

**INFORMATION DISCLOSURE TO THE SHAREHOLDERS OF
PT LIPPO KARAWACI TBK (THE "COMPANY") WITH RESPECT TO THE CAPITAL
INCREASE BY ISSUING THE PRE-EMPTIVE RIGHTS ("RIGHT ISSUE")**

**INFORMATION AS CONTAINED IN THIS DISCLOSURE SHALL BE READ AND
CONSIDERED BY THE SHAREHOLDERS OF THE COMPANY TO DECIDE ON THE
CAPITAL INCREASE TRANSACTION BY ISSUING PRE-EMPTIVE RIGHTS**

This Information Disclosure is made on 8 November 2017 ("**Disclosure of Information**") for increasing the capital through rights issue to the shareholders of Company in compliance with the Regulation of Financial Services Authority ("**FSA**") No. 32/POJK.04/2015 dated 16 December 2015 on Capital Increase of Public Listed Company by Providing the Right Issue ("**POJK 32/2015**").



PT LIPPO KARAWACI TBK

Domiciles in Tangerang, Banten, Indonesia

Business Activities:

Operating a Real Estate, Urban Development and its supporting facilities, as well as running its businesses in the area of services including developing residential, offices, industries, hotels, hospitals, malls, public facilities, hospitality, healthcare and its related facilities, both directly and also through its capital investment or divestment in other companies relating to the main business of the Company.

Headquarter:

Menara Matahari Fl. 22
Jl. Boulevard Palem Raya No. 7
Lippo Karawaci, Tangerang 15811, Banten, Indonesia
Telp: (021) 2566 9000 Fax: (021) 2566 9098/99
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The Extraordinary General Meeting of Shareholders ("**EGM**") of the Company shall be held on Friday, 15 December 2017 with respect to among others approve the plan to increase the capital through rights issue to the shareholders of the Company.

All information contained in this Disclosure of Information shall merely be a proposal, and subject to the approval of the EGM and Prospectus issued in respect of the capital increase through right issue.

**THIS INFORMATION DISCLOSURE CONTAINED HEREIN SHALL NOT BE
INTENDED AS A PUBLIC OFFERING DOCUMENT OR A RECOMMENDATION TO
PURCHASE, DIRECTLY OR INDIRECTLY ON THE COMPANY'S SHARES.**

INFORMATION IN RESPECT OF CAPITAL INCREASE THROUGH RIGHT ISSUE

In respect of the capital increase through right issue, the Company shall be of intention to issue a maximum of 1,450,000,000 new shares of the Company, each with nominal value of Rp 100 per share ("**New Shares**").

Such New Shares shall be issued from the Company's portfolio and shall be listed on Indonesian Stock Exchange ("**IDX/BEI**") pursuant to the prevailing regulations, including Regulation of IDX No. I-A on The Listing of Shares and Non-Share Equity Securities Issued by Listed Companies, the enclosure of the Decision of BEI Board of Directors No. Kep-00001/BEI/01-2014 dated 20 January 2014. New Shares shall be given the same and equal rights in all aspects including the right on dividend with the other rights of the Company.

Pursuant to POJK 32/2015, for increasing the capital through rights issue to the shareholders of Company, shall be subject to:

1. The Company obtains approval from the majority shareholders at the EGM with respect to increase capital through rights issue; and
2. Registration of Statement submitted by the Company to FSA in respect of the proposed of the increase capital through rights issue declared effective by FSA,

For the avoidance of doubt, the Company shall be entitled to issue any part or all shares approved to be issued by virtue of resolution of EGM. Conditions of increasing capital through rights issue, including final effectuation price of HMETD and final amount of New Shares to be issued, shall be revealed on the Prospectus issued in order to increase the capital by providing HMETD, to be made available to the eligible shareholders at the time, pursuant to the prevailing regulations.

ESTIMATED PERIOD OF EXECUTION OF THE CAPITAL INCREASE

The Company shall submit a Registration Statement to FSA in order to increase capital by issuing pre-emptive rights upon EGM held on 15 December 2017 approving such proposed capital increase by issuing pre-emptive rights to the Shareholders of Company, and it shall be made upon Registration Statement submitted by the Company declared effective by FSA.

With reference to Article 8 paragraph (3) of POJK No. 32, duration between EGM approval date and registration of statement effectuation shall not be more than 12 months.

The estimated period and execution of the capital increase through rights issue shall be the third quarter of 2018.

ESTIMATED USE OF PROCEED

The Company intends to utilize the proceeds of Rights Issue (after deducting all commissions, costs, fees and other expenses):

1. To maintain or increase the Company's indirect ownership in PT Lippo Cikarang Tbk ('LPCK'), a subsidiary with respect to LPCK's plan to increase its capital by issuing pre-emptive rights; and
2. The remaining fund will be used as working capital of the Company and/or its subsidiaries.

