LIPPO CHINA RESOURCES LIMITED
力寶華潤有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 156)

INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30TH JUNE, 2009

INTERIM RESULTS

The Directors of Lippo China Resources Limited (the "Company") announce the unaudited consolidated interim results of the Company and its subsidiaries (collectively, the "Group") for the six months ended 30th June, 2009 together with the comparative figures for the corresponding period in 2008 as follows:

Condensed Consolidated Income Statement
For the six months ended 30th June, 2009

		Unaudited six months ended 30th June,	
		2009	2008
	Note	***HK$'000***	*HK$'000*
Revenue	*2*	**184,890**	181,081
Cost of sales		**(91,833)**	(94,426)
Gross profit		**93,057**	86,655
Administrative expenses		**(55,069)**	(53,092)
Other operating expenses		**(77,334)**	(44,587)
Fair value gains on investment properties		**129,824**	313,719
Net fair value gain on financial assets at fair value through profit or loss		**435**	604
Finance costs		**(18,643)**	(24,791)
Share of results of associates		**(9,340)**	7,767
Share of results of a jointly controlled entity	*4*	**129,605**	—
Profit before tax	*5*	**192,535**	286,275
Tax	*6*	**(24,745)**	(40,322)
Profit for the period		**167,790**	245,953
Attributable to:			
Equity holders of the Company		**174,941**	235,858
Minority interests		**(7,151)**	10,095
		167,790	245,953

		Unaudited six months ended 30th June,	
		2009	2008
	Note	***HK cents***	*HK cents*
Earnings per share attributable to equity holders of the Company	*7*		
Basic		**1.90**	2.56
Diluted		**N/A**	N/A
Interim dividend per share		**0.2**	0.2
Special interim dividend per share		**0.8**	—

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30th June, 2009

	Unaudited six months ended 30th June,	
	2009	2008
	HK$'000	*HK$'000*
Profit for the period	**167,790**	245,953
Other comprehensive income/(loss) for the period:		
Exchange difference on translation of foreign operations	**4,170**	133,671
Net fair value gain/(loss) on available-for-sale financial assets	**(23,713)**	32,464
Share of other comprehensive income of associates	**8,734**	6,473
Other comprehensive income/(loss) for the period, net of tax	**(10,809)**	172,608
Total comprehensive income for the period	**156,981**	418,561
Attributable to:		
Equity holders of the Company	**166,132**	385,041
Minority interests	**(9,151)**	33,520
	156,981	418,561

Condensed Consolidated Statement of Financial Position

As at 30th June, 2009

	Note	**30th June, 2009** *HK$'000* **(Unaudited)**	31st December, 2008 *HK$'000* (Audited)
Non-Current Assets			
Goodwill		**23,371**	23,371
Fixed assets		**323,876**	327,970
Investment properties		**3,264,827**	3,134,151
Properties under development		**50,748**	48,310
Interests in associates		**700,840**	707,305
Interests in a jointly controlled entity		**136,254**	2,694
Available-for-sale financial assets		**381,808**	406,173
Loans and advances		**—**	15,930
		4,881,724	4,665,904
Current Assets			
Properties held for sale		**11,438**	10,792
Properties under development		**657,501**	573,713
Inventories		**3,405**	2,080
Financial assets at fair value through profit or loss		**65,089**	64,654
Loans and advances		**15,599**	—
Debtors, prepayments and deposits	*8*	**370,416**	172,763
Cash and bank balances		**343,867**	614,922
		1,467,315	1,438,924
Current Liabilities			
Bank loans		**197,467**	246,953
Amount due to a jointly controlled entity		**47,181**	46,638
Creditors, accruals and deposits received	*9*	**1,061,602**	730,959
Tax payable		**58,084**	54,038
		1,364,334	1,078,588
Net Current Assets		**102,981**	360,336
Total Assets Less Current Liabilities		**4,984,705**	5,026,240

	30th June, 2009 *HK$'000* (Unaudited)	31st December, 2008 *HK$'000* (Audited)
Non-Current Liabilities		
Bank loans	**1,022,526**	1,163,047
Deferred rental	**150,685**	131,617
Deferred tax liabilities	**465,990**	450,990
	1,639,201	1,745,654
Net Assets	**3,345,504**	3,280,586
Equity		
Equity attributable to equity holders of the Company		
Share capital	**919,125**	919,285
Reserves	**2,322,469**	2,248,240
	3,241,594	3,167,525
Minority interests	**103,910**	113,061
	3,345,504	3,280,586

Note:

1. PRINCIPAL ACCOUNTING POLICIES

The interim results are unaudited, condensed and have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants. The interim results have been reviewed by the audit committee of the Company.

