b>534,930,482,004</b>

	2014			
	January 1, Rp	Addition Rp	Deduction Rp	December 31, Rp
<b>Acquisition Cost</b>				
Goodwill	340,360,922,514	172,362,838,161	--	512,723,760,675
Software	21,035,850,783	21,558,341,385	--	42,594,192,168
<b>Total Acquisition Cost</b>	<b>361,396,773,297</b>	<b>193,921,179,546</b>	<b>--</b>	<b>555,317,952,843</b>
<b>Accumulated Impairment and Amortization</b>				
Impairment of Goodwill	18,660,604,318	--	--	18,660,604,318
Amortization of Software	5,186,483,485	3,184,414,452	--	8,370,897,937
<b>Total Accumulated Impairment and Amortization</b>	<b>23,847,087,803</b>	<b>3,184,414,452</b>	<b>--</b>	<b>27,031,502,255</b>
<b>Carrying Value</b>	<b>337,549,685,494</b>			<b>528,286,450,588</b>

Current year 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	
			2015 Rp	2014 Rp
PT Tunggal Pilar Perkasa	PT Rashal Siar Cakra Medika	2014	101,776,732,211	101,776,732,211
PT Manunggal Bumi Sejahtera	PT Asiatic Sejahtera Finance	2014	64,794,498,390	64,794,498,390
PT Wisma Jatim Proptertindo	PT Anugerah Bahagia Abadi	2014	5,791,607,560	5,791,607,560
PT Kondor Usaha Maju	PT Medika Sarana Traliansia	2013	132,006,537,817	132,006,537,817
PT Lippo Malls Indonesia	PT Mullia Citra Abadi	2012	20,247,679,428	20,247,679,428
PT Primakreasi Proptertindo	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 Proptertindo	PT Surya Megah Lestari	2012	5,680,000,000	5,680,000,000
PT Persada Mandiri Dunia Niaga	PT Ekaputra Kencana Abadi	2012	15,050,000,000	15,050,000,000
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	2010	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>Total - 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 December 31, 2015 and 2014 have been assessed adequately.

**17. Advances**

	2015 Rp	2014 Rp
Advances for Land Acquisition	757,008,659,026	964,586,377,005
Advances for Construction	437,482,070,773	548,203,926,343
Advances for Acquisition of Property and Equipment	155,883,238,102	89,474,806,976
Others	79,557,793,409	107,675,283,284
<b>Total</b>	<b>1,429,931,761,310</b>	<b>1,709,940,393,608</b>

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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 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 December 31, 2015 GHE has made total payment of Rp81,392,750,000.

On April 28, 2014 and October 1, 2014, PT Satriamandiri Idola Utama (SIU), a subsidiary, entered into sales and purchase agreement for land located at Kemang sub-district. As of December 31, 2015 SIU has made total payment of Rp94,333,672,500.

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.

In 2015, PT Sinar Surya Timur (SST), a subsidiary, entered into a land purchase agreement located in Kalimantan. As of December 31, 2015 SST has made total payment of Rp41,994,000,000.

**18. Land for Development**

	2015		2014	
	Area Sqm	Value Rp	Area Sqm	Value Rp
The Company	1,001,010	205,326,565,494	1,001,010	204,957,334,722
Subsidiaries				
PT Lippo Cikarang Tbk	1,196,782	594,919,336,757	1,383,883	396,834,940,859
PT Gowa Makassar Tourism Development Tbk	2,018,900	352,069,358,705	2,046,873	317,160,283,219
PT Muliasentosa Dinamika	803,413	112,455,747,318	803,413	112,455,747,318
PT Sentragraha Mandiri	239,759	33,313,592,430	239,759	33,313,592,430
PT Erabaru Realindo	702,371	22,845,087,500	702,371	22,845,087,500
PT Surya Makmur Alam Persada	71,303	20,283,623,533	71,303	20,283,623,533
PT Bahtera Pratama Wirasakti	83,405	15,520,541,679	83,405	15,520,541,679
PT Sejatijaya Selaras	84,162	12,927,010,894	84,162	12,856,345,276
<b>Total</b>	<b>6,201,105</b>	<b>1,369,660,864,310</b>	<b>6,416,179</b>	<b>1,136,227,496,536</b>

In 2014, land for development amounting to Rp441,635,251,200 was reclassified to inventory (see Note 8).

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, Sirnajiati, Jayamukti, Pasirsari in Lemahabang District, South Cikarang; Tanjung Merdeka Village, Barombong, Maccini Sombala, Tamanyeleng, Mariso, Benteng Somba Opu in Makassar, South Sulawesi.

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

**19. Accrued Expenses**

	2015 Rp	2014 Rp
Estimated Cost for Construction	471,969,907,693	726,197,777,129
Interest	106,151,996,274	95,652,427,787
Endowment Care Fund	82,274,482,324	59,696,987,047
Cost of Goods Sold	37,007,695,825	19,079,289,656
Professional Fees	28,898,365,453	5,028,416,670
Hedging Premium of Call Spread Option	24,104,472,806	22,083,103,440
Contract Service	22,599,833,938	21,642,499,126
Transfer of Land and Building Tax	14,379,150,583	16,986,811,984
Others (each bellow Rp10 billion)	219,082,642,747	163,556,164,961
<b>Total</b>	<b>1,006,468,547,643</b>	<b>1,129,923,477,800</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.

**20. Taxation**

**a. Tax Expenses**

Final Tax Expenses

Final tax expenses for the years ended December 31, 2015 and 2014 amounting to Rp206,527,925,189 and Rp372,429,257,496 respectively.

Details of Group's final tax expenses for the years ended as of December 31, 2015 and 2014 are as follows:

	2015 Rp	2014 Rp
The Company		
Rental Income - 10%	13,696,416,986	6,495,617,564
Transfer of Land and Building Right - 5%	--	1,180,073,713
Subsidiaries		
Rental Income - 10%	24,449,578,786	27,979,735,520
Transfer of Land and Building Right - 5%	168,381,929,417	336,773,830,699
<b>Total Final Tax Expenses</b>	<b>206,527,925,189</b>	<b>372,429,257,496</b>

Current Tax and Deferred Tax

	2015			2014		
	Company Rp	Subsidiaries Rp	Consolidated Rp	Company Rp	Subsidiaries Rp	Consolidated Rp
Current Tax Expenses	3,987,964,325	216,055,488,289	219,625,452,594	12,757,900,518	159,297,371,451	172,055,271,969
Correction of Previous Period	1,409,157,671	16,034,326,405	17,443,484,076	12,636,647,110	2,926,914,527	15,563,561,637
Deferred Tax Expenses (Benefits)	2,298,617,103	21,343,663,107	23,642,280,210	1,495,416,217	(5,106,292,107)	(3,610,875,890)
<b>Total Income Tax Expenses</b>	<b>7,275,739,099</b>	<b>253,433,477,781</b>	<b>260,709,216,880</b>	<b>26,889,963,845</b>	<b>157,117,993,871</b>	<b>184,007,957,716</b>

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

	2015 Rp	2014 Rp
Profit before Tax as Presented in the Consolidated		
Statements of Profit or Loss and Other Comprehensive Income	1,284,829,851,140	3,323,959,216,205
Deduct: Income of Subsidiaries, Associates and Joint Venture	(2,684,091,833,063)	(3,985,255,789,928)
Loss before Company's Income Tax	(1,399,261,981,923)	(661,296,573,723)
<b>Temporary Differences</b>		
Allowance for Impairment in Value Receivable	286,084,804	646,500,460
Salaries and Employee Benefits	2,839,088,080	1,840,189,000
Depreciation of Direct Ownership of Property and Equipment	(5,016,194,552)	(1,164,907,584)
Deferred Gain on Sale and Leaseback Transactions	(7,303,446,744)	(7,303,446,744)
Subtotal	(9,194,468,412)	(5,981,664,868)
<b>Permanent Differences</b>		
Revenue Subjected to Final Tax	1,349,742,769,397	675,520,843,821
Interest Income Subjected to Final Tax	(205,750,554)	(670,376,914)
Tax Expenses	73,114,228,981	43,077,101,985
Donation and Representation	77,059,809	382,271,772
Subtotal	1,422,728,307,633	718,309,840,664
<b>Estimated Fiscal Income for the Year</b>	<b>14,271,857,298</b>	<b>51,031,602,073</b>
<b>Estimated Current Tax - Company</b>	<b>3,567,964,325</b>	<b>12,757,900,518</b>
<b>Deduct:</b>		
Prepaid Income Tax		
Article 25	(174,933,756)	(237,945,168)
Article 23	(142,222,826)	(119,273,450)
<b>Estimated Current Tax Payable - Company</b>	<b>3,250,807,743</b>	<b>12,400,681,900</b>

Until issuance date of these consolidated financial statements, the Company has reported the 2014 annual Tax Return (SPT) to the tax office. Reported taxable income and tax expense for the year 2014 immaterially varied from SPT submitted by the Company to the tax office.  
Calculation of estimated current tax and tax payable of subsidiaries is as follows:

	2015 Rp	2014 Rp
Estimated Income Tax - Subsidiaries	702,767,803,760	329,218,246,922
Current Tax Expenses - Non-Final	216,055,488,269	159,297,371,451
Tax Credit	(179,452,571,287)	(57,140,763,146)
Income Tax Payable Article 29 - Current Year	36,602,916,982	102,156,608,305
Income Tax Payable Article 29 - Prior Year	22,153,302,625	10,820,425,688
<b>Income Tax Payable Article 29 - Subsidiaries</b>	<b>58,756,219,607</b>	<b>112,977,933,993</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:

