

**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**



**PT LIPPO KARAWACI Tbk  
AND SUBSIDIARIES**

**Table of Contents**

**Page**

**Directors' Statement Letter**

**Independent Auditors' Report**

**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**

Consolidated Statements of Financial Position	1
Consolidated Statements of Profit or Loss and Other Comprehensive Income	3
Consolidated Statements of Changes in Equity	4
Consolidated Statements of Cash Flows	5
Notes to the Consolidated Financial Statements	6



**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. Bulevar Palem Raya No. 7<br>Lippo Karawaci, Tangerang 15811 |
| Residential Address<br>(as in identity card) | : Jln. Percetakan Negara II/3<br>Johar Baru, Jakarta Pusat.                                  |
| Telephone                                    | : (021)2566 9000   |
| Title  | : President Director   |
| 2. Name                                      | : Ninik Prajitno   |
| Address                                      | : Menara Matahari Lt. 22<br>Jln. Bulevar Palem Raya No. 7<br>Lippo Karawaci, Tangerang 15811 |
| Residential Address<br>(as in identity card) | : Jln. Prisma 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**

**Ketut Budi Wijaya**  
President Director



**Ninik Prajitno**  
Finance Director

**RSM**

# Amir Abadi Jusuf, Aryanto, Mawar & Rekan

Amir Abadi Jusuf, Aryanto, Mawar & Rekan  
Registered Public Accountants

*This report is originally issued in Indonesia language*

**Number : R/085.AGA-E/dwd.2/2016**

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## 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 Indonesia 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	123,283,762,281	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				
Additional Paid-in Capital - Net	30	2,307,768,961,900	2,307,768,961,900	2,307,768,961,900
Difference in Transactions with Non-Controlling Interest	31	4,063,148,621,880	4,063,148,621,880	4,063,148,621,880
Other Equity Components	32	1,551,184,427,661	529,570,372,012	(185,773,768,543)
Treasury Stock	33	1,105,101,368,218	1,105,101,368,218	1,105,101,368,218
Retained Earnings	30	(216,524,113,794)	(216,524,113,794)	(216,524,113,794)
Other Comprehensive Income	3, 35	7,101,438,271,572	6,958,145,679,167	4,731,190,705,608
<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)

**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 Portion of Remeasurement of Defined Benefit Plan of Associates	3, 26	(8,914,005,266)	(19,048,967,529)
		(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)

Total Equity Attributable to Owner of the Parent															Non-Controlling	Total
Additional Paid-in Capital - Net															Interest	Equity
Notes	Issued and Fully Paid Capital Stock Rp	Paid-in Capital Excess of Par - Net Rp	Difference in Value from Restructuring Transactions between Entities Under Common Control- Net Rp	Total Rp	Difference in Transactions with Non-Controlling Interest Rp	Treasury Stock Rp	Retained Earnings			Other Comprehensive Income			Other Equity Components Rp	Total Rp	Rp	Rp
							Appropriated Rp	Unappropriated *) Rp	Total Rp	Translation of Financial Statements Rp	Available for Sale Financial Assets Rp	Total Rp				
BALANCE AS OF DECEMBER 31, 2013	2,307,768,961,900	4,043,613,274,615	19,535,347,265	4,063,148,621,880	(185,773,768,543)	(216,524,113,794)	7,000,000,000	4,741,452,643,994	4,748,452,643,994	552,703,272,840	425,998,078,104	978,701,350,944	1,105,101,368,218	12,800,875,064,599	1,376,698,240,626	14,177,573,305,225
Effect of Initial Adoption of PSAK No. 24 (Revised 2013)	3															
Accumulated Retained Earnings	--	--	--	--	--	--	--	18,982,015,775	18,982,015,775	--	--	--	--	18,982,015,775	564,791,924	19,546,807,699
Total Other Comprehensive Income	--	--	--	--	--	--	--	(36,243,954,161)	(36,243,954,161)	--	--	--	--	(36,243,954,161)	7,591,156,849	(28,652,797,312)
BALANCE AS OF JANUARY 1, 2014 AFTER INITIAL ADOPTION OF PSAK NO.24 (REVISED 2013)	2,307,768,961,900	4,043,613,274,615	19,535,347,265	4,063,148,621,880	(185,773,768,543)	(216,524,113,794)	7,000,000,000	4,724,190,705,608	4,731,190,705,608	552,703,272,840	425,998,078,104	978,701,350,944	1,105,101,368,218	12,783,613,126,213	1,384,854,189,399	14,168,467,315,612
Equity Changes in 2014																
Cash Dividend and Reserved Fund	34	--	--	--	--	--	1,000,000,000	(321,000,000,000)	(320,000,000,000)	--	--	--	--	(320,000,000,000)	--	(320,000,000,000)
Dividend Distribution In Subsidiaries	36	--	--	--	--	--	--	--	--	--	--	--	--	--	(29,228,881,567)	(29,228,881,567)
Disposal of Shares in Subsidiary	32	--	--	--	741,092,494,948	--	--	--	--	--	--	--	--	741,092,494,948	116,907,505,052	858,000,000,000
Acquisition of Shares in Subsidiary	32	--	--	--	(25,748,354,393)	--	--	--	--	--	--	--	--	(25,748,354,393)	(19,281,645,607)	(45,030,000,000)
Income for The Year	--	--	--	--	--	--	--	2,556,247,574,832	2,556,247,574,832	--	--	--	--	2,556,247,574,832	583,703,683,657	3,139,951,258,489
Other Comprehensive Income for the Year	--	--	--	--	--	--	--	(9,292,601,273)	(9,292,601,273)	117,468,872,709	(255,800,921,479)	(138,332,048,770)	--	(147,624,650,043)	(3,705,184,394)	(151,329,834,437)
BALANCE AS OF DECEMBER 31, 2014	2,307,768,961,900	4,043,613,274,615	19,535,347,265	4,063,148,621,880	529,570,372,012	(216,524,113,794)	8,000,000,000	6,950,145,679,167	6,958,145,679,167	670,172,145,549	170,197,156,625	840,369,302,174	1,105,101,368,218	15,587,580,191,557	2,033,249,666,540	17,620,829,858,097
Equity Changes in 2015																
Non-Controlling Interest	--	--	--	--	--	--	--	--	--	--	--	--	--	--	46,911,392,190	46,911,392,190
Disposal of Shares in Subsidiary	32	--	--	--	1,000,581,189,869	--	--	--	--	--	--	--	--	1,000,581,189,869	136,218,810,131	1,136,800,000,000
Cash Dividend and Reserved Fund	34	--	--	--	--	--	1,000,000,000	(381,000,000,000)	(380,000,000,000)	--	--	--	--	(380,000,000,000)	--	(380,000,000,000)
Acquisition shares of Non-Controlling Interest	32	--	--	--	21,032,865,780	--	--	--	--	--	--	--	--	21,032,865,780	(61,725,393,344)	(40,692,527,564)
Dividend Distribution In Subsidiaries	36	--	--	--	--	--	--	--	--	--	--	--	--	--	(137,465,876,654)	(137,465,876,654)
Acquisition of In Subsidiaries	48	--	--	--	--	--	--	--	--	--	16,463,380,674	16,463,380,674	--	16,463,380,674	37,004,196,713	53,467,577,387
Income for The Year	--	--	--	--	--	--	--	535,393,802,755	535,393,802,755	--	--	--	--	535,393,802,755	488,726,831,505	1,024,120,634,260
Total Other Comprehensive Income for the Year	--	--	--	--	--	--	--	(12,101,210,350)	(12,101,210,350)	(244,061,093,126)	(130,748,250,708)	(374,809,343,834)	--	(386,910,554,184)	(20,295,945,190)	(407,206,499,374)
BALANCE AS OF DECEMBER 31, 2015	2,307,768,961,900	4,043,613,274,615	19,535,347,265	4,063,148,621,880	1,551,184,427,661	(216,524,113,794)	9,000,000,000	7,092,438,271,572	7,101,438,271,572	426,111,052,423	55,912,286,591	482,023,339,014	1,105,101,368,218	16,394,140,876,451	2,522,623,681,891	18,916,764,558,342