The accounting policies and basis of preparation adopted in the preparation of these interim results are consistent with those used in the Group's audited financial statements for the year ended 31st December, 2008, except in relation to the following new/revised Hong Kong Financial Reporting Standards ("HKFRS"), HKASs and Interpretations (hereinafter collectively referred to as the "new/revised HKFRSs"), which have become effective for accounting periods beginning on or after 1st January, 2009, that are adopted for the first time for the current period's interim results:

HKFRS 1 and HKAS 27 Amendments	Amendments to HKFRS 1 First-time Adoption of HKFRSs and HKAS 27 Consolidated and Separate Financial Statements — Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
HKFRS 2 Amendments	Amendments to HKFRS 2 Share-based Payment — Vesting Conditions and Cancellations
HKFRS 7 Amendments	Amendments to HKFRS 7 Financial Instrument: Disclosures — Improving Disclosures about Financial Instruments
HKFRS 8	Operating Segments
HKAS 1 (Revised)	Presentation of Financial Statements
HKAS 23 (Revised)	Borrowing Costs
HKAS 32 and HKAS 1 Amendments	Amendments to HKAS 32 Financial Instruments: Presentation and HKAS 1 Presentation of Financial Statements — Puttable Financial Instruments and Obligations Arising on Liquidation
HK(IFRIC) — Int 9 and HKAS 39 Amendments	Amendments to HK(IFRIC) — Int 9 Reassessment of Embedded Derivatives and HKAS 39 Financial Instruments, Recognitions and Measurement — Embedded Derivatives
HK(IFRIC) — Int 13	Customer Loyalty Programmes
HK(IFRIC) — Int 15	Agreements for the Construction of Real Estate
HK(IFRIC) — Int 16	Hedges of a Net Investment in a Foreign Operation
HKFRSs (Amendments)	Improvement to HKFRSs*

* Except for the amendments to HKFRS 5 which are effective for annual periods beginning on or after 1st July, 2009.

The adoption of the above new/revised HKFRSs has no material impact on the accounting policies of the Group and the methods of computation in the Group's interim results, except for the followings:

HKFRS 8 Operating Segments

HKFRS 8, which replaces HKAS 14 "Segment Reporting", specifies how an entity should report information about its operating segments, based on information about the components of the entity that is available to the chief operating decision maker for the purposes of allocating resources to the segments and assessing their performance. The standard also requires the disclosure of information about the products and services provided by the segments, the geographical areas in which the Group operates, and revenue from the Group's major customers. The Group adopted HKFRS 8 from 1st January, 2009. The adoption of the standard has no effect on the financial position or results of operations of the Group. It does, however, result in certain presentational changes in the presentation and disclosures of financial statements.

HKAS 1 (Revised) Presentation of Financial Statements

HKAS 1 (Revised) introduces changes in the presentation and disclosures of financial statements. The revised standard separates owner and non-owner changes in equity. The statement of changes in equity will include only details of transactions with owners, with all non-owner changes in equity presented as a single line. In addition, this standard introduces the statement of comprehensive income, with all items of income and expense recognised in profit or loss, together with all other items of recognised income and expense recognised directly in equity, either in one single statement, or in two linked statements. The Group adopted HKAS 1 (Revised) from 1st January, 2009. The adoption of the revised standard has no effect on the financial position or results of operations of the Group. It does, however, result in certain presentational changes in the presentation and disclosures of financial statements.

2. REVENUE

Revenue, which is also the Group's turnover, represents the aggregate of gross rental income, gross proceeds from sales of properties, gross rental income from department stores, gross income on treasury investment which includes interest income on bank deposits and debt securities, income from securities investment which includes gain/(loss) on sales of securities investment, dividend income and related interest income, sales income from food business, gross income from property management, and interest and other income from money lending and other businesses.