	2015 Rp	2014 Rp
Profit before Tax as Presented in the Consolidated		
Statements of Profit or Loss and Other Comprehensive Income	1,284,829,851,140	3,323,959,216,205
Deduct: Income of Subsidiaries, Associates and Joint Venture	(2,684,091,833,063)	(3,985,255,789,928)
Loss before Company's Income Tax	(1,399,261,981,923)	(661,296,573,723)
Income Tax Expense at Effective Tax Rate 25%	(349,815,495,481)	(165,324,143,431)
Revenue Subject to Final Tax	338,844,850,022	181,516,858,067
Interest Income Subject to Final Tax	(51,437,639)	(167,594,229)
Donation and Representation	19,264,952	95,567,942
Tax Expenses	18,278,557,245	10,769,275,496
Total Tax Expense of the Company	7,275,739,099	26,889,963,845
Tax Expense of the Subsidiaries		
Deferred Tax	21,343,663,107	(5,106,292,107)
Current Tax and Previous Years Correction	232,089,814,674	162,224,285,978
Total Subsidiaries Tax Expenses	253,433,477,781	157,117,993,871
<b>Total</b>	<b>260,709,216,880</b>	<b>184,007,957,716</b>

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**b. Deferred Tax Asset and Liabilities**

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

	January 1, 2015	Charged (Credited) to Consolidated Profit or Loss	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	12,875,616,315	(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)	--	(5,292,013,624)	39,306,420,577
<b>Deferred Tax Assets</b>	<b>63,918,907,644</b>	<b>(12,490,677,221)</b>	<b>--</b>	<b>(4,477,863,145)</b>	<b>46,950,367,278</b>
<b>Subsidiaries</b>					
<b>Deferred Tax Liabilities</b>	<b>28,147,868,966</b>	<b>11,151,602,989</b>	<b>294,203,676</b>	<b>--</b>	<b>39,593,675,631</b>

	January 1, 2014	Charged (Credited) to Consolidated Profit or Loss	Additions from Business Combination	Other Comprehensive Income	Correction	December 31, 2014
	Rp	Rp	Rp	Rp	Rp	Rp
<b>The Company</b>						
Amortization of Deferred Income from Sale and Lease Back Transactions	14,501,478,001	(1,825,861,686)	--	--	--	12,675,616,315
Estimated Long-term Employee Benefits Liabilities	3,231,946,250	460,047,250	--	425,787,750	--	4,117,781,250
Allowance Impairment in Value	2,965,626,608	161,625,115	--	--	--	3,127,251,723
Depreciation	(10,501,989,887)	(291,226,896)	--	--	--	(10,793,135,963)
	10,197,141,792	(1,496,416,217)	--	425,787,750	--	9,127,513,325
<b>Subsidiaries</b>	42,453,008,010	5,071,032,431	76,024,196	5,625,394,112	1,565,935,570	54,791,394,319
<b>Deferred Tax Assets</b>	<b>52,650,149,802</b>	<b>3,675,616,214</b>	<b>76,024,196</b>	<b>6,051,181,862</b>	<b>1,565,935,570</b>	<b>63,918,907,644</b>
<b>Subsidiaries</b>						
<b>Deferred Tax Liabilities</b>	<b>11,983,104,371</b>	<b>1,530,675,893</b>	<b>14,634,088,702</b>	<b>--</b>	<b>--</b>	<b>28,147,868,966</b>

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

**c. Prepaid Taxes**

	2015 Rp	2014 Rp
<b>Income Taxes</b>		
Article 21	865,100	2,344,514
Article 4 (2)	416,170,622,193	404,201,707,819
Article 22	857,054,182	296,725,405
Article 28, a	6,991,456,142	6,991,456,142
Value Added Tax	393,395,177,617	209,977,210,971
<b>Total</b>	<b>817,415,175,234</b>	<b>621,469,444,851</b>

**d. Taxes Payable**

	2015 Rp	2014 Rp
<b>Income Taxes</b>		
Article 4 (2)	68,025,769,772	185,566,409,240
Article 21	39,806,304,655	24,287,992,522
Article 22	6,893,741,447	--
Article 26	20,639,437	15,989,757
Article 29	62,007,027,350	125,377,715,893
Value Added Tax	48,390,142,668	309,528,107,956
Hotel and Restaurant Tax	3,271,259,437	2,832,043,246
Entertainment Tax	559,083,999	581,824,479
<b>Total</b>	<b>228,973,968,765</b>	<b>648,190,083,093</b>

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**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.

Details of letters of Tax Underpayment Assessment Letter (SKPKB) obtained by the Company and subsidiaries in 2015 and 2014 are as follows:

2015			
Fiscal Year	Entity	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
2012	PT Almaron Perkasa	Value Added Tax	831,057,718
		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
	PT Gading Nusa Utama	Value Added Tax	20,988,697,173
		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
	PT Siloam Karya Sejahtera	Value Added Tax	294,748,680
		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
	PT Pendopo Niaga	Value Added Tax	1,179,975,627
		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
	PT Siloam Karya Sejahtera	Value Added Tax	1,451,133,192
		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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2014			
Fiscal Year	Entity	Taxes Category	Amount Rp
2012	PT Surya Mitra Jaya	Income Tax Article 4 (2)	1,798,033,100
		Income Tax Article 21	5,998,021
		Income Tax Article 23	14,679,962
		Income Tax Article 29	495,377,120
		Value Added Tax	4,409,530,584
	PT Jagat Pertala Nusantara	Income Tax Article 4 (2)	3,769,356
		Income Tax Article 23	514,353
		Income Tax Article 29	1,257,331,142
		Value Added Tax	6,799,295
2011	PT Surya Mitra Jaya	Income Tax Article 4 (2)	6,797,492,075
		Income Tax Article 21	2,499,455
		Income Tax Article 23	17,852,948
		Income Tax Article 29	705,899,115
		Value Added Tax	15,813,436,974
	PT Jagat Pertala Nusantara	Income Tax Article 4 (2)	2,499,646,000
		Income Tax Article 29	468,307,150
2009	The Company	Income Tax Article 4 (2)	3,725,674,898
		Income Tax Article 29	247,492,702
		Value Added Tax	2,127,750,033

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

	2015 Rp	2014 Rp
Contractors	406,677,512,278	94,833,342,953
Supplier	231,871,520,480	232,404,843,283
Doctor Fees	100,294,181,694	74,649,048,117
Others	44,073,082,372	2,287,063,138
<b>Total</b>	<b>782,916,296,824</b>	<b>404,174,297,491</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 45 and 47.

**22. Short-Term Bank Loans**

	2015 Rp	2014 Rp
<b>Third Parties</b>		
PT Bank Mega Tbk	630,000,000,000	--
PT Bank Negara Indonesia (Persero) Tbk	220,000,000,000	170,000,000,000
PT Bank ICBC Indonesia	75,000,000,000	--
PT Bank Mandiri (Persero) Tbk	35,000,000,000	--
PT Bank Central Asia Tbk	2,173,564,967	3,540,195,011
<b>Total</b>	<b>962,173,564,967</b>	<b>173,540,195,011</b>

**PT Bank Mega Tbk**

Based on Credit Agreement No. 135 dated October 30, 2015 which was made in the presence of Mellyyani 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. As of December 31, 2015 credit facility used by MCG amounted to Rp730.000.000.000.

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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 8); and
- Land owned by MCG with an area of 38,365 sqm located in Kembangan Selatan Village, Kembangan District DKI Jakarta Province (see Note 8).

As of December 31, 2015, outstanding balance for this facility amounted to Rp630,000,000,000.

**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 (8) 44 dated June, 30, 2014, 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 December 31, 2015 and 2014, outstanding balance for this facility amounted to Rp200,000,000,000 and Rp170,000,000,000, respectively.
- 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 December 31, 2015 and 2014, outstanding balance for this facility amounted to Rp20,000,000,000 and nil, 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 8).
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 8).
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 8).

Interest and borrowing costs capitalized to inventory for the year ended December 31, 2015 amounted to Rp23,901,812,789 (see Note 8).

**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 December 31, 2015 and 2014, outstanding balance for this facility amounted to Rp45,000,000,000 and nil, respectively.

Interest and borrowing costs capitalized to inventory for the years year ended December 31, 2015 amounting to Rp7,463,773,367 (see Note 8).

**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/Sukaesmi registered under the name of PT Waska Sentana, a subsidiary (see Note 8). As of

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December 31, 2015 and 2014 outstanding balance for this facility amounted to Rp30,000,000,000 and nil, 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 18). 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 December 31, 2015 amounted to Rp35,000,000,000.

**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 24).

**23. Other Current Financial Liabilities**

	2015 Rp	2014 Rp
<b>Third Parties</b>		
Payables to Noncontrolling Interest of a Subsidiary	153,604,952,956	--
Unidentified Payments	105,064,391,827	205,960,812,485
Transfer of Title	39,120,041,217	89,157,814,080
Payable from acquisition of a subsidiary	12,062,499,966	20,366,632,213
Other Payables	30,014,046,734	93,305,232,386
<b>Total</b>	<b>339,865,932,700</b>	<b>408,790,491,164</b>

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

**24. Long-Term Bank Loans**

	2015 Rp	2014 Rp
<b>Third Parties</b>		
PT Bank CIMB Niaga Tbk	290,596,043,447	--
PT Bank J Trust Indonesia Tbk	198,889,752,826	--
Bank Pembangunan Daerah Kalimantan Timur	24,041,220,753	29,993,214,251
PT Bank Central Asia Tbk	6,483,862,981	12,967,725,976
<b>Total</b>	<b>520,010,880,007</b>	<b>42,960,940,227</b>
Current Portion	48,261,246,570	12,435,856,488
<b>Non-Current Portion</b>	<b>471,749,633,437</b>	<b>30,525,083,739</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

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7 years or 84 months, bears an interest rate of 11% per annum. As of December 31, 2015, 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 December 31, 2015, PPU has not yet used this facility.

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 8).

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 2022.
- Gearing Ratio at a maximum 3.5x in 2017, 2.5x in 2017, 1.5x in 2019 and 1x in 2020 to 2022

The payment of this loan for the year ended December 31, 2015 amounted to Rp9,403,956,553.

As of December 31, 2015 the outstanding balance of the Tranche A facility amounted to Rp290,596,043,447.

**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 Rp272,913,000,000 used as collateral for this facility (see Note 5).

The payment of this loan for the year ended December 31, 2015 amounted to Rp5,308,311,241.

As of December 31, 2015 the outstanding balance of this facility amounted to Rp198,889,752,826.

**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 15).
- Supporting infrastructure, tools and machinery and medical equipment with the estimated value of Rp8,665,020,000 (see Note 15).