In the event of any or all of the proceeds of Rights Issue shall be utilized for a transaction that constitutes a Material Transaction, an Affiliated Transaction and/or a Conflict-of-Interest Transactions pursuant to any prevailing the regulations applicable to the Indonesian capital market, the Company shall also comply with Regulation of FSA concerning a Material Transaction, an Affiliated Transaction and/or a Conflict-of-Interest Transactions.

Final information relating to the utilization of funds shall be disclosed in a Prospectus issued with respect to the right issue which shall be made available to the eligible shareholders in time, pursuant to the applicable regulation of laws.

ANALYSIS ON THE IMPACTS OF CAPITAL INCREASE TOWARDS THE FINANCIAL CONDITION OF THE COMPANY AND THE SHAREHOLDERS

Upon the execution of Right Issue IV, the Company shall obtain additional proceeds to maintain its ownership in the subsidiary and some addition proceeds to use as working Capital of the Company and/or its subsidiaries, as described in the Estimated Use of Proceeds section

With respect to the impact of the plan to increase the capital by issuing pre-emptive rights to the shareholders, the proforma of the shareholders prior to and post the right issue IV with some assumptions:

1. Company issues a maximum New Shares pursuant to this Information Disclosure which is a maximum of 1,450,000,000 new shares; and
2. All the Company's shareholders take their respective parts of the new shares.

The following proforma of composition and structure of the capital prior to and post the capital increase through rights issue are presented by referring to the Shareholders Register of 31 October 2017 which is prepared by PT Sharestar Indonesia as the Share Registrar of the Company.

Description	Before Capital Increase by Providing HMETD				After Capital Increase by Providing HMETD			
	Amount of Shares	Nominal Value of Shares @ Rp100 per share (Rp)	(%) *	(%) **	Amount of Shares	Nominal Value of Shares @ Rp100 per share (Rp)	(%) *	(%) **
Authorized Capital	64,000,000,000	6,400,000,000,000			64,000,000,000	6,400,000,000,000		
Bank Julius Baer Co. Ltd. S/A PT Inti Anugerah Pratama	1,900,000,000	190,000,000,000	8.23%	8.34%	2,020,984,112	202,098,411,200	8.24%	8.34%
CS AG Singapore TR AC Client Itradiaz Inv Ltd	1,700,000,000	170,000,000,000	7.37%	7.47%	1,808,248,942	180,824,894,200	7.37%	7.47%
CS AG Singapore TR AC Client Cresendo Inv Limited	1,690,000,000	169,000,000,000	7.32%	7.42%	1,797,612,184	179,761,218,400	7.33%	7.42%
CS AG Singapore TR AC Client Boston Inv Ltd	1,351,000,000	135,100,000,000	5.85%	5.93%	1,437,026,071	143,702,607,100	5.86%	5.93%
Credit Suisse AG SG TR AC CL Bullion Inv	1,252,500,000	125,250,000,000	5.43%	5.50%	1,332,254,000	133,225,400,000	5.43%	5.50%
Credit Suisse AGSG TRACCL PT Metropolis Propertindo Utama	1,212,280,000	121,228,000,000	5.25%	5.32%	1,289,472,957	128,947,295,700	5.26%	5.32%
Public (each ownership below 5%)	13,665,805,119	1,366,580,511,900	59.22%	60.01%	14,535,986,853	1,453,598,685,300	59.26%	60.01%
Sub Total	22,771,585,119	2,277,158,511,900	98.67%	100.00%	24,221,585,119	2,422,158,511,900	98.75%	100.00%
Treasury Stock	306,104,500	30,610,450,000	1.33%		306,104,500	30,610,450,000	1.25%	
Paid-up Capital	23,077,689,619	2,307,768,961,900	100.00%		24,527,689,619	2,452,768,961,900	100.00%	
Portfolio Shares	40,922,310,381	4,092,231,038,100			39,472,310,381	3,947,231,038,100		

* Percentage includes calculating the treasury stock (TS)

** Percentage without calculating TS

The shareholders of Company who does not exercise their rights and who does not subscribe their portion of new shares shall be diluted by up to 5.99% (without calculating TS).

ADDITIONAL INFORMATION

The rights issue shall be effective upon obtaining approval of the EGM and the Registration Statement from FSA.

The shareholders who wish to obtain additional information relating to the proposed rights issue shall contact the Company during business hours and working days at the Company's office:

PT LIPPO KARAWACI TBK.
Menara Matahari Fl. 22
Jl. Boulevard Palem Raya No. 7
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email: corsec@lippokarawaci.co.id

Lippo Karawaci, 8 November 2017

Board of Directors of PT Lippo Karawaci Tbk