An analysis of the revenue of the Group by principal activity is as follows:

	Six months ended 30th June,	
	2009	2008
	HK$'000	*HK$'000*
Property investment and development	**93,912**	95,192
Retail business	**56,305**	54,186
Treasury investment	**8,386**	3,454
Securities investment	**—**	31
Other	**26,287**	28,218
	184,890	181,081

3. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services, and has reportable segments as follows:

(a) the property investment and development segment includes letting, resale and development of properties;

(b) the retail business segment engages in operation of department stores;

(c) the treasury investment segment includes investments in cash and bond markets;

(d) the securities investment segment includes dealings in securities and disposals of investments; and

(e) the "other" segment comprises principally food business, the provision of commercial and retail banking services, money lending and the provision of property management services.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the interim results.

Inter-segment transactions are on arm's length basis in a manner similar to transactions with third parties.

The following tables present revenue and profit information regarding the Group's reportable segments for the six months ended 30th June, 2009 and 2008, respectively.

	Six months ended 30th June, 2009						
	Property investment and development	**Retail business**	**Treasury investment**	**Securities investment**	**Other**	**Inter-segment elimination**	**Consolidated**
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***
Revenue							
External	**93,912**	**56,305**	**8,386**	**—**	**26,287**	**—**	**184,890**
Inter-segment	**1,823**	**—**	**—**	**—**	**—**	**(1,823)**	**—**
Total	**95,735**	**56,305**	**8,386**	**—**	**26,287**	**(1,823)**	**184,890**
Segment results	**208,995**	**(77,056)**	**7,928**	**(182)**	**18,790**	**(1,823)**	**156,652**
	(Note)						
Unallocated corporate expenses							**(65,739)**
Finance costs							**(18,643)**
Share of results of associates	**736**	**—**	**—**	**—**	**(10,076)**	**—**	**(9,340)**
Share of results of a jointly controlled entity	**129,605**	**—**	**—**	**—**	**—**	**—**	**129,605**
Profit before tax							**192,535**
Tax							**(24,745)**
Profit for the period							**167,790**

	Six months ended 30th June, 2008						
	Property investment and development	Retail business	Treasury investment	Securities investment	Other	Inter-segment elimination	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Revenue							
External	95,192	54,186	3,454	31	28,218	—	181,081
Inter-segment	1,954	—	—	—	—	(1,954)	—
Total	97,146	54,186	3,454	31	28,218	(1,954)	181,081
Segment results	392,462	(67,652)	3,303	(493)	14,757	—	342,377
	(Note)						
Unallocated corporate expenses							(39,078)
Finance costs							(24,791)
Share of results of associates	422	—	—	—	7,345	—	7,767
Profit before tax							286,275
Tax							(40,322)
Profit for the period							245,953

Note: The amount included fair value gains on investment properties of HK$129,824,000 (2008 — HK$313,719,000).

4. SHARE OF RESULTS OF A JOINTLY CONTROLLED ENTITY

The amount represented the Group's share of profit in Tanglin Residential Pte. Ltd. ("Tanglin") which was set up for the purposes of a property development project in the Republic of Singapore (the "Project"). Tanglin is the legal and beneficial owner, and developer of the Project and had pre-sold all of the units to buyers. During the six months ended 30th June, 2009, approximately 81 per cent. of the units has been handed over to the buyers and the Group registered a share of profit of HK$129,605,000 (2008 — Nil).

5. PROFIT BEFORE TAX

Profit before tax is arrived at after crediting/(charging):

	Six months ended 30th June,	
	2009	2008
	HK$'000	*HK$'000*
Interest income:		
Loans and advances	**248**	—
Other	**8,386**	3,454
Dividend income from listed investments	**—**	31
Net fair value gain/(loss) on financial assets at fair value through profit or loss:		
Listed	**(37)**	27
Unlisted	**472**	577
Depreciation	**(12,809)**	(9,950)
Loss on disposal of properties	**—**	(510)
Loss on disposal of fixed assets	**(3)**	(2)
Cost of inventories sold	**(4,649)**	(5,447)

6. TAX

	Six months ended 30th June,	
	2009	2008
	HK$'000	*HK$'000*
Hong Kong:		
Charge for the period	**1,104**	1,560
Overprovision in prior periods	**(31)**	(436)
Deferred	**23,622**	22,580
	24,695	23,704
Overseas:		
Charge for the period	**8,849**	5,595
Underprovision in prior periods	**9**	568
Deferred	**(8,808)**	10,455
	50	16,618
Total charge for the period	**24,745**	40,322

Hong Kong profits tax has been provided at the rate of 16.5 per cent. (2008 — 16.5 per cent.) on the estimated assessable profits arising in Hong Kong during the period. Taxes on profits assessable elsewhere have been calculated on the estimated assessable profits for the period at the tax rates prevailing in the countries/jurisdictions in which the Group operates based on existing legislation, interpretations and practices in respect thereof.

7. EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

(a) Basic earnings per share

Basic earnings per share is calculated based on (i) the consolidated profit for the period attributable to equity holders of the Company of HK$174,941,000 (2008 — HK$235,858,000); and (ii) the weighted average number of 9,191,729,000 ordinary shares (2008 — 9,201,089,000 ordinary shares) in issue during the period.

(b) Diluted earnings per share

No diluted earnings per share is presented for the six months ended 30th June, 2009 and 2008 as the share options outstanding during these periods had no dilutive effect on the basic earnings per share for these periods.

8. DEBTORS, PREPAYMENTS AND DEPOSITS

The balance mainly comprised of progress billing receivables in respect of the sales of a development project in the Republic of Singapore of HK$244,092,000 (31st December, 2008 — HK$6,541,000).

Included in the balances are trade debtors with an aged analysis as follows:

	30th June, 2009 *HK$'000*	31st December, 2008 *HK$'000*
Outstanding balances with ages:		
Within 30 days	**5,162**	5,012
Between 31 and 60 days	**441**	2,643
Between 61 and 90 days	**291**	1,123
Between 91 and 180 days	**348**	2,722
Over 180 days	**757**	1,076
	6,999	12,576

Trading terms with customers are either on a cash basis or credit. For those customers who trade on credit, a credit period is allowed according to relevant business practice. Credit limits are set for customers. The Group seeks to maintain tight control over its outstanding receivables in order to minimise credit risk. Overdue balances are regularly reviewed by senior management.

The balances of trade debtors are non-interest-bearing. The carrying amounts of debtors and deposits approximate to their fair values.

9. CREDITORS, ACCRUALS AND DEPOSITS RECEIVED

Included in the balances are trade creditors with an aged analysis as follows:

	30th June, 2009 *HK$'000*	31st December, 2008 *HK$'000*
Outstanding balances with ages:		
Within 30 days	**27,283**	33,285
Between 31 and 60 days	**6,082**	10,107
Between 61 and 90 days	**1,203**	2,854
Between 91 and 180 days	**966**	1,405
Over 180 days	**1,449**	660
	36,983	48,311

The balances of trade creditors are non-interest-bearing.

MANAGEMENT DISCUSSION AND ANALYSIS

The global financial crisis has been wide reaching, affecting economies across the globe. Overall performance of the Group suffered as a result. However, due to the stabilisation and rebound of local property market in the second quarter of 2009 and the share of profit from property sales of a jointly controlled entity, the Group reported a profit attributable to shareholders of HK$175 million for the six months ended 30th June, 2009 (2008 — HK$236 million).

Results for the period

Turnover for the six months ended 30th June, 2009 totalled HK$185 million (2008 — HK$181 million). Property investment and development as well as retail business were the principal sources of revenue of the Group, contributing 51 per cent. (2008 — 53 per cent.) and 30 per cent. (2008 — 30 per cent.) of the total turnover, respectively.

Property investment and development

The global economic downturn posed challenges to the local leasing market, with rentals edging down across the board during the period under review. Property rental rates were adjusted downwards in response to the weakening economy and declining market. Nevertheless, turnover generated from this segment slightly decreased to HK$94 million (2008 — HK$95 million), benefiting from the quality and the strategic locations of its investment properties.

Lippo Centre in Hong Kong and Lippo Plaza in Shanghai, being the landmarks of the Group in Hong Kong and in mainland China respectively, continued to achieve satisfactory occupancy and renewal rental rates. The rental income of Lippo Plaza in Shanghai remained constant during the period. The rental income of Lippo Centre in Hong Kong registered a decrease of 9 per cent. as a result of the disposal of the entire 23rd Floor of Tower One, Lippo Centre, Hong Kong in August 2008. Property letting business continued to provide stable and recurrent revenue to the Group. Given the recovery in the property market in Hong Kong, the Group recorded a total revaluation gain on investment properties of HK$130 million (2008 — HK$314 million) during the period.