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

Loan payments for the year ended December 31, 2015 amounted to Rp Rp5,951,993,498.

As of December 31, 2015 and 2014 the outstanding balances of this facility amounted to Rp24,041,220,753 and Rp29,993,214,251, 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 15).
- Medical equipment, furniture fixtures and office equipment, trade accounts receivable and inventory of medicine and consumable goods, and machinery and medical equipments (see Notes 5, 8 and 15).

Based on the loan agreement, GFA has to maintain maximum debt to equity ratio of 2.2x. As of December 31, 2015 and 2014, GFA has complied with the required debt ratio.

The payment of loan for the year ended December 31, 2015 amounted to Rp7,850,493,036.

As of December 31, 2015 and 2014, the outstanding balances of this facility amounted to Rp6,483,862,981 and Rp12,967,725,976, respectively.

**25. Bonds Payable**

	2015 Rp	2014 Rp
Nominal (2015: USD803,306,000; 2014: USD803,306,000)	11,081,606,270,000	9,993,126,640,000
Premium - Net	79,896,818,785	99,639,856,615
Bond Issuance Cost - Net	(278,444,076,969)	(312,155,200,064)
<b>Total</b>	<b>10,883,059,011,816</b>	<b>9,780,611,296,551</b>
Premium (net of discount)	136,811,912,500	123,373,700,000
Less : Accumulated Amortization	(56,915,093,715)	(23,733,843,385)
<b>Unamortized Premium</b>	<b>79,896,818,785</b>	<b>99,639,856,615</b>
Bond Issuance Costs	440,735,932,791	415,926,919,271
Less : Accumulated Amortization	(162,291,855,822)	(103,771,719,207)
<b>Unamortized Bond Issuance Cost</b>	<b>278,444,076,969</b>	<b>312,155,200,064</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.

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.

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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 December 31, 2015 and 2014, accrued interest expense amounted to USD2,138,889 and USD2,138,889 (equivalent to Rp29,505,973,755 dan Rp26,607,779,160), 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 December 31, 2015 and 2014, accrued interest expense amounted to USD2,185,499 and USD2,185,499 (equivalent to Rp30,148,958,705 and Rp27,187,607,560), 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 December 31, 2015 and 2014 accrued interest expenses amounted to USD1,039,549 and USD1,039,549 (equivalent to Rp14,340,578,455 and Rp12,931,989,560), 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 December 31, 2015 and 2014 accrued interest expenses amounted to USD1,429,167 and USD1,429,167 (equivalent to Rp19,715,358,765 and Rp17,778,837,480), respectively.

Borrowing costs capitalized into land under development for the years ended December 31, 2015 and 2014 amounting to Rp853,470,852,432 and Rp575,116,386,833, respectively (see Note 8).

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 43.d).

## **26. 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 and 2014. 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:

	2015 Rp	2014 Rp
Present Value of Defined Benefit Obligation, end of year	311,085,515,426	255,676,668,775
Fair Value Asset Plan	--	--
<b>Total</b>	<b>311,085,515,426</b>	<b>255,676,668,775</b>

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

	2015 Rp	2014 Rp
Current Service Cost	39,604,042,307	38,126,492,752
Interest Expense	20,723,976,143	14,789,799,543
<b>Total</b>	<b>60,328,018,450</b>	<b>52,916,292,295</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 follow:

	2015 Rp	2014 Rp
Beginning Balance	255,676,668,775	207,278,972,418
Payment of Employees' Benefits	(13,833,177,065)	(23,567,563,467)
Other Comprehensive Income	8,914,005,266	19,048,967,529
Current Service Cost and Interest Expenses	60,328,018,450	52,916,292,295
<b>Ending Balance</b>	<b>311,085,515,426</b>	<b>255,676,668,775</b>

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

	2014 Rp	2013 Rp
Present Value of Defined Benefits Obligation at Beginning Year	255,676,668,775	207,278,972,418
Current Service Cost	39,604,042,307	38,126,492,752
Interest Expense	20,723,976,143	14,789,799,543
Payment of Employees' Benefits	(13,833,177,065)	(23,567,563,467)
<b>Expected Present Value of Defined Benefits Obligation at End of Year</b>	<b>302,171,510,160</b>	<b>236,627,701,246</b>
<b>Actual Present Value of Defined Benefits Obligation at End of Year</b>	<b>311,085,515,426</b>	<b>255,676,668,775</b>
<b>Actuarial Loss Current Year</b>	<b>(8,914,005,266)</b>	<b>(19,048,967,529)</b>

Movement of consolidated of other comprehensive income is as follow:

	2015 Rp	2014 Rp
Beginning Balance	(57,674,352,087)	(38,625,384,558)
Other Comprehensive Income Current Year	(8,914,005,266)	(19,048,967,529)
<b>Ending Balance</b>	<b>(66,588,357,353)</b>	<b>(57,674,352,087)</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 years ended December 31, 2015 and 2014:

	2015	2014
Discount Rates	8.00%-8.50%	8.90%
Salary Increase Projection Rate	8.00%	8.00%
Mortality Rate	TMI-2011	TMI-2011
Permanent Disability Rate	10% x TMI-2011	10% x TMI-2011
Resignation Rate	5.00%	5.00%

**27. Advances from Customers**

	2015 Rp	2014 Rp
<b>Third Parties</b>		
Residential Houses and Shophouses	2,416,961,151,575	2,364,903,776,124
Apartments	2,359,555,422,693	2,260,978,431,559
Shopping Centers	110,343,742,125	195,711,717,834
Land Lots	324,884,091,156	398,062,629,200
Total	5,211,744,407,549	5,219,656,554,717
Current Portion	863,192,440,180	2,523,984,487,387
<b>Non-Current Portion</b>	<b>4,348,551,967,369</b>	<b>2,695,672,067,330</b>

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

	2015 Rp	2014 Rp
100%	4,182,357,444,064	3,461,924,959,363
50% - 99%	646,692,082,547	410,128,223,801
20% - 49%	371,357,549,130	365,433,924,067
Below 20%	11,337,331,808	982,169,447,486
<b>Total</b>	<b>5,211,744,407,549</b>	<b>5,219,656,554,717</b>

**28. Deferred Income**

	2015 Rp	2014 Rp
<b>Related Party</b>		
Rent (see Notes 11 and 43.b)	439,772,767,140	449,839,846,526
<b>Third Parties</b>		
Rent	341,175,896,024	288,452,303,263
Others	58,243,147,826	41,892,708,709
Subtotal	399,419,043,850	330,345,011,972
Total Deferred Income	839,191,810,990	780,184,858,498
Current Portion	480,093,178,686	362,175,439,809
<b>Non-Current Portion</b>	<b>359,098,632,304</b>	<b>418,009,418,689</b>

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

	2015 Rp	2014 Rp
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 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	142,456,546,067	106,411,728,221
Accumulated Amortization	(674,507,654,901)	(543,380,832,978)
Deferred Gain on Sale and Leaseback - Net	1,179,457,997,488	1,274,540,001,565
Current Portion	132,766,996,702	127,287,435,838
<b>Non-Current Portion</b>	<b>1,046,691,000,786</b>	<b>1,147,252,565,727</b>

Deferred gain on sale and leaseback transactions is amortized over 15 years of lease period using the straight line method (see Note 43.b).

**30. Capital Stock**

The Company stockholders' composition as of December 31, 2015 and 2014 are as follows:

Stockholders	December 31, 2015		
	Total Shares	Percentage Ownership (%)	Issued and Fully Paid (Rp)
Pacific Asia Holdings Ltd	4,126,619,908	18.12	412,661,990,800
PT Metropolis Propertindo Utama	1,212,280,000	5.32	121,228,000,000
Public (each below 5%)	17,432,685,211	76.56	1,743,268,521,100
<b>Sub Total</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>Total</b>	<b>23,077,689,619</b>		<b>2,307,768,961,900</b>

Stockholders	December 31, 2014		
	Total Shares	Percentage Ownership (%)	Issued and Fully Paid (Rp)
Pacific Asia Holdings Ltd	4,126,619,908	18.12	412,661,990,800
PT Metropolis Propertindo Utama	1,212,280,000	5.32	121,228,000,000
Tanri Abeng, MBA - Commisioner	150,000	--	15,000,000
Public (each below 5%)	17,432,535,211	76.56	1,743,253,521,100
<b>Sub Total</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>Total</b>	<b>23,077,689,619</b>		<b>2,307,768,961,900</b>

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>

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

	<b>2015</b>
	<b>Rp</b>
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**

	<b>Rp</b>
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.

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

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

**32. 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 Triliansia (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:

	2015 Rp	2014 Rp
Shares Acquired from Non Controlling Interest		
Acquisition Cost	(384,406,170,421)	(343,713,642,857)
Net Asset Value of Acquired	163,553,107,510	101,827,714,166
Difference from Foreign Currency Translations	(21,105,562,928)	(21,105,562,928)
Sub total	(241,958,625,839)	(262,991,491,619)
Shares Disposal to Non Controlling Interest		
Purchase Consideration	2,047,900,000,000	911,100,000,000
Net Assets Disposed	(254,756,946,500)	(118,538,136,369)
Sub total	1,793,143,053,500	792,561,863,631
<b>Total</b>	<b>1,551,184,427,661</b>	<b>529,570,372,012</b>

### 33. Other Equity Transaction

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.

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**34. Cash Dividend and Reserved Fund**

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.

Based on Deed of Annual General Meeting of Stockholders No. 10 dated April 23, 2014 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 Rp320,000,000,000 and increased the reserved fund amounting to Rp1,000,000,000 from retained earnings of 2013.