\*) 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		(2,710,700,676,429)	786,471,154,227
<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		(319,197,200,722)	(626,756,261,175)
Net Cash Provided by (Used in) Investing Activities		204,819,718,850	(350,125,113,374)
<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		(54,731,287,634)	(81,381,882,713)
Net Cash Provided by Financing Activities		753,472,031,246	1,320,131,773,997
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		(1,752,408,926,333)	1,756,477,814,850
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>		3,582,643,822,338	1,855,051,780,961
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		<b>1,839,366,003,277</b>	<b>3,582,643,822,338</b>

\*) 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/I/2012 dated January 13, 2012.

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

**PT LIPPO KARAWACI Tbk AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED 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 the subsidiaries consolidated in the consolidated financial statements are as follows:

Subsidiary	Domicile	Main Business	Direct Ownership Percentage	Indirect Ownership Percentage	Year of Starting Operation	Total Assets	
						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 Trillium Pte Ltd ***	Singapore	Trading	--	100.00%	--	4,985,955,682	4,646,411,779
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%	--	--	500,438,252,026	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	500,438,252,026	478,464,512,018
PT Primakreasi Propertindo and subsidiaries (0.05% ownership in PT Gowa Makassar Tourism Development Tbk)	Tangerang	Real Estate	99.99%	0.01%	--	10,192,368,427,422	7,937,655,412,752
PT Mujuir Sakti Graha and subsidiaries	Tangerang	Real Estate	--	100.00%	--	48,223,381,969	25,546,934,531
PT Surplus Multi 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	Tangerang	Development, Trading and Services	--	100.00%	--	5,783,526,903	6,484,801,290
PT Lintas Lautan Cemerlang	Tangerang	Development, Trading and Services	--	100.00%	--	10,948,173,364	10,494,851,647
PT Nilam Biru Bersinar (3.81% ownership in PT Siloam International Hospitals Tbk)	Tangerang	Development, Trading and Services	--	100.00%	--	107,371,000,238	114,452,874,393
PT Safira Prima Utama (2.14% ownership in PT Siloam 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 Siloam 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 Propertindo	Jakarta	Development and Services	--	80.00%	--	126,269,155	126,269,155
PT Kharisma Ekacipta Persada	Tangerang	Development, Trading and Services	--	100.00%	--	836,815,072	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	Real Estate	--	100.00%	2003	5,359,772,584,370	4,613,658,074,695
PT Titian Semesta Raya	Jakarta	Development, Trading and Services	--	100.00%	--	152,735,911,089	98,312,623,408
PT Adjaya 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	Tangerang	Development, Trading and Services	--	100.00%	--	496,342,111,971	468,915,359,383
PT Graha Buana Utama and subsidiaries	Tangerang	Development, Trading and Services	--	100.00%	--	496,236,767,718	449,860,654,085
PT Berkat Langgeng Jaya and subsidiaries	Tangerang	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 Kridakarya 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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**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)

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 Persada (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	Real Estate	--	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	29,602,681,982
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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**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)

Subsidiary	Domicile	Main Business	Direct Ownership Percentage	Indirect Ownership Percentage	Year of Starting Operation	Total Assets	
						2015 Rp	2014 Rp
PT Tunggal Mekar Abadi	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	583,000,000	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 Mutiara Sukses	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	149,978,000,000	149,979,000,000
PT Suar Mutiara 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 <sup>2)</sup>	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 <sup>2)</sup>	Jakarta	Development, Trading, Printing and Services	--	55.00%	--	586,500,000	600,000,000
PT Bandha Mulia Abadi <sup>2)</sup>	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	11,154,600,000	11,154,900,000

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**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)

