



PRESS RELEASE
For Immediate Release

**LPKR TO INVEST US\$165MM FOR ADDITIONAL INTEREST
IN SINGAPORE REIT. PLANS TO INJECT US\$2B MALL
ASSETS OVER 3 YEARS.**

Lippo Village, Tangerang, Indonesia
Monday, 23rd May 2011

LPKR today announced that it has agreed to acquire additional interest in Singapore listed Lippo- Mapletree Indonesian Retail Trust(LMIRT) taking its aggregate holding to 29.5% upon completion and additional 40% of Lippo-Mapletree Indonesian Retail Trust Management LTD (LMIRT Mgt), the asset manager of LMIRT for a total consideration of US\$165 million.

The definitive agreements for the additional 9.02% were signed with Mapletree LM Pte. Ltd and Mapletree Capital Management Pte. Ltd for LPKR through its wholly-owned subsidiaries to acquire 97,853,918 units of LMIRT and 40% interest in LMIRT Mgt respectively.

In addition, a subsidiary of LPKR has agreed to purchase 18.2% or 197,658,026 LMIRT units from affiliate of Lippo, subject to compliance with all applicable rules and regulations.

Closing of the acquisitions is anticipated to take place 21 business days from signing.

Please see related press release dated 19th May 2011.

<http://www.lippokarawaci.co.id/corporatenewsandevents/pressrelease/detail01.aspx?ref=67>

These strategic moves will immediately solidify LPKR's third and fourth pillars, Retail Malls and Asset Management respectively, and will put LMIRT and LMIRT Mgt fully aligned with LPKR's Lippo Malls Group allowing LPKR to carry through its plan to inject and facilitate US\$2 billion of mall assets into LMIRT over the next three years. This will add to LMIRT's US\$798 million mall assets it currently owns and build it up to US\$4 billion in mall assets under management in 3-4 years making LPKR's third pillar, its Lippo Malls group a solid foundation along with its other foundations.

The transaction will also transform LPKR's Asset Management pillar into one of four major profit drivers (residential/townships, healthcare, retail malls and asset management) and boost its recurring income percentage even higher with assets under management of just under US\$1.6 billion and well positioned to grow to US\$4 billion in 3 to 4 years. LPKR through LMIRT Mgt and Bowsprit Capital Corp. Ltd. manages two Singapore-listed REITS, namely LMIRT and FREIT (First Real Estate Investment Trust).

"LPKR intends to encourage LMIRT's management to be much more focused to expand its retail malls portfolio to US\$ 4 billion over 3 years", said LPKR's President Director, Ketut B. Widjaja. "LPKR's strategy is to build and or acquire malls and inject the enhanced mall assets into LMIRT. This will enhance our fee income and recurring revenue".

Occupancy of LMIRT's leased malls in first quarter 2011 has increased to 97.4% from the previous year's 86.7%. This positive trend is expected to continue as Indonesia's consumer base expands.

LPKR recently announced record first quarter 2011 Revenues and Net Profit After Tax of Rp882 billion and Rp136 billion respectively for the quarter ending 31 March 2011 on the back of strong home sales resulting from Indonesia's growing middle class affluence triggering greater demand for home ownership and rising consumption.

LPKR's recurring income continues to expand and grew 20% to Rp471 billion and constitutes a solid 53.4% of the group's total revenues for the quarter.

LPKR is at the forefront of the unprecedented buoyant Indonesian economic growth with GDP of 6% CAGR over the last 5 years, declining unemployment, rising wages and increased urbanization.

This is reflected by the Company's strong performance across all its strategic units. With per capita income surpassing US\$3,000, residential/township sales are particularly encouraging, and unfulfilled demand for quality healthcare services further driving the hospital group's growth as well as in its retail mall activities.

LPKR's businesses comprise Residential/Township, Retail Malls, Hospitals, Hotels and Asset Management.

LPKR is listed on the Jakarta Stock Exchange with a market capitalization of Rp14.5 trillion or USD1.7 billion.

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