**35. Other Comprehensive Income**

	2015 Rp	2014 Rp
Gain from Translations Financial Statements in Foreign Currency	426,111,052,423	670,172,145,549
Gain on Changes in Fair Value of Available-for-Sale Financial Assets	55,912,286,591	170,197,156,625
<b>Total</b>	<b>482,023,339,014</b>	<b>840,369,302,174</b>

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

	2015 Rp	2014 Rp
<u>Investment FREIT (see Note 6)</u>		
Bridgewater International Ltd	552,993,489,390	573,756,360,982
Bowsprit Capital Corporation Ltd	121,247,751,413	131,109,596,159
PT Menara Tirta Indah	200,253,526,030	208,205,465,090
<u>Investment LMIRT (see Note 6)</u>		
Bridgewater International Ltd	(783,757,278,190)	(718,469,860,666)
LMIRT Management Ltd	(44,523,482,517)	(24,404,404,940)
<u>Investment KIJA (see Note 6)</u>		
Intellitop Finance Limited	9,698,280,465	--
<b>Total</b>	<b>55,912,286,591</b>	<b>170,197,156,625</b>

**36. Non-Controlling Interests**

Details of non-controlling interests in the equity of consolidated subsidiaries as of December 31, 2015 and 2014 are as follows:

	2015 Rp	2014 Rp
PT Lippo Cikarang Tbk	1,657,872,859,101	1,223,736,344,194
PT Siloam International Hospitals Tbk	499,034,941,181	346,607,714,721
PT Gowa Makassar Tourism Development Tbk	236,778,714,915	186,320,280,076
PT Darma Sarana Nusa Pratama	29,941,938,144	37,439,900,959
PT Metropolitan Permaisemesta	22,858,346,961	16,495,708,082
PT Pelangi Cahaya Intan Makmur	19,616,382,887	15,300,553,628
PT Wahana Usaha Makmur	--	179,558,514,763
Others	56,520,498,702	27,790,650,117
<b>Total</b>	<b>2,522,623,681,891</b>	<b>2,033,249,666,540</b>

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**37. Revenues**

	2015 Rp	2014 Rp
Urban Development:		
Residential Houses and Shophouses	1,685,918,741,269	1,288,007,884,167
Land Lots	600,996,692,910	792,419,241,918
Memorial Park	182,525,464,986	154,312,510,936
Asset Enhancements	115,994,566,881	24,365,707,938
Others	44,381,421,233	3,385,837,313,260
Subtotal	2,629,816,887,279	5,644,942,658,219
Large Scale Integrated Development:		
Apartments	747,455,697,625	1,316,780,787,857
Asset Enhancements	26,004,180,000	18,573,230,831
Sub Total	773,459,877,625	1,335,354,018,688
Retail Malls:		
Asset Enhancements	239,461,210,837	301,814,592,074
Shopping Centres	989,575,751	5,002,190,010
Subtotal	240,450,786,588	306,816,782,084
Healthcare:		
Inpatient Department		
Medical Support Services and Professional Fees	970,803,101,313	745,130,966,397
Drugs and Medical Supplies	885,836,419,950	734,258,430,590
Ward Fees	362,387,046,730	286,678,643,530
Hospital Facilities	169,093,824,862	104,826,015,261
Operating Theater	109,323,687,592	80,610,771,450
Administration Fees and Others	87,130,498,008	73,809,842,167
Outpatient Department		
Medical Support Services and Professional Fees	961,402,538,011	777,240,395,844
Drugs and Medical Supplies	479,828,470,861	390,739,191,326
Hospital Facilities	51,120,796,660	36,017,024,986
Administration Fees and Others	67,191,918,598	111,482,090,321
Subtotal	4,144,118,302,585	3,340,793,371,872
Hospitality and Infrastructure:		
Hotels and Restaurants	297,202,184,331	293,057,746,657
Town Management	250,468,210,577	201,889,194,894
Water and Sewage Treatment	132,487,177,722	130,432,915,634
Recreation and Sports	69,558,547,194	68,579,335,428
Others	35,286,475,718	27,134,310,000
Subtotal	785,002,595,542	721,093,502,613
Property and Portfolio Management:		
Management Fees	337,329,541,732	306,041,413,531
<b>Total Gross Revenues</b>	<b>8,910,177,991,351</b>	<b>11,655,041,747,007</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 the years ended December 31, 2015.

Sales from urban development others in 2014 mainly from sales of Mall Kemang amounted to Rp3,371,771,428,571 to Lippo Malls Indonesia Retail Trust, which represent 28.93% of the consolidated net revenue for the year ended December 31, 2014.

**38. Cost of Revenue**

	2015 Rp	2014 Rp
Urban Development:		
Residential Houses and Shophouses	721,308,006,403	535,145,354,479
Land Lots	230,309,297,145	317,425,529,524
Memorial Park	30,411,813,520	28,293,223,900
Asset Enhancements	4,806,551,346	1,527,768,265
Others	13,321,081,188	1,993,498,656,624
Subtotal	1,000,156,749,602	2,875,890,532,792



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	2015 Rp	2014 Rp
Large Scale Integrated Development:		
Apartments	359,665,483,319	622,124,714,562
Asset Enhancements	1,669,031,205	1,669,031,205
Subtotal	361,334,514,524	623,793,745,767
Retail Malls:		
Asset Enhancements	12,948,568,007	4,547,897,815
Shopping Centres	400,117,384	2,008,687,932
Subtotal	13,348,685,391	6,556,585,747
Healthcare:		
Inpatient Department		
Professional Fees, Salaries and Employee Benefits	871,359,980,585	653,494,603,737
Drugs and Medical Supplies	517,025,828,840	460,438,028,755
Depreciation	154,983,826,179	118,051,021,086
Clinical Supplies	65,462,019,209	58,631,395,654
Food and Beverages	64,592,975,663	52,502,661,183
Referral Fees	43,780,801,233	24,937,753,143
Others	95,418,112,873	67,326,860,305
Outpatient Department		
Professional Fees, Salaries and Employee Benefits	559,462,551,885	453,472,276,368
Drugs and Medical Supplies	391,375,899,349	325,198,839,748
Depreciation	90,749,317,888	68,296,297,893
Clinical Supplies	30,443,747,092	30,969,518,309
Referral Fees	51,160,524,558	30,359,422,835
Others	62,021,845,131	45,052,375,055
Subtotal	2,997,837,430,485	2,388,731,054,071
Hospitality and Infrastructure:		
Town Management	153,218,707,827	155,281,378,967
Hotels and Restaurants	107,509,941,722	103,176,883,692
Water and Sewage Treatment	98,036,433,057	53,351,815,750
Recreation and Sports	22,775,181,378	21,433,100,567
Others	19,714,264,356	15,084,850,037
Subtotal	401,254,528,340	348,328,029,013
Property and Portfolio Management:		
Management Fees	17,724,191,840	14,364,162,798
<b>Total Cost of Sales</b>	<b>4,791,656,100,182</b>	<b>6,257,664,110,188</b>

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

### 39. Operating Expenses

	2015 Rp	2014 Rp
<b>Selling Expenses</b>		
Advertising and Marketing	293,514,231,262	291,407,255,832
Salaries and Employee Benefits	152,543,845,009	120,726,177,370
Management Fees	40,211,092,138	39,478,439,145
Repairs and Maintenance	36,670,762,052	28,891,084,990
Depreciation (see Notes 14 and 15)	23,706,804,325	19,801,798,252
Transportation and Accommodation	18,239,128,540	10,176,612,357
Electricity and Water	12,541,924,203	6,830,996,415
Office Supplies	6,823,039,356	10,840,334,533
Rental - Net	5,156,792,599	4,882,916,682
Others (Each Bellow Rp4 billion)	49,079,735,505	31,705,414,785
<b>Total</b>	<b>638,487,354,989</b>	<b>564,741,030,361</b>

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	2015 Rp	2014 Rp
<b><u>General and Administrative Expenses</u></b>		
Salaries and Employee Benefits	864,956,286,305	692,251,880,842
Depreciation (see Note 15)	173,179,354,154	140,832,187,049
Electricity and Water	145,607,203,486	143,839,489,020
Professional Fees	100,800,985,612	110,168,319,135
Rental - Net	90,435,446,786	148,558,026,776
Transportation and Accommodation	88,182,527,695	69,224,978,394
Tax Expenses	73,114,228,981	43,077,101,985
Repairs and Maintenance	48,455,604,602	39,502,085,721
Office Supplies	41,718,330,883	43,835,595,928
Training and Seminar	32,323,051,021	19,203,991,328
Communication	28,413,367,182	23,691,652,462
Insurance	24,264,903,162	14,576,720,402
Membership and Subscription Fees	9,951,806,731	11,250,762,690
Others (Each Bellow Rp9 billion)	31,201,759,678	54,401,789,711
<b>Total</b>	<b>1,752,604,856,278</b>	<b>1,554,414,581,443</b>
<b>Total Operating Expenses</b>	<b>2,391,092,211,267</b>	<b>2,119,155,611,804</b>

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

	2015 Rp	2014 Rp
Interest Income	83,693,332,829	64,860,824,565
Interest and Financial Expenses	(260,700,642,181)	(186,911,542,367)
<b>Financial Charges - Net</b>	<b>(177,007,309,352)</b>	<b>(122,050,717,802)</b>

Interest income represents interest income from bank accounts, time deposits and restricted funds (see Notes 4 and 10), 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 22 and 24).

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

	2015 Rp	2014 Rp
<b>Other Income</b>		
Dividend Income	213,520,783,356	161,495,745,077
Penalty Income	26,156,545,816	17,174,121,425
Gain on Foreign Exchange - Net	--	396,721,757,857
Gain on Sale of Property and Equipment	356,193,292	478,562,204
Others - Net	--	19,575,792,733
<b>Total Other Income</b>	<b>240,033,522,464</b>	<b>595,445,979,296</b>
<b>Other Expenses</b>		
Loss on Foreign Exchange - Net	154,826,932,876	--
Amortization Expense	74,088,277,909	63,467,956,030
Others - Net	41,687,447,438	--
<b>Total Other Expenses</b>	<b>270,602,658,223</b>	<b>63,467,956,030</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.

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#### 42. Basic Earnings Per Share

The calculation of basic earnings per share is as follows:

	2015	2014
Profit for the Year Attributable to Owner of the Parent (Rupiah)	535,393,802,755	2,556,247,574,832
Weighted Average Number of Common Stocks (Share)	22,771,585,119	22,771,585,119
Basic Earnings per Share (Rupiah)	23.51	112.26

#### 43. 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 years ended December 31, 2015 and 2014 amounted to Rp106,500,000,000 and Rp75,200,000,000, 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 December 31, 2015, the outstanding commitments amounted to Rp10,967,368,997,703 with commitments not yet realized of Rp1,664,574,315,151. As of December 31, 2014 total outstanding commitment amounted to Rp1,655,000,000,000 with commitments not yet realized amounted to Rp949,000,000,000.