Subsidiary	Domicile	Main Business	Direct Ownership Percentage	Indirect Ownership Percentage	Year of Starting Operation	Total Assets	
						2015 Rp	2014 Rp
PT Dutamas Cakra Tunggal <sup>2)</sup>	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	583,559,730	600,000,000
PT Indocitra Mulia Pratama <sup>2)</sup>	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	1,313,000,953	600,000,000
PT Praja Adikara Utama <sup>2)</sup>	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	3,048,283,917	600,000,000
PT Pusaka Sumber Artha <sup>2)</sup>	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	591,225,000	600,000,000
PT Prima Sentosa Jaya Abadi <sup>2)</sup>	Jakarta	Development, Trading, Printing and Services	--	100.00%	--	586,950,000	600,000,000
PT Indahjaya Sukses Abadi <sup>2)</sup>	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	588,375,000	600,000,000
PT Mandara Nusa Loka <sup>2)</sup>	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	588,350,000	600,000,000
PT Garda Utama Manado <sup>2)</sup>	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	588,350,000	600,000,000
PT Cipta Bakti Utama <sup>2)</sup>	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	1,094,236,892	600,000,000
PT Binaman Cipta Mandiri <sup>2)</sup>	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%	--	566,439,123	6,264,108,920
PT Sentra Resilindo 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 Darma 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 Management	--	42.16%	2001	7,359,760,353	5,133,315,616
PT Golden Pradamas and subsidiaries	Tangerang	Real Estate	--	100.00%	--	733,793,521,174	618,852,901,965
PT Mulia Bangun Semesta and subsidiaries	Tangerang	Real Estate	--	100.00%	2002	811,992,028,933	628,417,382,080
PT Villa Permata Cibodas and subsidiaries	Tangerang	Real Estate	--	100.00%	1995	298,803,357,037	193,744,121,719
PT Puncak Resort International and subsidiaries	Cianjur	Real Estate	--	99.99%	1994	76,183,843,809	75,594,996,697
PT Dona Indo Prima	Tangerang	Real Estate	--	100.00%	--	41,078,593,520	50,000,000
PT Sentosa Seksama	Cianjur	Real Estate	--	100.00%	1994	22,670,912,374	22,671,635,374
PT Purimegah Swarga Buana	Cianjur	Real Estate	--	100.00%	1994	9,351,288,266	8,803,481,567
PT Adigraya Rancang Sempurna	Cianjur	Real Estate	--	100.00%	1994	7,181,954,068	7,182,386,068
PT Pesanggrahan Suripermata Agung	Cianjur	Real Estate	--	100.00%	1994	1,824,438,812	1,825,161,812
PT Sukmaprima Sejahtera	Tangerang	Real Estate	--	100.00%	--	50,000,000	50,000,000
PT Villapermata Gemilang Abadi <sup>2)</sup>	Jakarta	Trading, Development, Printing and Services	--	100.00%	--	600,000,000	600,000,000
PT Bumi Sawarna Indah <sup>2)</sup>	Jakarta	Trading, Development, Printing and Services	--	100.00%	--	600,000,000	600,000,000
PT Mulia Sentosa Dinamika (4.48% ownership in PT Lippo Cikarang Tbk)	Tangerang	Real Estate	--	100.00%	1997	402,589,982,356	370,159,105,566
PT Sentra Asritama 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 Management	--	100.00%	1999	187,450,907,583	188,838,584,634
PT Surya Makmur Alam Persada	Jakarta	Real Estate	--	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 Saptapersada Jagat Nusa	Tangerang	Bowling	--	100.00%	1998	7,844,810,637	8,288,307,254
PT Sejahtera Selaras	Jakarta	Real Estate	--	100.00%	--	13,200,319,878	13,125,265,493
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	468,506,000
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%	--	157,053,301	161,033,503
PT Wahana Tatabangun Cemerlang Matahari	Tangerang	Real Estate	--	100.00%	--	5,913,708	7,295,708
PT Wahana Tatabangun Cemerlang	Tangerang	Real Estate	--	100.00%	--	5,532,966	6,914,966
PT Manunggal Bumi Sejahtera and subsidiary	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	531,233,655,665	280,259,865,094
PT Asiatic Sejahterah 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 Development and Services	--	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	4,404,916,671,928
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 & Utilitas Division and subsidiary	Tangerang	Construction and Services	--	100.00%	--	10,217,805,495	222,777,677
PT TMD Manado Manajemen <sup>2)</sup>	Tangerang	Management Consulting	--	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 Si Moritz Management	Jakarta	Development, Trading and Services	--	100.00%	2014	14,761,833,436	8,882,409,080

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**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)

Subsidiary	Domicile	Main Business	Direct Ownership Percentage	Indirect Ownership Percentage	Year of Starting Operation	Total Assets	
						2015 Rp	2014 Rp
PT Kemang Village Management	Jakarta	Hotel	--	100.00%	2014	32,036,078,824	19,759,833,203
PT TMD Depok Manajemem	Depok	Services	--	100.00%	--	10,000,000,000	10,000,000,000
PT Dinamika Megah Cemerlang <sup>2)</sup>	Tangerang	Trading	--	100.00%	--	600,000,000	600,000,000
PT Sentrasemesta Indah Cemerlang <sup>2)</sup>	Tangerang	Development, Printing and Services	--	100.00%	--	600,000,000	600,000,000
		Trading					
PT Wisma Jatim Propertindo and subsidiaries (1.23% ownership in PT Gowa Makassar Tourism Development Tbk)	Jakarta	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 Services	--	100.00%	2013	259,062,090,279	276,004,785,749
PT Prima Aman Sarana	Jakarta	Development and 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 Services	--	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	238,276,260,624
PT Kemuning Satiatama and subsidiaries (42.20% ownership in PT Lippo Cikarang Tbk)	Jakarta	Trading	--	100.00%	--	233,329,575,466	233,361,108,783
PT Megachandra Karyaestari	Jakarta	Trading	--	100.00%	1992*	283,171,674	284,019,258
PT Prudential Apartment Development	Jakarta	Services	--	100.00%	1993*	569,474,944	573,438,194
PT Sentrakharisma Indah and subsidiary	Jakarta	Services	--	100.00%	--	2,171,594,120	2,173,711,120
PT Sentra Goldhill Business Park	Jakarta	Services	--	90.00%	--	--	--
PT Carakatama 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 Sejati and subsidiaries	Jakarta	Trading and Services	--	95.00%	--	182,440,215,774	191,748,810,171
PT Unitech 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 Kurniasindo 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 Carakatama	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 Karunia Persada Raya and subsidiary	Tangerang	Trading	--	100.00%	--	86,368,298,496	77,299,339,376
PT Pendopo 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 Brahma 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 Limaribu	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 Karunia Alam Damai and subsidiary	Jakarta	Trading	--	100.00%	--	203,190,705,028	196,663,052,126
PT Jagatpertala Nusantara	Depok	Real Estate	--	100.00%	2004	203,190,705,028	196,663,052,126
PT Muliamukti 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 Bhumimegah and subsidiaries	Jakarta	Services	--	100.00%	2005	183,324,266,430	189,377,390,443
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 Adhi 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	--	100.00%	2005	501,976,724,625	496,292,902,223
PT Pelangi Cahaya Intan Makmur and subsidiaries	Surabaya	Development	--	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 Karunia	Jakarta	Real Estate	--	100.00%	--	1,887,217,700	1,887,217,700
PT Kreasi Megatama Gemilang and subsidiaries (0.05% ownership in PT Gowa Makassar Tourism Development Tbk)	Tangerang	Development, Industri, Agrobisnis, Transportation, Trading and Services	--	100.00%	--	1,004,411,143,767	779,553,625,206
PT Lippo Malls Indonesia and subsidiaries (2.73% ownership in PT Lippo Cikarang Tbk)	Tangerang	Services	--	100.00%	2002	1,012,073,038,335	779,806,682,710
PT Kreasi 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	79,453,666,600
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 Muliaipta Sarana Sukses <sup>1)</sup>	Yogyakarta	Trading	--	100.00%	--	600,000,000	--
PT Manunggal Megah Serasi <sup>1)</sup>	Yogyakarta	Development, Printing, Agriculture, and Services	--	100.00%	--	600,000,000	--

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**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)