##### 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.

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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 29).

Rental expense of sale and lease-back transaction for the years ended December 31, 2015 and 2014 amounted to Rp166,789,492,109 and Rp162,545,243,043, 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 29).

Rental expense of sale and lease-back transaction for the years ended December 31, 2015 and 2014 amounted to Rp19,421,265,762 and Rp19,376,430,554, 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" 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 years ended December 31, 2015 and 2014 amounted to Rp140,775,804,498 and Rp134,767,174,483, respectively.

- On January 7, 2012, PT Siloam International Hospitals Tbk (SIH) entered into a lease agreement of building of Siloam Hospital Palembang (Siloam Sriwijaya) with 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 Karya Pratama Bisma, 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 Hospital Palembang (Siloam Sriwijaya) with PT Bisma Pratama Karya. This agreement is valid for 15 years since the business license of the hospital. Business license Siloam Sriwijaya is dated November 6, 2013 and will be expired in one year. Rental expense will be paid quarterly.

Rental expense for the years ended December 31, 2015 and 2014 amounted to Rp1,487,141,905 and Rp2,024,955,226, respectively.

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- 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 years ended December 31, 2015 and 2014 amounted to Rp58,633,701,227 and Rp58,800,000,000, 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 29).

Rental expense of sale and lease-back transaction for the years ended December 31, 2015 and 2014 amounted to Rp40,336,298,224 and Rp40,250,000,000, 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, 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 29).

Rental expense of sale and lease-back transaction for the years ended December 31, 2015 and 2014 amounted to Rp75,504,000,000 and Rp75,504,000,000, 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 years ended December 31, 2015 and 2014 amounted to Rp72,228,000,000 and Rp72,228,000,000, 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 years ended December 31, 2015 and 2014 amounted to Rp1,272,895,508 and nil, respectively.

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- 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 years ended December 31, 2015 and 2014 amounted to Rp939,363,384 and nil, respectively.

- On December 20, 2014, PT Krisolis Jaya Mandiri, a subsidiary, entered into a lease agreement on building of Siloam Hospital 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 year ended December 31, 2015 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.

**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 December 31, 2015, the fair value of this transaction amounted to USD8,586,056 (equivalent Rp118,444,652,520).
- 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 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 1.26%. Premium will be paid every May 16 and November 16. This transaction will due on May 16, 2019. As of December 31, 2015, the fair value of this transaction amounted to USD7,790,774 (equivalent Rp107,473,727,330).
- 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 December 31, 2015, the fair value of this transaction amounted to USD4,065,201 (equivalent Rp56,079,447,795).

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- 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 December 31, 2015, the fair value of this transaction amounted to USD7,893,398 (equivalent Rp108,889,425,410).
- 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 December 31, 2015, the fair value of this transaction amounted to USD17,297,433 (equivalent Rp238,618,088,235).
- 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 December 31, 2015, the fair value of this transaction amounted to USD18,548,951 (equivalent Rp255,882,779,045).
- 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 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 December 31, 2015, the fair value of this transaction amounted to USD3,104,225 (equivalent Rp42,822,783,875).
- 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 December 31, 2015, the fair value of this transaction amounted to USD14,945,554 (equivalent Rp206,173,917,430).
- 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 December 31, 2015, the fair value of this transaction amounted to USD10,633,566 (equivalent Rp146,690,042,970).
- 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



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and November 14. This transaction will due on November 14, 2020. As of December 31, 2015, the fair value of this transaction amounted to USD4,060,235 (equivalent Rp56,010,941,825).

- 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 December 31, 2015, the fair value of this transaction amounted to USD3,885,738 (equivalent Rp53,603,755,710).
- 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 December 31, 2015, the fair value of this transaction amounted to USD3,758,448 (equivalent Rp51,847,790,160).
- 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 December 31, 2015, the fair value of this transaction amounted to USD2,605,404 (equivalent Rp35,941,548,180).
- 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 December 31, 2015, the fair value of this transaction amounted to USD6,652,270 (equivalent Rp91,768,064,650).
- 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 December 31, 2015, the fair value of this transaction amounted to USD2,677,477 (equivalent Rp36,935,795,215).
- 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 December 31, 2015, the fair value of this transaction amounted to USD3,295,003 (equivalent Rp45,454,566,385).
- 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 December 31, 2015, the fair value of this transaction amounted to USD3,887,257 (equivalent Rp53,624,710,315).
- 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

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and November 14. This transaction will due on November 14, 2020. As of December 31, 2015, the fair value of this transaction amounted to USD5,438,260 (equivalent Rp75,020,796,700).

- 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 December 31, 2015, the fair value of this transaction amounted to USD5,130,845 (equivalent Rp70,780,006,775).
- 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 December 31, 2015, the fair value of this transaction amounted to USD2,057,770 (ekuivalen Rp28,386,937,150).
- 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 December 31, 2015, the fair value of this transaction amounted to USD4,130,283 (equivalent Rp56,977,253,985).
- 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 December 31, 2015, the fair value of this transaction amounted to USD3,372,854 (equivalent Rp46,528,520,930).
- 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 December 31, 2015, the fair value of this transaction amounted to USD2,319,554 (equivalent Rp31,998,247,430)

**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 contruction 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 December 31, 2015 and 2014, the selling of land had reached 60.3 hectares and 42 hectares, respectively.

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**44. 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.

The following are Group's operating segment as of December 31, 2015 and 2014 :

	2015						(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
Revenue	2,697,422,926	773,459,878	240,450,787	4,144,118,303	785,002,596	358,807,108	(89,083,607)	8,910,177,991
Final Tax Expenses	(143,030,732)	(39,973,203)	(23,523,990)	—	—	—	—	(206,527,925)
Net Revenue	<b>2,554,392,194</b>	<b>733,486,675</b>	<b>216,926,797</b>	<b>4,144,118,303</b>	<b>785,002,596</b>	<b>358,807,108</b>	<b>(89,083,607)</b>	<b>8,703,650,066</b>
Gross Profit	1,544,774,232	372,825,250	203,578,111	1,176,546,983	383,748,067	319,605,350	(89,083,607)	3,911,993,966
Selling Expenses	(378,158,959)	(61,734,494)	(86,365,368)	(46,695,192)	(11,477,049)	(75,533,869)	21,477,566	(638,487,355)
General and Administration Expenses	(467,925,255)	(92,185,699)	(38,724,369)	(918,629,004)	(160,269,801)	(122,476,770)	67,606,041	(1,752,604,857)
Interest Income	101,543,828	8,910,804	1,279,536	4,979,578	928,657	846,318	(34,795,388)	83,693,333
Finance and Interest Expenses	(194,091,933)	(31,556,320)	(9,372,510)	(57,298,648)	(3,104,492)	(72,127)	34,795,388	(260,700,642)
Other Income (Expense) Net	(27,199,289)	36,216,278	(18,103,298)	(53,156,677)	(34,015,852)	50,251,851	—	(46,006,987)
Share in the Profit (Loss) of Associates and Joint Venture	(29,375,494)	—	—	—	16,317,887	—	—	(13,057,607)
<b>Profit Before Tax</b>	<b>529,567,131</b>	<b>232,475,829</b>	<b>52,292,102</b>	<b>105,746,620</b>	<b>192,127,417</b>	<b>172,620,753</b>	—	<b>1,284,829,851</b>
Tax Benefit (Expense)								
Current	(142,941,336)	(2,035,663)	(1,767,592)	(51,263,700)	(15,564,436)	(23,494,210)	—	(237,066,937)
Deferred	(35,414,467)	—	—	7,223,157	5,202,966	(653,936)	—	(23,642,280)
<b>Profit for the Year</b>	<b>351,211,328</b>	<b>230,440,166</b>	<b>50,524,510</b>	<b>61,706,077</b>	<b>181,765,947</b>	<b>148,472,607</b>	—	<b>1,024,120,634</b>
Profit for the year attributable to:								
Owner of the Parent	(134,838,367)	218,331,286	49,359,813	70,396,404	181,765,947	150,378,721	—	535,393,803
Non-Controlling Interest	486,049,695	12,108,880	1,164,697	(8,690,327)	—	(1,906,114)	—	488,726,831
	<b>351,211,328</b>	<b>230,440,166</b>	<b>50,524,510</b>	<b>61,706,077</b>	<b>181,765,947</b>	<b>148,472,607</b>	—	<b>1,024,120,634</b>
Segment Assets								
Investments in Associates and Joint Venture	25,224,137,495	8,179,388,617	2,322,473,714	2,986,270,148	687,780,866	1,541,236,604	—	40,941,287,444
	383,545,321	—	—	—	1,725,413	—	—	385,270,734
<b>Total Assets</b>	<b>25,607,682,816</b>	<b>8,179,388,617</b>	<b>2,322,473,714</b>	<b>2,986,270,148</b>	<b>689,506,279</b>	<b>1,541,236,604</b>	—	<b>41,326,558,178</b>
Segment Liabilities	<b>15,938,194,618</b>	<b>4,177,183,594</b>	<b>777,199,726</b>	<b>1,246,318,520</b>	<b>67,878,739</b>	<b>203,018,423</b>	—	<b>22,409,793,620</b>
Capital Expenditures	33,346,106	89,125,062	47,888,138	274,910,825	30,822,625	20,513,918	—	496,606,674
Depreciation	30,119,858	6,249,677	5,812,714	5,812,714	405,721,645	2,582,385	—	495,318,446
Non-Cash Expenses Other than Depreciation	100,602,375	3,693,046	489,080	22,354,368	1,480,347	5,797,080	—	134,416,296