Subsidiary	Domicile	Main Business	Direct Ownership Percentage	Indirect Ownership Percentage	Year of Starting Operation	Total Assets	
						2015 Rp	2014 Rp
PT Andhikarya Sukses Pratama <sup>1)</sup>	Yogyakarta	Trading Development, Printing, Agriculture, and Services	--	100.00%	--	600,000,000	--
PT Nusa Bahana Semesta <sup>2)</sup>	Tangerang	Trading and Services	--	100.00%	--	600,000,000	600,000,000
PT Sky Parking Indonesia and subsidiaries <sup>2)</sup>	Tangerang	Development, Trading and Services	--	100.00%	--	43,855,908,044	21,000,000,000
PT Sky Parking Nusantara and subsidiary <sup>1)</sup>	Tangerang	Development, Trading and Services	--	70.00%	--	43,855,233,044	--
PT Sky Parking Utama <sup>1)</sup>	Tangerang	Development, 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 Nusaindah 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 <sup>1)</sup>	Tangerang	Trading, Development, Industry, Agriculture, Land Transportation and Services	--	100.00%	--	600,000,000	--
PT Saputra 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	7,298,100
PT Pacific Sejahtera	Jakarta	Real Estate	--	100.00%	--	14,122,400	16,667,400
PT Anugerah Bahagia Abadi and subsidiaries	Jakarta	Real Estate	--	100.00%	--	527,642,541,736	426,465,498,672
PT Internusa Prima Abadi	Jakarta	Real Estate	--	85.00%	--	527,639,590,865	1,013,883,079
PT Bangun Bina Bersama and subsidiary	Jakarta	Real Estate	--	85.00%	--	527,154,073,365	426,462,547,802
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%	--	--	84,216,800,553
PT Ekaputra Kencana Abadi	Jakarta	Real Estate	--	100.00%	--	4,950,000,000	4,950,000,000
PT Gapura Sakti Prima and subsidiaries	Jakarta	Real Estate	--	100.00%	--	69,175,797,596	69,231,905,196
PT Menara Megah Tunggal and subsidiary	Jakarta	Real Estate	--	100.00%	--	69,040,432,223	69,095,997,694
PT Trias Mitra Investama	Binjai	Real Estate	--	100.00%	2005	68,870,925,808	68,923,453,279
PT Permata Agung Propertindo	Jakarta	Real Estate	--	100.00%	--	522,480,130	1,181,225,795
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 Mulia Kreasi and subsidiary	Jakarta	Development, Industri, Mining, Agrobisnis, Transportation and Services	--	80.00%	--	42,679,605,288	41,971,484,946
PT Bellanova Country Mall	Bogor	Development, Trading and Services	--	80.00%	2005	42,589,675,288	41,881,554,945
PT Tirta Sentosa Dinamika <sup>1)</sup>	Tangerang	Trading, Development, Printing, and Services	--	100.00%	--	600,000,000	--
PT Pinus Permai Sejahtera <sup>1)</sup>	Cianjur	Trading, Development, Printing, and Services	--	100.00%	--	15,762,983,041	--
PT Emas Makmur Cemerlang and subsidiary	Jakarta	Trading, Development, Printing, and Services	--	100.00%	--	10,887,100,000	--
PT Guna Sejahtera Karya	Jakarta	Development, Industri, Agrobisnis, Pertanian and Services	--	100.00%	--	427,127,204,143	403,656,624,893
PT Sarana Global Multindo and subsidiaries	Jakarta	Development, Transportation, Perdagangan and Services	--	100.00%	--	575,157,607,960	355,465,506,039
PT Citra Sentosa Raya and subsidiaries	Jakarta	Trading, Real Estate, Industri, Agrobisnis, Transportation and Services	--	100.00%	--	572,547,649,912	516,676,784,304

These consolidated financial statements are originally issued in Indonesian language

**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)

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	Investment, Trading and Services	--	100.00%	--	28,739,537	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 Pengelola Memorial Park	Karawang	Development, Trading and Services	--	100.00%	2010	80,393,041,067	68,225,906,669
PT CB Commercial	Tangerang	Development, Trading and Services	--	100.00%	--	581,730,437	582,762,161
PT Kemilau Karyacipta Persada	Tangerang	Development, Trading and Services	--	100.00%	--	2,455,091,000	2,458,223,000
PT Bumi Indah Pertiwi	Tangerang	Development, Trading and Public Service	--	100.00%	--	2,579,391,024	2,216,817,102
PT Galang Karya Usaha	Tangerang	Development, Trading and Services	--	100.00%	--	100,000,000	100,000,000
PT Alona Griya Utama and subsidiary	Tangerang	Development, Trading, Printing and Services	--	60.00%	--	4,936,565,421	1,673,963,537
PT Cipta Semesta Prima	Tangerang	Development, Trading, Printing and Services	--	60.00%	--	4,918,797,508	1,748,962,537
PT Kreasi Ciptaprima Gemilang	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	73,000,000	100,000,000
PT Manikam Mutu Prima and subsidiary	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	60,251,000	674,251,000
PT Holland Village Manado <sup>2)</sup>	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	600,000,000	600,000,000
PT Suporta Developa Jaya	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	69,200,000	71,000,000
PT Wismacahaya Sentosa Megah <sup>2)</sup>	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	600,000,000	600,000,000
PT Ciptaindah Selaras Persada <sup>2)</sup>	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	600,000,000	600,000,000
PT Asri Griya Terpadu and subsidiary <sup>1)</sup>	Tangerang	Development, Trading, Printing and Services	--	85.00%	--	49,990,000,000	--
PT Asri Griya Utama <sup>2)</sup>	Tangerang	Development, Trading, Printing and Services	--	85.00%	--	1,673,497,537	600,000,000
PT Cakrawala Semesta Abadi <sup>2)</sup>	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	586,232,000	600,000,000
PT Sarana Sentosa Propertindo <sup>2)</sup>	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	6,938,039,595	600,000,000
PT Bahana Megah Pratama and subsidiary <sup>2)</sup>	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	588,350,000	600,000,000
PT Bahana Perisai Abadi <sup>2)</sup>	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	567,349,935	600,000,000
PT Cahaya Puspita Raya <sup>2)</sup>	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	588,350,000	600,000,000
PT Karyaalam Indah Lestari <sup>1)</sup>	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	600,000,000	--
PT Prakarsa Dinamika Unggul <sup>1)</sup>	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	600,000,000	--
PT Setra Bumi Utama <sup>1)</sup>	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	588,000,000	--
PT Taruna Multi Utama <sup>1)</sup>	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	1,979,500,000	--
PT Puri Istana Megah <sup>1)</sup>	Tangerang	Development, Trading, Printing and Services	--	100.00%	--	647,400,000	--
PT Grahata Asri Makmur	Tangerang	Development, Trading, 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	18,106,103,848
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	--	54.37%	1993	3,848,349,610	8,905,263,816
PT Chandra Mulia Adhidharma	Bekasi	Park Property Management	--	54.37%	2011	26,037,970,359	47,947,330,121
PT Tirta Sari Nirmala	Bekasi	Water Treatment	--	54.37%	2011	35,608,402,065	70,243,590,666
PT Waska Sentana	Bekasi	Real Estate	--	54.37%	2014	197,446,696,592	504,659,575,649
PT Swadaya Teknopolis dan and 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	--
Intellip Finance Ltd	British Virgin Island	Investment	--	28.12%	2014	374,224,622,985	--

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**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)

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 dan Jasa	--	54.37%	--	31,696,793,617	27,801,089,340
PT Manunggal Utama Makmur	Tangerang	Real Estate	--	54.37%	--	598,003,173	592,353,788
PT Mahkota Sentosa Ekanusa	Bekasi	Real Estate	--	54.37%	2015	49,734,869,396	18,632,125,396
PT Mega Kreasi 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 Kreasi Nusantara Teknologi	Bekasi	Real Estate	--	54.37%	--	3,000,000,000	3,000,000,000
PT Pondera Prima Sarana	Tangerang	Real Estate	--	54.37%	--	14,086,542,000	123,200,000
PT Telaga Banyu Murni and subsidiary	Tangerang	Real Estate	--	54.37%	--	42,052,164,000	162,200,000
PT Karimata Alam Damai	Tangerang	Real Estate	--	54.37%	--	55,921,151,800	41,950,330,000
PT Megakreasi Cikarang Damai	Tangerang	Real Estate	--	54.37%	--	9,992,431,270	2,979,317,511
PT Megakreasi Cikarang Permai	Tangerang	Real Estate	--	54.37%	--	102,125,875,000	500,000,000
PT Megakreasi Cikarang Asri <sup>3)</sup>	Bekasi	Real Estate	--	40.78%	2015	33,000,800,000	33,000,800,000
PT Megakreasi Propterindo Utama <sup>3)</sup>	Bekasi	Real Estate	--	40.78%	--	67,627,567,693	33,000,817,000
PT Megakreasi Cikarang Realtindo <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 Aritasindo Permaimemesta	Jakarta	Trading, Development, Mining, Agriculture	--	70.82%	--	76,559,368	78,124,746
PT Perdana Kencana Mandiri	Jakarta	Land Transport, Printing and Industry	--	70.82%	--	600,000	520,403,206
PT Multiselaras Anugerah	Tangerang	Development, Trading and Services	--	70.82%	--	9,138,115	448,067,441
PT Nusa Medika Perkasa	Jakarta	Healthcare Service	--	57.79%	--	932,687,770	926,687,462
PT Siloam Graha Utama and subsidiary	Jakarta	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 Adamanisa Karya Sejahtera	Jakarta	Trading, Development, Printing and Services	--	70.82%	--	1,012,776,138	995,085,833
PT Brenada Karya Bangsa	Tangerang	Trading, Development, Printing and Services	--	70.82%	--	594,998,333	605,403,333
PT Harmoni 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 Adijaya Buana Sakti and subsidiaries	Tangerang	Trading, Industry Workshop Land Transportation, Printing and Services	--	56.66%	--	144,518,510,447	102,188,966,835
PT Siloam Sumsel Kemitraan and subsidiary	Tangerang	Trading, Industry 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



These consolidated financial statements are originally issued in Indonesian language

**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)

Subsidiary	Domicile	Main Business	Direct Ownership Percentage	Indirect Ownership Percentage	Year of Starting Operation	Total Assets	
						2015 Rp	2014 Rp
PT Rosela 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%	--	998,898,474	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 Triliansia and subsidiary	Bali	Development, Trading, Printing and Services	--	70.82%	2008	266,476,908,793	256,054,381,752
PT Trisaka Raksa Waluya	Tangerang	Healthcare and Other related Services	--	70.82%	2008	137,390,081,888	132,956,917,983
PT Buana Utama Sejati <sup>1)</sup>	Tangerang	Healthcare Service	--	70.82%	--	23,370,843,650	16,312,100,196
PT Sentra Sejahtera Utama <sup>2)</sup>	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 Siar 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 <sup>3)</sup>	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 <sup>2)</sup> (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 <sup>2)</sup>	Jember	Trading, Development, Real Estate, Industry, Printing, Agrobusiness, Services and Transportation	--	70.82%	--	657,128,900	600,000,000
PT Persada Dunia Semesta <sup>2)</sup>	Tangerang	Trading, Development, Real Estate, Industry, Printing, Agrobusiness, Services and Transportation	--	70.82%	--	2,349,333,094	600,000,000
PT Inti Pratama Medika <sup>2)</sup>	Tangerang	Trading, Development, Real Estate, Industry, Printing, Agrobusiness, Services and Transportation	--	70.82%	--	600,363,000	600,000,000

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**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)

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						2015 Rp	2014 Rp
PT Sentra Sehat Sejahtera <sup>2)</sup>	Tangerang	Trading, Development, Real Estate, Industry, Printing, Agrobusiness, Services and Transportation	--	70.82%	--	878,649,715	600,000,000
PT Genta Raya Internusa <sup>2)</sup>	Tangerang	Trading, Development, Real Estate, Industry, Printing, Agrobusiness, Services and Transportation	--	70.82%	--	600,388,000	600,000,000
PT Sembilan Raksa Dinamika <sup>2)</sup>	Tangerang	Health Center, Clinic, Polyclinic and Other related Services	--	70.82%	--	54,795,114,119	600,000,000
PT Saritama Mandiri Zamrud <sup>2)</sup>	Tangerang	Health Center, Clinic, Polyclinic and Other related Services	--	70.82%	--	600,000,000	600,000,000
PT Gempita Nusa Sejahtera <sup>2)</sup>	Tangerang	Health Center, Clinic, Polyclinic and Other related Services	--	70.82%	--	600,000,000	600,000,000
PT Aryamedika Teguh Tunggal <sup>2)</sup>	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 <sup>1)</sup>	Tangerang	Health Center, Clinic, Polyclinic and Other Related Services	--	70.82%	--	641,265,124	--
PT Lintas Buana Jaya <sup>1)</sup>	Manggarai Barat	Health Center, Clinic, Polyclinic and Other Related Services	--	70.82%	--	9,886,018,026	--
PT Bina Bahtera Sejati <sup>1)</sup>	Bau Bau	Health Center, Clinic, Polyclinic and Other Related Services	--	70.82%	--	600,000,000	--
PT Lintang Laksana Utama <sup>1)</sup>	Lubuk Linggau	Health Center, Clinic, Polyclinic and Other Related Services	--	70.82%	--	600,000,000	--
PT Ciptakarya Tirta Cemerlang <sup>1)</sup>	Tangerang	Health Center, Clinic, Polyclinic and Other Related Services	--	70.82%	--	600,000,000	--
PT Eramulia 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 <sup>2)</sup>	Tangerang	Trading, Development, Printing and Services	--	100.00%	--	600,000,000	600,000,000
PT Waluya Graha Loka <sup>2)</sup>	Tangerang	Printing and Services	--	100.00%	--	135,848,491,259	600,000,000
PT Nusantara Indah Semesta <sup>2)</sup>	Tangerang	Trading, Development, Printing and Services	--	100.00%	--	22,996,589,617	600,000,000
PT Magenta Sinar Abadi <sup>2)</sup>	Tangerang	Trading, Development, Printing and Services	--	100.00%	--	600,000,000	600,000,000
PT Pesona Puspita Gemilang <sup>2)</sup>	Tangerang	Trading, Development, Printing and Services	--	100.00%	--	600,000,000	600,000,000
PT Caraka Cipta Sejahtera <sup>2)</sup>	Tangerang	Trading, Development, Printing and Services	--	100.00%	--	600,000,000	600,000,000
PT Sentra Mutiara Timur <sup>2)</sup>	Tangerang	Trading, Development, Printing and Services	--	100.00%	--	600,000,000	600,000,000
PT Tiara Permata Gemilang <sup>2)</sup>	Tangerang	Trading, Development, Printing and Services	--	100.00%	--	600,000,000	--
PT Berkas Talenta Unggul <sup>1)</sup>	Tangerang	Trading, Development, Printing and Services	--	100.00%	--	600,000,000	--