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	2014						(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
Revenue	5,688,280,107	1,335,354,019	306,103,160	3,340,793,372	721,093,503	306,041,414	(44,623,828)	11,655,041,747
Final Tax Expenses	(280,383,403)	(67,652,312)	(24,393,542)	--	--	--	--	(372,429,257)
Net Revenue	5,407,896,704	1,267,701,707	283,709,618	3,340,793,372	721,093,503	306,041,414	(44,623,828)	11,282,612,490
Gross Profit	2,536,219,464	643,907,961	272,939,739	952,062,318	372,765,474	291,677,251	(44,623,828)	5,024,948,379
Selling Expenses	(290,456,311)	(87,676,651)	(67,346,531)	(27,260,696)	(23,949,786)	(77,840,735)	9,789,780	(564,741,030)
General and Administration Expenses	(486,336,643)	(81,013,632)	(30,497,805)	(744,316,030)	(135,116,812)	(111,967,707)	34,834,049	(1,554,414,581)
Interest Income	60,848,536	16,262,176	1,677,702	15,432,527	1,391,204	266,783	(31,018,102)	64,880,826
Finance and Interest Expenses	(152,157,550)	(6,186,531)	(647,750)	(55,779,008)	(3,111,310)	(47,495)	31,018,102	(186,911,542)
Other Income (Expense) Net	539,736,110	4,445,740	(5,285,747)	(34,262,796)	(16,412,856)	43,757,572	--	531,978,023
Share in the Profit (Loss) of Associates and Joint Venture	929,482	--	--	--	7,309,661	--	--	8,239,143
<b>Profit Before Tax</b>	<b>2,208,783,087</b>	<b>489,739,063</b>	<b>170,839,508</b>	<b>105,876,315</b>	<b>202,875,575</b>	<b>145,845,669</b>	--	<b>3,323,959,217</b>
Tax Benefit (Expense)	--	--	--	--	--	--	--	--
Current	(104,335,953)	--	(2,926,915)	(38,053,708)	(18,239,470)	(24,062,789)	--	(187,618,834)
Deferred	(1,779,782)	--	(1,286,378)	1,161,949	5,995,463	(480,376)	--	3,610,876
<b>Profit for the Year</b>	<b>2,102,667,352</b>	<b>489,739,063</b>	<b>166,626,215</b>	<b>68,984,556</b>	<b>190,631,567</b>	<b>121,302,504</b>	--	<b>3,139,951,258</b>
Profit for the year attributable to:								
Owner of the Parent	1,540,167,085	466,592,147	165,696,770	71,843,232	190,631,567	121,316,773	--	2,556,247,574
Non-Controlling Interest	562,500,267	23,146,916	929,445	(2,858,676)	--	(14,269)	--	583,703,683
	<b>2,102,667,352</b>	<b>489,739,063</b>	<b>166,626,215</b>	<b>68,984,556</b>	<b>190,631,567</b>	<b>121,302,504</b>	--	<b>3,139,951,258</b>
Segment Assets	22,681,837,514	8,010,801,081	2,125,591,618	2,846,213,518	699,991,286	1,368,658,094	--	37,733,093,112
Investments in Associates and Joint Venture	121,640,340	--	--	1,643,413	--	--	--	123,283,762
<b>Total Assets</b>	<b>22,803,477,853</b>	<b>8,010,801,081</b>	<b>2,125,591,618</b>	<b>2,846,213,518</b>	<b>701,634,699</b>	<b>1,368,658,094</b>	--	<b>37,856,376,875</b>
Segment Liabilities	14,027,706,224	4,238,691,606	503,842,378	1,186,382,983	220,709,202	58,214,624	--	20,235,547,017
Capital Expenditures	143,112,204	57,105,930	60,848,059	331,304,899	35,255,763	20,369,690	--	647,996,545
Depreciation	36,554,786	6,130,322	3,450,408	267,121,643	40,165,306	1,603,652	--	355,026,116
Non-Cash Expenses Other than Depreciation	19,166,419	3,099,438	171,264	57,245,891	96,313	5,764,942	--	85,544,267

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

	2015					Equivalent in Rupiah
	USD	JPY	SGD	EUR	AUD	
<b>Assets</b>						
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	--	--	76,708,847,979
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
<b>Total Assets</b>	<b>21,480,592</b>	<b>113,800</b>	<b>40,987,680</b>	<b>206,685</b>	<b>356,340</b>	<b>704,007,651,459</b>
<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>(792,205,382)</b>	<b>113,800</b>	<b>36,285,331</b>	<b>174,160</b>	<b>356,340</b>	<b>(10,567,133,999,758)</b>

	2014					Equivalent in Rupiah
	USD	JPY	SGD	EUR	AUD	
<b>Assets</b>						
Cash and Cash Equivalents	9,908,908	113,800	210,627,281	188,113	406,259	2,114,806,789,243
Trade Accounts Receivable	3,949,954	--	4,642,154	--	--	92,875,802,748
Other Current Financial Assets	--	--	1,701,204	--	--	16,028,744,068
Other Non-Current Financial Assets	--	--	5,047,569	--	--	47,558,195,118
<b>Total Assets</b>	<b>13,858,862</b>	<b>113,800</b>	<b>222,018,208</b>	<b>188,113</b>	<b>406,259</b>	<b>2,271,269,531,197</b>
<b>Liabilities</b>						
Trade Accounts Payable	--	--	113,554	--	--	1,069,905,788
Accrued Expenses	9,468,271	--	1,636,153	--	--	133,201,124,806
Bonds Payable	803,306,000	--	--	--	--	9,993,126,640,000
Total Liabilities	812,774,271	--	1,749,707	--	--	10,127,397,670,594
<b>Net Assets (Liabilities)</b>	<b>(793,915,409)</b>	<b>113,800</b>	<b>220,268,501</b>	<b>188,113</b>	<b>406,259</b>	<b>(7,856,128,139,397)</b>

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 43.d).

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#### **46. 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 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

- 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.

- 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 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 Rp500,000,000,000. 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 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.

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On April 27, 2015, the defendant filed a cassation on that verdict. Until the completion date of the consolidated 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 Sompma, 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 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 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 Mattoangin Village, Mariso District, Makassar controlled by Jhon Tandary. Until the completion date of the consolidated 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. 215/ G/2011/PTUN.Mks submitted by Sirajjudin Ardana, GMTD ,is Defendant of 510,610 sqm land area, located in Tanjung Merdeka Village, Tamalate District, Makassar. Until the completion date of the consolidated financial statements, the case is still review 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 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 financial statements, the case is still under appeal at the high court.
- Based on case No. 312/Pdt.G/2013/PN.Mks, which was filed by Coeng Dg. Romo, GMTD is the Defendant of 20,000 sqm land area, located in Tanjung Merdeka Village, Tamalate District, Makassar. Until the completion date of the consolidated financial statements, the case is still under cassation to the Supreme Court of the Republic of Indonesia.
- Based on case No. 318/Pdt.Bth/2013/PN.Mks, which was filed by Najmiah, GMTD is Defendant of 10,000 sqm land area, located in the Tanjung Merdeka Village, Tamalate District, Makassar. Until the completion date of the consolidated financial statements, the case is still in the process of cassation to the Supreme Court of the Republic of Indonesia.
- 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 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 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 5.80 hectares and 3.40 hectares land area, located in ORK Pattukangan Barombong

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Village, Tamalate District, Makassar. Until the completion date of the consolidated financial statements, the case is still under appeal.

- Based on the case No. 80/G/2014/PTUN.Mks, which was filed by Suttara Dg. Taring, GMTD is Defendant II of 12,700 sqm land area, located in Tanjung Merdeka Village, Tamalate District, Makassar. Until the completion date of the consolidated financial statements, the case is still in the process of cassation to the Supreme Court of the Republic of Indonesia.
- Based on case No. 318/Pdt.G/2013/PN.Mks, which was filed by Siti Aminah GMTD is the Co-Defendant I of 7,613 sqm land area located in Tanjung Merdeka Village, Tamalate District, Makassar City. Until the completion date of the consolidated 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 17,721 sqm land area, located in Tanjung Merdeka Village, Tamalate District, Makassar. Until the completion date of the consolidated 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 Sani, GMTD is Defendant I of 18,300 sqm land area located in Kaccia Village/ Patukangan Barombong Village, Tamalate District, Makassar. Until the completion date of the consolidated 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 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 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 financial statements, the case is still under appeal.

#### 47. 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.



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Total maximum credit risk exposure of financial assets on December 31, 2015 and 2014 are as follows:

	2015		2014	
	Carring Value Rp	Maximum Exposure Rp	Carring Value Rp	Maximum Exposure Rp
Financial Assets				
Fair value through profit or loss				
Derivative	2,015,953,790,020	2,015,953,790,020	1,787,652,313,287	1,787,652,313,287
Other Current Financial Assets	49,008,885,877	49,008,885,877	--	--
Loans and Receivables				
Cash and Cash Equivalents	1,839,366,003,277	1,839,366,003,277	3,582,643,822,338	3,582,643,822,338
Trade Accounts Receivable	1,434,347,507,641	1,434,347,507,641	951,103,629,896	951,103,629,896
Other Current Financial Assets	863,126,238,670	863,126,238,670	820,399,687,755	820,399,687,755
Due from Related Parties Non-trade	37,093,485,060	37,093,485,060	14,788,363,567	14,788,363,567
Other Non-Current Financial Assets	685,854,507,978	685,854,507,978	561,596,218,297	561,596,218,297
Available-for-Sale				
Available-for-Sale Financial Assets	5,869,063,440,408	5,869,063,440,408	5,502,958,263,108	5,502,958,263,108
Other Non-Current Financial Assets	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	--	--
<b>Total Financial Assets</b>	<b>12,852,142,881,942</b>	<b>12,852,142,881,942</b>	<b>13,279,471,321,259</b>	<b>13,279,471,321,259</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 asset was due but not impaired and not yet due but not impaired and financial assets that are individually to be impaired:

	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	
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	53,706,272,847	161,665,951,150	49,932,275,382	945,924,794,004	1,525,816,217,834
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 Financial Assets	--	--	--	--	5,495,636,446,195	373,426,994,213	5,869,063,440,408
Other Non-Current Financial Assets	--	--	--	--	--	58,329,023,011	58,329,023,011
Held-to-maturity Financial Assets	--	--	--	--	--	--	--
Other Non-Current Financial Assets	--	--	--	--	--	10,000,000,000	10,000,000,000
Total	116,302,688,791	223,118,214,459	53,706,272,847	161,665,951,150	8,095,791,691,718	4,327,860,751,969	12,978,445,578,733