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**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)

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						2015 Rp	2014 Rp
PT Laskar Unggulan Prima <sup>1)</sup>	Tangerang	Trading Development, Printing and Services	--	100.00%	--	600,000,000	--
PT Sentana Prima Jaya <sup>1)</sup>	Tangerang	Trading Development, Printing and Services	--	100.00%	--	600,000,000	--
PT Buana Digdaya Sejahtera <sup>1)</sup>	Tangerang	Trading Development, Printing and Services	--	100.00%	--	600,000,000	--
PT Abadi Jaya Sakti and subsidiaries	Tangerang	Trading Development, Printing and Services	100.00%	--	--	577,031,300	577,031,300
PT Tigamitra Ekamulia and subsidiaries	Jakarta	General Restaurant, Café and Catering	0.01%	99.99%	1998*	520,920	520,920
PT Shimatama Graha	Jakarta	Hotel Management	--	100.00%	1989	10,788,591,967	5,841,821,996
PT Aryaduta International Management and subsidiaries	Jakarta	Services	--	100.00%	1998	10,788,591,967	13,376,094,582
PT Aryaduta Surabaya Management	Surabaya	Services	--	100.00%	--	583,898,000	588,906,447
PT Aryaduta Medan Management	Medan	Services	--	100.00%	--	565,890,500	588,878,000
PT Aryaduta Karawaci Management	Tangerang	Services	--	100.00%	--	17,958,309,858	22,947,378,366
PT Aryaduta Makassar Management	Makassar	Services	--	100.00%	--	577,200,000	593,327,000
PT Aryaduta Residences	Jakarta	Services	--	100.00%	--	4,494,236,472	3,156,413,733
PT Aryaduta Hotels & Resorts	Jakarta	Services	--	100.00%	--	580,506,500	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 Aryaduta Kuta Bali	Badung	Tourism	--	100.00%	--	600,000,000	600,000,000
PT Cahaya Gemerlap Abadi <sup>2)</sup>	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 <sup>1)</sup>	Tangerang	Trading, Development, Industry, Printing and Services	99.99%	0.01%	--	20,000,000,000	--
PT Karyaindah Cipta Prima <sup>1)</sup>	Tangerang	Trading, Development, Industry, Printing and Services	0.01%	99.99%	--	600,000,000	--
PT Sunshine Prima Utama and subsidiary <sup>1)</sup>	Tangerang	Trading, Development, Industry, Printing and Services	--	100.00%	--	20,000,000,000	--
PT Sunshine Food International <sup>1)</sup>	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 <sup>1)</sup>	Tangerang	Development, Trading and Services	--	100.00%	--	600,000,000	--
PT Graha Jaya Pratama and subsidiaries	Tangerang	Real Estate	100.00%	--	--	1,788,869,823,183	1,596,229,076,687
PT Tataguna Cemerlang	Jakarta	Trading	--	100.00%	--	100,000,000	100,000,000
PT Aresta Amanda Lestari (0.31% ownership in PT Gowa Makassar Tourism Development Tbk)	Jakarta	Real Estate and Development, 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%	--	19,461,698,851	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%	--	19,459,862,937	11,448,214,800
PT Nuansa Indah Lestari and subsidiaries	Jakarta	Trading	--	100.00%	--	217,811,741,232	142,252,148,482
PT Metropolitan Permaisemesta and subsidiaries	Jakarta	Trading	--	89.74%	--	221,477,872,332	142,233,500,582
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	138,073,158,204
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 Eksotika 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

<sup>1)</sup> Established in 2015

<sup>2)</sup> 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).

**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)

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:

**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)

	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:

**Audit Committee:**

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

**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)

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.



**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)

- **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.

**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)

- 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.

**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)

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:

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

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

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

The functional currency of Subsidiaries in foreign currency (see Note 1.c). For presentation purposes of consolidated 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

**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)

	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.

**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)

(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.

**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)

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.



**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)

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.

**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)

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 it is not possible, the Group determines the recoverable amount of the asset's cash-generating unit.

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

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

An impairment loss recognized in prior 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

**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)

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 change in the value of its equity interest in the acquiree prior to the acquisition date had been recognized in other comprehensive income, that amount shall be recognized on the same basis as would be required if the Group had disposed directly of the previously held equity interest.

If the initial accounting for a business combination is incomplete by the end of the reporting 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.

**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)

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.

**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)

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.

**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)

- (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

**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)

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.

**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)

**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.



**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)

(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 recognize 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.

**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)

**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,

**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)

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.

**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)

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).

**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)

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

**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)

**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**

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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 join operation agreement.

**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)

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>29,962,691,722,606</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>

**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)

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:

	<b>Before Restatement and Reclasification Rp</b>	<b>After Restatement and Reclasification Rp</b>
<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



**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)

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

**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)

	<b>2015</b>	<b>2014</b>
	<b>Rp</b>	<b>Rp</b>
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
	<u>1,034,128,492,847</u>	<u>3,157,024,807,406</u>
<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
	<u>796,681,177,532</u>	<u>418,998,568,725</u>
<b>Total</b>	<u><b>1,839,366,003,277</b></u>	<u><b>3,582,643,822,338</b></u>

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

	<b>2015</b>	<b>2014</b>
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

**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)

**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	540,519,717,987	154,764,247,643
Large Scale Integrated Development:		
Asset Enhancements	4,339,239,387	7,902,398,506
Apartments	2,672,299,686	19,182,165,804
Subtotal	7,011,539,073	27,084,564,310
Retail Malls:		
Asset Enhancements	123,819,136,187	151,884,010,118
Shopping Centers	20,068,291,250	21,207,942,024
Subtotal	143,887,427,437	173,091,952,142
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	159,638,535,477	155,023,747,125
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	1,424,217,469,472	947,553,882,292
<b>Related Parties</b>		
Healthcare:		
Inpatient and Outpatient	10,130,038,169	3,549,747,604
<b>Total</b>	<b>1,434,347,507,641</b>	<b>951,103,629,896</b>

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>	<b>91,468,709,993</b>	<b>64,936,716,285</b>

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.

**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)

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	--
Promisorry 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>

**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)

**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).

**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)

**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).

**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)

As of December 31, 2015, land under development consisted of land covering a net area of approximately 31 hectares in Kelapa Dua and Bencongan Village, 11 hectares in Jalan Lingkar Luar Barat - Puri Kembangan, 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%.

**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)

**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 Genaral 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>



**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)

	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, Commisioners 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, Commisioners 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

**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)

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	2015					Correction	Carrying Value
			Acquisition Cost	Accumulated Share in Profit (Loss) - Net	Accumulated Dividend Received	Accumulated Other Comperhenshif Income	Additional of Investment		
			Rp	Rp	Rp	Rp	Rp	Rp	Rp
PT Surya Cipta Investama *)	Bekasi	49.81	32,964,983,496	42,009,247,383	--	(1,200,516,326)	--	(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	2014				
			Acquisition Cost	Accumulated Share in Profit (Loss) - Net	Accumulated Dividend Received	Disposal	Carrying Value
			Rp	Rp	Rp	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 Rp	2014 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

**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)

The following is a summary of financial information of the associates as of December 31, 2015 and 2014:

	2015 Rp	2014 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

	Domicile	Percentage of Ownership	2015				Carrying Value
			Acquisition Cost	Accumulated Share in Profit (Loss) - Net	Accumulated Dividend Received	Accumulated Other Comprehensive Income	
		%	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>--</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.

**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)

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

	<b>2015</b>
	<b>Rp</b>
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

	<b>2015</b>				
	<b>January 1,</b>	<b>Addition</b>	<b>Deduction</b>	<b>Reclassification</b>	<b>December 31,</b>
	<b>Rp</b>	<b>Rp</b>	<b>Rp</b>	<b>Rp</b>	<b>Rp</b>
<b>Acquisition Cost</b>					
Land	56,201,024,208	--	--	26,025,568,923	82,226,593,131
Building	343,752,721,523	8,304,892,095	--	95,265,384,033	447,322,997,651
Total Acquisition Cost	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>	<b>310,304,754,503</b>				<b>417,000,308,256</b>

  

	<b>2014</b>				
	<b>January 1,</b>	<b>Addition</b>	<b>Deduction</b>	<b>Reclassification</b>	<b>December 31,</b>
	<b>Rp</b>	<b>Rp</b>	<b>Rp</b>	<b>Rp</b>	<b>Rp</b>
<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>	<b>306,361,105,208</b>				<b>310,304,754,503</b>

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:

	<b>2015</b>	<b>2014</b>
	<b>Rp</b>	<b>Rp</b>
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:

	<b>2015</b>	<b>2014</b>
	<b>Rp</b>	<b>Rp</b>
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>	<b>22,900,291,298</b>	<b>17,516,819,353</b>

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



**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 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.

**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)

**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
Total Acquisition Cost	555,317,952,843	12,678,995,694	--	567,996,948,537
<b>Accumulated Impairment and Amortization</b>				
Impairment of Goodwill	18,660,604,318	--	--	18,660,604,318
Amortization of Software	8,370,897,937	6,034,964,278	--	14,405,862,215
Total Accumulated Impairment and Amortization	27,031,502,255	6,034,964,278	--	33,066,466,533
<b>Carrying Value</b>	<b>528,286,450,588</b>			<b>534,930,482,004</b>

  

	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
Total Acquisition Cost	361,396,773,297	193,921,179,546	--	555,317,952,843
<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
Total Accumulated Impairment and Amortization	23,847,087,803	3,184,414,452	--	27,031,502,255
<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 Propertindo	PT Anugerah Bahagia Abadi	2014	5,791,607,560	5,791,607,560
PT Koridor Usaha Maju	PT Medika Sarana Triliansia	2013	132,006,537,817	132,006,537,817
PT Lippo Malls Indonesia	PT Mulia Citra Abadi	2012	20,247,679,428	20,247,679,428
PT Primakreasi Propertindo	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 Propertindo	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 Triliansia	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 indentified 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>

**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)

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 Kalimalang. 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, Sirnajati, Jayamukti, Pasirsari in Lemahabang District, South Cikarang; Tanjung Merdeka Village, Barombong, Maccini Sombala, Tamanyeleng, Mariso, Benteng Somba Opu in Makassar, South Sulawesi.



**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)

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	3,567,964,325	216,055,488,269	219,623,452,594	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>

**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)

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
<i>Deduct:</i> 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>
<i>Deduct:</i>		
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>112,977,033,993</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
<i>Deduct:</i> 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>

**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)

**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	12,675,616,315	(1,825,861,686)	--	--	10,849,754,629
Estimated Long-term Employee Benefits Liabilities	4,117,781,250	709,772,020	--	815,050,479	5,642,603,749
Allowance Impairment in Value	3,127,251,723	71,521,201	--	--	3,198,772,924
Depreciation	(10,793,135,963)	(1,254,048,638)	--	--	(12,047,184,601)
	9,127,513,325	(2,298,617,103)	--	815,050,479	7,643,946,701
<b>Subsidiaries</b>	54,791,394,319	(10,192,060,118)	--	(5,292,913,624)	39,306,420,577
<b>Deferred Tax Assets</b>	<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	(10,501,909,067)	(291,226,896)	--	--	--	(10,793,135,963)
	10,197,141,792	(1,495,416,217)	--	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>3,575,616,214</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
Income Taxes		
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
Income Taxes		
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>

**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)

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

**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)

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 Mellyani Noor Shandra, S.H, a notary in Jakarta and last amended in Amendment of Credit Agreement No 24 dated December, 7, 2015, PT Mandiri Cipta gemilang (MCG) obtained credit facility with maximum credit limit amounted to Rp1,200,000,000,000. This facility bears an interest of 14.5% per annum and will mature on October 30, 2016. As of December 31, 2015 credit facility used by MCG amounted to Rp730.000.000.000.

**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)

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/Sukaresmi registered under the name of PT Waska Sentana, a subsidiary (see Note 8). As of

**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)

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

**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)

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.



**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)

**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.

**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)

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**

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### **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.

**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)

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.

**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)

**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>

**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)

**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/II/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>

**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)

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

	<b>2015 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.

**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)

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

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

**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)

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

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

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

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

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

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

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

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

	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	<b>(241,958,625,839)</b>	<b>(262,991,491,619)</b>
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	<b>1,793,143,053,500</b>	<b>792,561,863,631</b>
<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.



**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)

**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>

**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)

**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

**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)

	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>

**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)

	2015 Rp	2014 Rp
<b>General and Administrative Expenses</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
Total	1,752,604,856,278	1,554,414,581,443
<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.

**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)

**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.

**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)

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.

**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)

- 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 Tandiar 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.