	2014						
	Individually impaired	Overdue But not Impaired			Not Yet Due and Not Impaired		Total
		0 - 90 Day	91 - 180 Day	> 181 Day			
	Rp	Rp	Rp	Rp	Global Company Rp	Domestic Company Rp	Rp
Financial Assets							
Fair value through profit or loss							-
Derivative	-	-	-	-	1,787,652,313,287	-	1,787,652,313,287
Loans and Receivables							
Cash and Cash Equivalents	-	-	-	-	317,928,205,998	3,264,715,616,440	3,582,643,822,338
Trade Accounts Receivable	64,936,716,285	263,864,814,021	76,710,157,153	252,083,632,848	79,043,681,966	279,401,343,908	1,016,040,346,191
Other Current Financial Assets	7,299,710,183	-	-	-	146,266,281,408	666,504,586,179	820,070,577,770
Due from Related Parties Non-trade	12,573,437,421	-	-	-	-	14,788,363,567	27,361,800,988
Other Non-Current Financial Assets	-	-	-	-	-	561,596,218,297	561,596,218,297
Available-for-Sale							
Available-for-Sale Financial Assets	-	-	-	-	5,502,958,263,108	-	5,502,958,263,108
Other Non-Current Financial Assets	-	-	-	-	-	58,329,023,011	58,329,023,011
Total	84,809,863,889	263,864,814,021	76,710,157,153	252,083,632,848	7,833,848,745,667	4,845,335,151,402	13,356,652,364,989

The Group has provided allowance for impairment on due trade accounts receivable and other account receivable (see Notes 5 and 7).

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

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Management is of 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 of 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:

	2015			Maturity not Determined Rp	Total Rp
	Less Than 1 Year Rp	Will Due In 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	83,647,738,615	--	522,184,444,974
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>7,302,456,750,431</b>	<b>432,946,561,706</b>	<b>14,601,919,808,825</b>

	2014			Maturity not Determined Rp	Total Rp
	Less Than 1 Year Rp	Will Due In 1 - 5 Years Rp	More than 5 Years Rp		
Measured at amortized cost					
Trade Accounts Payable - Third Parties	404,174,297,491	--	--	--	404,174,297,491
Accrued Expenses	1,129,923,477,800	--	--	--	1,129,923,477,800
Short-Term Post-Employment Benefits Liability	18,383,620,765	--	--	--	18,383,620,765
Other Current Financial Liabilities	--	--	--	408,790,491,164	408,790,491,164
Short-Term Bank Loan	173,540,195,011	--	--	--	173,540,195,011
Long-Term Bank Loan	12,435,856,488	30,525,083,739	--	--	42,960,940,227
Due to Related Parties Non-trade	--	--	--	3,379,278,119	3,379,278,119
Bonds Payable	--	3,096,449,370,671	6,684,161,925,880	--	9,780,611,296,551
Other Long-Term Financial Liabilities	--	--	--	67,387,383,763	67,387,383,763
<b>Total</b>	<b>1,738,457,447,555</b>	<b>3,126,974,454,410</b>	<b>6,684,161,925,880</b>	<b>479,557,153,046</b>	<b>12,029,150,980,891</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, accrued expenses and loans.

To manage foreign exchange rate risk, the Company has entered into several derivative agreements with certain third parties (see Note 43.d).

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The following tables show total financial assets and liabilities in foreign currencies as of December 31, 2015 and 2014:

	2015					Equivalent in Rupiah
	USD	JPY	SGD	EUR	AUD	
<b>Assets</b>						
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
Available-for-Sale Financial Assets	--	--	601,893,492	--	--	1,424,217,489,472
Other Current Financial Assets	146,918,156	--	13,303,158	--	--	2,156,457,583,278
Other Non-Current Financial Assets	--	--	5,070,398	--	--	49,442,414,274
<b>Total Assets</b>	<b>167,617,148</b>	<b>113,800</b>	<b>642,881,172</b>	<b>206,685</b>	<b>356,340</b>	<b>4,144,178,910,951</b>
<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	--	--	--	--	11,081,806,270,000
<b>Total Liabilities</b>	<b>813,685,974</b>	<b>--</b>	<b>4,702,349</b>	<b>32,525</b>	<b>--</b>	<b>11,271,141,651,217</b>
<b>Net Assets (Liabilities)</b>	<b>(646,068,826)</b>	<b>113,800</b>	<b>638,178,823</b>	<b>174,160</b>	<b>356,340</b>	<b>(7,126,962,740,266)</b>

	2014					Equivalent in Rupiah
	USD	JPY	SGD	EUR	AUD	
<b>Assets</b>						
Cash and Cash Equivalents	9,908,908	113,800	210,627,281	188,113	406,259	2,114,806,789,243
Trade Accounts Receivable	3,949,954	--	4,642,154	--	--	92,875,802,748
Other Current Financial Assets	143,756,626	--	600,438,854	--	--	7,445,667,309,828
Other Non-Current Financial Assets	--	--	5,047,569	--	--	47,558,195,118
<b>Total Assets</b>	<b>157,615,488</b>	<b>113,800</b>	<b>820,755,858</b>	<b>188,113</b>	<b>406,259</b>	<b>9,700,908,099,937</b>
<b>Liabilities</b>						
Trade Accounts Payable	--	--	113,554	--	--	1,069,905,788
Accrued Expenses	9,468,271	--	1,636,153	--	--	133,201,124,806
Bonds Payable	803,306,000	--	--	--	--	9,993,126,640,000
<b>Total Liabilities</b>	<b>812,774,271</b>	<b>--</b>	<b>1,749,707</b>	<b>--</b>	<b>--</b>	<b>10,127,397,670,594</b>
<b>Net Assets (Liabilities)</b>	<b>(655,158,783)</b>	<b>113,800</b>	<b>819,006,151</b>	<b>188,113</b>	<b>406,259</b>	<b>(426,489,573,657)</b>

Sensitivity analysis

A hypothetical 10% decrease in the exchange rate of the Rupiah against the USD currency would decrease profit before tax by Rp891,251,773,029 (2014: Rp810,973,153,218).

A hypothetical 10% decrease in the exchange rate of the Rupiah against the SGD currency would increase profit before tax by Rp585,027,898,966 (2014: Rp200,761,360,798).

The analysis above 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 Rp58,029,566,526 (2014: Rp51,099,718,149).

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**Fair Value Estimation**

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

	2015		2014	
	Carrying Value Rp	Fair Value Rp	Carrying Value Rp	Fair Value Rp
<b>Financial Assets</b>				
Fair value through profit or loss				
Derivative	2,015,953,790,020	2,015,953,790,020	1,787,652,313,287	1,787,652,313,287
Other Current Financial Assets	49,008,885,877	49,008,885,877	--	--
Loans and Receivables				
Cash and Cash Equivalents	1,839,366,003,277	1,839,366,003,277	3,582,643,822,338	3,582,643,822,338
Trade Accounts Receivable	1,434,347,507,641	1,434,347,507,641	951,103,629,896	951,103,629,896
Other Current Financial Assets	863,126,238,670	863,126,238,670	820,070,577,770	820,070,577,770
Due from Related Parties Non-trade	37,093,485,060	37,093,485,060	14,788,363,567	14,788,363,567
Other Non-Current Financial Assets	685,854,507,978	685,854,507,978	561,596,218,297	561,596,218,297
Available-for-Sale				
Available-for-Sale Financial Assets	5,869,063,440,408	5,869,063,440,408	5,502,958,263,108	5,502,958,263,108
Other Non-Current Financial Assets	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	1,967,500,000	--	--
<b>Total Financial Assets</b>	<b>12,862,142,881,942</b>	<b>12,854,110,381,942</b>	<b>13,279,142,211,274</b>	<b>13,279,142,211,274</b>
<b>Financial Liabilities</b>				
Measured at amortized cost				
Trade Accounts Payable - Third Parties	782,916,296,824	782,916,296,824	404,174,297,491	404,174,297,491
Accrued Expenses	1,006,468,547,643	1,006,468,547,643	1,129,923,477,800	1,129,923,477,800
Short-Term Post-Employment Benefits Liability	339,865,932,700	339,865,932,700	408,790,491,164	408,790,491,164
Other Current Financial Liabilities	12,171,380,895	12,171,380,895	18,383,620,765	18,383,620,765
Short-Term Bank Loan	962,173,564,967	962,173,564,967	173,540,195,011	173,540,195,011
Long-Term Bank Loan	7,528,997,776	7,528,997,776	3,379,278,119	3,379,278,119
Due to Related Parties Non-trade	522,184,444,974	522,184,444,974	42,960,940,227	42,960,940,227
Bonds Payable	10,883,059,011,816	10,614,123,920,014	9,780,611,296,551	9,991,818,947,200
Other Long-Term Financial Liabilities	85,551,631,230	85,551,631,230	67,387,383,763	67,387,383,763
<b>Total Financial Liabilities</b>	<b>14,601,919,808,825</b>	<b>14,332,984,717,023</b>	<b>12,029,150,980,891</b>	<b>12,240,358,631,540</b>

As of December 31, 2015 and 2014, 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:

	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 Financial Assets	5,869,063,440,408	5,869,063,440,408	--	--
Other Non-Current Financial Assets	58,329,023,011	--	--	58,329,023,011
	2014 Rp	Level 1 Rp	Level 2 Rp	Level 3 Rp
Fair value through profit or loss				
Derivative	1,787,652,313,287	--	1,787,652,313,287	--
Available-for-Sale				
Available-for-Sale Financial Assets	5,502,958,263,108	5,502,958,263,108	--	--
Other Non-Current Financial Assets	58,329,023,011	--	--	58,329,023,011

#### 48. Business Combination

##### Acquisition 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:

	Rp
<b>Net Assets Acquired</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	(153,604,952,956)
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 acquire 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.

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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.