**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)

- 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 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).



**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)

- 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

**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)

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

**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)

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 (exsisting 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.

**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)

**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	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	8,910,177,991
Final Tax Expenses	(143,030,732)	(39,973,203)	(23,523,990)	--	--	--	(206,527,925)
Net Revenue	2,554,392,194	733,486,675	216,926,797	4,144,118,303	785,002,596	358,807,108	8,703,650,066
Gross Profit	1,544,774,232	372,825,250	203,578,111	1,176,546,563	383,748,067	319,605,350	3,911,993,966
Selling Expenses	(378,158,959)	(61,734,484)	(86,365,368)	(46,695,192)	(11,477,049)	(75,533,869)	(638,487,355)
General and Administration Expenses	(487,925,255)	(92,185,699)	(38,724,369)	(918,629,004)	(160,269,801)	(122,476,770)	(1,752,604,857)
Interest Income	101,543,828	8,910,804	1,279,536	4,979,578	928,657	846,318	83,693,333
Finance and Interest Expenses	(194,091,933)	(31,556,320)	(9,372,510)	(57,298,648)	(3,104,492)	(72,127)	(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>
<b>Segment Liabilities</b>	<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>
<b>Capital Expenditures</b>	<b>33,346,106</b>	<b>89,125,062</b>	<b>47,888,138</b>	<b>274,910,825</b>	<b>30,822,625</b>	<b>20,513,918</b>	<b>496,606,674</b>
<b>Depreciation</b>	<b>30,119,858</b>	<b>6,249,677</b>	<b>5,812,714</b>	<b>405,721,645</b>	<b>44,832,167</b>	<b>2,582,385</b>	<b>495,318,446</b>
<b>Non-Cash Expenses Other than Depreciation</b>	<b>100,602,375</b>	<b>3,693,046</b>	<b>489,080</b>	<b>22,354,368</b>	<b>1,480,347</b>	<b>5,797,080</b>	<b>134,416,296</b>

**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)

	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	308,103,160	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	<u>5,407,896,704</u>	<u>1,267,701,707</u>	<u>283,709,618</u>	<u>3,340,793,372</u>	<u>721,093,503</u>	<u>306,041,414</u>	<u>(44,623,828)</u>	<u>11,282,612,490</u>
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)	(67,346,631)	(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)	34,834,048	(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)	64,860,826
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>--</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>--</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
	<u>2,102,667,352</u>	<u>489,739,063</u>	<u>166,626,215</u>	<u>68,984,556</u>	<u>190,631,567</u>	<u>121,302,504</u>	<u>--</u>	<u>3,139,951,258</u>
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	121,640,349	--	--	--	1,643,413	--	--	123,283,762
<b>Total Assets</b>	<b>22,803,477,863</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>--</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					
	Foreign Currencies					Equivalent in
	USD	JPY	SGD	EUR	AUD	Rupiah
Assets						
Cash and Cash Equivalents	16,638,757	113,800	20,491,726	206,685	356,340	437,354,595,949
Trade Accounts Receivable	4,060,235	--	2,122,398	--	--	76,706,847,979
Other Current Financial Assets	781,600	--	13,303,158	--	--	140,503,793,258
Other Non-Current Financial Assets	--	--	5,070,398	--	--	49,442,414,274
Total Assets	21,480,592	113,800	40,987,680	206,685	356,340	704,007,651,459
Liabilities						
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
Net Assets (Liabilities)	(792,205,382)	113,800	36,285,331	174,160	356,340	(10,567,133,999,758)
	2014					
	Foreign Currencies					Equivalent in
	USD	JPY	SGD	EUR	AUD	Rupiah
Assets						
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	--	--	16,028,744,088
Other Non-Current Financial Assets	--	--	5,047,569	--	--	47,558,195,118
Total Assets	13,858,862	113,800	222,018,208	188,113	406,259	2,271,269,531,197
Liabilities						
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
Net Assets (Liabilities)	(798,915,409)	113,800	220,268,501	188,113	406,259	(7,856,128,139,397)

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).

**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)

**46. Contingencies**

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- 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 Relaas 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.

**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)

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 Sempa, 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

**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)

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**

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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.



**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)

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	Rp	Rp
Financial Assets							
Fair value through profit or loss							
Derivative	--	--	--	--	2,015,953,790,020	--	2,015,953,790,020
Other Current Financial Assets	--	--	--	--	--	49,008,885,877	49,008,885,877
Loans and Receivables							
Cash and Cash Equivalents	--	--	--	--	365,151,660,796	1,474,214,342,481	1,839,366,003,277
Trade Accounts Receivable	91,468,709,993	223,118,214,459	53,706,272,647	161,665,951,150	49,932,275,382	945,924,794,004	1,525,816,217,634
Other Current Financial Assets	9,251,227,122	--	--	--	169,117,519,325	694,008,719,345	872,377,465,792
Due from Related Parties Non-trade	15,582,751,676	--	--	--	--	37,093,485,060	52,676,236,736
Other Non-Current Financial Assets	--	--	--	--	--	685,854,507,978	685,854,507,978
Available-for-Sale							
Available-for-Sale 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	53,706,272,647	161,665,951,150	8,095,791,691,718	4,327,860,751,969	12,978,445,570,733

	2014						
	Individually Impaired	Overdue But not Impaired			Not Yet Due and Not Impaired		Total
		0 - 90 Day	91 - 180 Day	> 181 Day	Global Company	Domestic Company	
	Rp	Rp	Rp	Rp	Rp	Rp	Rp
Financial Assets							
Fair value through profit or loss							--
Derivative	--	--	--	--	1,787,652,313,287	--	1,787,652,313,287
Loans and Receivables							--
Cash and Cash Equivalents	--	--	--	--	317,928,205,898	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	1,016,040,346,181
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	13,356,652,364,980

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.

**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)

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				Total Rp
	Less Than 1 Year Rp	Will Due In 1 - 5 Years Rp	More than 5 Years Rp	Maturity not Determined 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				Total Rp
	Less Than 1 Year Rp	Will Due In 1 - 5 Years Rp	More than 5 Years Rp	Maturity not Determined 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).

**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)

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	--	--	1,424,217,469,472
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	--	--	--	--	11,081,606,270,000
<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>9,700,908,096,937</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).

**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)

**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	--	--
<b>Loans and Receivables</b>				
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
<b>Available-for-Sale</b>				
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
<b>Held-to-maturity Financial Assets</b>				
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.

**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)

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

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

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

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

	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.

**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)

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.

**Aquisition 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.

**Aquisition PT Anugerah Bahagia Abadi (ABA)**

On May 12, 2014, Company aquired 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.

**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)

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.

**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)

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>3,014,222,773</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>104,790,954,984</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.



**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)

- 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 Brigdewater 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 Brigdewater 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>

**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)

**51. Events After Reporting Date**

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- 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)**

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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"

**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)

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.