**Acquisition PT Asiatic Sejahtera Finance (ASF)**

On December 20, 2014, PT Sentra Dwimandiri acquired 100% shares of ASF indirectly through PT Manunggal Bumi Sejahtera and PT Sentra Realindo Development 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 ASF:

	<b>Rp</b>
Cash and Cash Equivalents	4,432,838,496
Net Investment - Finance Lease	10,986,778,596
Other Current Financial Assets	16,613,697
Prepaid Taxes	49,230,173
Deferred Tax Asset	76,024,196
Other Non-Current Financial Assets	11,347,800
Accrued Expenses	(53,323,621)
Tax Payable	(9,910,944)
Post-Employment Benefits Liability	(304,096,783)
<b>Net Assets</b>	<b>15,205,501,610</b>
Portion Ownership Acquired	100%
Portion of Ownership of Fair Value of Net Assets	15,205,501,610
Goodwill	64,794,498,390
<b>Total Purchase Consideration</b>	<b>80,000,000,000</b>

Goodwill arising from the acquisition amounted to Rp64,794,498,390 (see Note 16) which is the result of a subsidiary that support the business and synergies with the Group's core business.

The Company through its subsidiaries acquire 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 profit or loss and other comprehensive income.

In connection with the acquisition, ASF financial statements since date of acquisition are consolidated to financial statements of the Group.

Total revenues and income before income tax ASF 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, 2014 amounted to nil.

Operating revenues and profit from ASF for the year ended December 31, 2014, as if ASF has been consolidated from January 1, 2014 amounted to Rp1,159,063,901.

**Acquisition PT Anugerah Bahagia Abadi (ABA)**

On May 12, 2014, Company acquired indirect 100% Share ABA from Third Party through PT Wisma Jatim Propertindo and PT Maharama Sakti in line with the strategic business expansion which support the Group's business activities.

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

	<b>Rp</b>
Cash and Cash Equivalents	23,493,131
Inventory	596,653,057,314
Prepaid Taxes	49,650,000
Advance	6,770,907,000
Due from Related Parties Non-trade	2,857,325,000
Trade Accounts Payable - Third Parties	(4,421,830,000)
Tax Payables	(4,060,000)
Non-Controlling Interest	(116,036,290)
Due to Related Parties Non-trade	(57,917,613,715)
<b>Net Assets</b>	<b>543,894,892,440</b>
Portion Ownership Acquired	100%
Portion of Ownership of Fair Value of Net Assets	543,894,892,440
Goodwill	5,791,607,560
<b>Total Purchase Consideration</b>	<b>549,686,500,000</b>

Goodwill arising from the acquisition amounted to Rp5,791,607,560 (see Note 16) which is the result of a subsidiary that support the business and synergies with the Group's core business.

The Company through its subsidiaries acquire 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 statements of profit or loss and other comprehensive income.

In connection with the acquisition, ABA financial statements since date of acquisition are consolidated to financial statements of the Group.

Total revenues and profit before income tax ABA 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, 2014 amounted to nil.

Operating revenues and profit from ABA for the year ended December 31, 2014, as if ABA has been consolidated from January 1, 2014 is nil.

**Acquisition of PT Rashal Siar Cakra Medika (RSCM)**

On July 26, 2014, PT Tunggal Pilar Perkasa (TPP) and PT Buana Mandiri Selaras (BMS), acquired 75% and 25%, respectively, ownership in PT Rashal Siar Cakra Medika (RSCM) from third parties, in line with the strategic business expansion plan which supports the Group's business activities.



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

	<b>Rp</b>
Cash and Cash Equivalents	728,784,434
Trade Accounts Receivable	3,448,662,848
Other Current Financial Assets	1,103,523,414
Inventory	2,262,299,275
Prepaid Tax	3,907,670,574
Prepaid Expenses	142,249,976
Due from Related Parties Non-trade	742,933,125
Property, Plant and Equipment	100,970,760,605
Trade Accounts Payable - Third Parties	(4,598,342,558)
Accrued Expenses	(5,394,701,296)
Tax Payable	(781,249,546)
Other Current Financial Liabilities	(16,609,381,086)
Long-Term Bank Loan	(68,202,736,290)
Deferred Tax Liabilities	(14,634,088,702)
Other Non-Current Financial Liabilities	(72,162,000)
<b>Net Assets</b>	<b><u>3,014,222,773</u></b>
Portion Ownership Acquired	100%
Portion of Ownership of Fair Value of Net Assets	3,014,222,773
Goodwill	101,776,732,211
<b>Total Purchase Consideration</b>	<b><u>104,790,954,984</u></b>

Goodwill arising from the acquisition amounted to Rp101,776,732,211 (see Note 16) and represents subsidiary business results that support and synergy with the core business of the Group.

Cost related to the acquisition amounted to Rp1,124,632,854, recorded as acquisition cost.

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

In connection with the acquisition, the financial statements of RSCM from the date of acquisition have been consolidated into the financial statements of the Group.

Total revenue and loss before tax of RSCM since the date of acquisition which are included in the consolidated to statements of profit or loss and other comprehensive income for the year ended December 31, 2014 amounted to Rp36,921,501,108 and Rp489,251,724, respectively.

Total revenue and loss of RSCM for the year ended December 31, 2014, as if RSCM was consolidated since January 1, 2014 amounted to Rp36,921,501,108 and Rp298,135,217, respectively.

#### **49. Non-Cash Transactions**

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

- As of December 31, 2015, acquisition of subsidiaries through realization of advances amounted to Rp170,100,000,000.
- As of December 31, 2015, additional joint venture investment through realization of advances amounted to Rp24,457,010,000.
- As of December 31, 2015 and 2014, addition of property and equipment through realization of advances on purchase of property and equipment amounted to Rp29,210,918,565 and Rp26,847,346,117, respectively.
- As of December 31, 2015, addition of investment property through reclassification from inventory amounted to Rp66,455,920,125.

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- As of December 31, 2015, addition of investment property through reclassification from property and equipment amounted to Rp54,835,032,831.
- As of December 31, 2015, addition of property and equipment through reclassification from inventory amounted to Rp461,342,063,858.
- As of December 31, 2015, addition of AFS investment in LMIR Trust of 28,444,528 units (equivalent Rp93,158,122,733) and in First REIT of 5,195,353 units (equivalent Rp65,645,011,137) through payment of management fees to LMIRT Management Ltd and Bowsprit Capital Corporation Ltd, respectively.
- As of December 21, 2015 addition investment AFS in PT Kawasan Industri Jababeka through dividend received of 31.236,573 unit (equivalent Rp9,564,055,735).
- As of December 21, 2015, Receipt of Hotel and Hospital Performance Guarantee amounted to Rp18,000,000,000, still payable.
- As of December 21, 2015, disposal of property and equipment through other receivables amounted Rp85,000,000.
- As of December 31, 2014, addition of AFS investment from payment dividend in units amounted to 4,007,826 unit and 1,056,264 unit First REIT (equivalent Rp41,443,193,780, and Rp11,062,553,461) in Bridgewater International Ltd and PT Menara Tirta Indah, respectively.
- As of December 31, 2014, addition of AFS investment from management fee amounted to 5,761,962 unit First REIT (equivalent Rp70,223,391,500) in Bowsprit Capital Corporation Ltd and 12,427,536 unit of LMIR Trust (equivalent Rp46,133,184,680) in LMIRT Management Ltd.
- As of December 31, 2014, addition of AFS investment in Bridgewater International Ltd, a subsidiary, amounted to SGD45,000,000 (equivalent Rp419,983,000,000) through property sales of Mall Kemang to LMIR Trust.
- As of December 31, 2014, acquisition of subsidiaries through realization of advances amounted to Rp502,400,000,000.
- As of December 31, 2014, payable on the acquisition of subsidiaries amounted to Rp20,366,632,213.

**50. 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.

	2015 Rp	2014 Rp
<b>Net Liabilities:</b>		
Total Liabilities	22,409,793,619,707	20,235,547,016,505
Less: Cash and Cash Equivalents	(1,839,366,003,277)	(3,582,643,822,338)
<b>Total Net Liabilities</b>	<b>20,570,427,616,430</b>	<b>16,652,903,194,167</b>
<b>Total Equity</b>	<b>18,916,764,558,342</b>	<b>17,620,829,858,097</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	529,570,372,012
Other Equity Components	1,105,101,368,218	1,105,101,368,218
Retain Earnings	56,437,249,458	45,536,555,434
Other Comprehensive Income	482,023,339,014	840,369,302,174
Non-Controlling Interests	2,522,623,681,891	2,033,249,666,540
Total	5,736,905,413,507	4,573,362,611,643
<b>Adjusted Equity</b>	<b>13,179,859,144,835</b>	<b>13,047,467,246,454</b>
<b>Net Liabilities Ratio to Adjusted Equity</b>	<b>1.56</b>	<b>1.28</b>

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#### 51. Events After Reporting Date

- On January 8, 2016, PT Pamor Paramitha Utama, a subsidiary, entered into a conditional sales and purchase agreement of Lippo Mall Kuta (Bali) with Lippo Mall Indonesia Retail Trust (LMIRT) at a price of SGD81.8 Million (equivalent to Rp800 Billion). Until completion date of the consolidated financial statements there is no payment yet from LMIRT.
- On January 20, 2016, PT Kreasi Tunas Bangsa and Mega Indah Gemilang, subsidiaries, acquired the whole ownership of PT Prima Cipta Lestari owned by PT Mitra Prima Kreasi and Matahari Pasific, related parties, at acquisition cost of Rp4,700,000,000.
- On February 3, 2016 PT Mulia Citra Abadi, a subsidiary, entered into a conditional sales and purchase agreement of property Siloam Yogyakarta Hospitals and Lippo Plaza Yogyakarta, respectively, with First REIT and LMIRT at the price of each amounted to SGD40,82 Million and SGD51 Million (equivalent to total of Rp900 Billion). Until completion date of the consolidated financial statements there is no payment yet from First REIT and LMIRT.

#### 52. Recent Development of Financial Accounting Standards (SAK)

Standard and improvements to standards effective for periods beginning on or after January 1, 2016, with early application permitted are 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"

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"

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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."

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 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.

**53. 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 financial statements. The consolidated financial statements were authorized for issuance by Directors on Februari 26, 2016.



# Eastern Wing



**2015** Annual Report Lippo Karawaci



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