Temporary occupation permits of two development projects in Singapore, Newton One in which the Group is interested in 100 per cent. and The Metropolitan Condominium which is a 50:50 joint venture development with CapitaLand Limited, were obtained in June 2009. Approximately 81 per cent. of the units at The Metropolitan Condominium has been handed over to the purchasers during the period and the Group registered a share of profit of HK$130 million. The remaining units of The Metropolitan Condominium and all units of Newton One have been pre-sold and revenue thereon is expected to be recognised in the second half of 2009.

Retail business

Two department stores in mainland China under the trade name of "Robbinz" in Tianjin and Chengdu respectively, with a total gross floor area of approximately 126,000 square metres, are in the process of optimising their performance. Turnover generated from this segment increased to HK$56 million (2008 — HK$54 million). Turnover comprised of net proceeds received from concessionaire sales and gross rental income. The stores are still in their investing period. The retail business reported a loss of HK$77 million (2008 — HK$68 million) during the period.

Other businesses

During the period, the Group registered a share of loss of HK$12 million from a listed associate in Singapore, Auric Pacific Group Limited ("APG"). APG is mainly engaged in food manufacturing, wholesale and distribution, food retail and food court operation as well as property and securities investments. Singapore, where APG conducts a majority of its business, is in recession and as a result APG's performance is adversely affected. However, with food as a basic necessity, APG's core food related businesses should remain resilient.

Financial position

As at 30th June, 2009, the Group's total assets amounted to HK$6.3 billion (31st December, 2008 — HK$6.1 billion). Property-related assets increased to HK$4.2 billion (31st December, 2008 — HK$3.9 billion), representing 67 per cent. (31st December, 2008 — 64 per cent.) of the total assets. On the other hand, investment portfolio of the Group decreased to HK$0.4 billion (31st December, 2008 — HK$0.5 billion), representing 7 per cent. (31st December, 2008 — 8 per cent.) of the Group's total assets.

The cash and cash equivalents of the Group decreased to HK$344 million (31st December, 2008 — HK$615 million). The Group's financial position remained strong. Current ratio of the Group (measured as current assets to current liabilities) stood at 1.08 to 1 (31st December, 2008 — 1.33 to 1).

As at 30th June, 2009, the bank loans of the Group decreased to HK$1,220 million (31st December, 2008 — HK$1,410 million). All the bank loans were secured by certain properties of the Group. 56 per cent. and 34 per cent. (31st December, 2008 — 58 per cent. and 29 per cent.) of the loans were denominated in Hong Kong dollars and Renminbi respectively. All bank loans carried interest at floating rates and 16 per cent. (31st December, 2008 — 18 per cent.) of the bank loans were repayable within one year. At the end of the period, gearing ratio (measured as total borrowings, net of minority interests, to shareholders' funds) was 37.0 per cent. (31st December, 2008 — 43.9 per cent.).

As at 30th June, 2009, the net asset value of the Group amounted to HK$3.2 billion (31st December, 2008 — HK$3.2 billion). This was equivalent to HK35 cents per share (31st December, 2008 — HK34 cents per share).

The Group monitors the relative foreign exchange position of its assets and liabilities to minimise foreign exchange risk. When appropriate, hedging instruments including forward contracts, swap and currency loans would be used to manage the foreign exchange exposure.

Apart from the abovementioned, there were no charges on the Group's assets at the end of the period (31st December, 2008 — Nil). On 25th July, 2007, a jointly controlled entity of the Group entered into an agreement to sell all of the rights, title and interest in the receivables in respect of its residential project to Vesta Investment Corporation Limited ("Vesta") and Vesta issued floating rate notes to institutional investors upon the purchase of the receivables (the "Securitisation Exercise"). On the same date, the Company entered into a cost overruns undertaking and a deed of understanding in relation to the Securitisation Exercise. As at

30th June, 2009, the net maximum exposure to the Group was approximately HK$18 million (31st December, 2008 — HK$18 million). Save as aforesaid, the Group had no material contingent liabilities outstanding (31st December, 2008 — Nil).

As at 30th June, 2009, the Group's total capital commitment decreased to HK$105 million (31st December, 2008 — HK$203 million). The investments or capital assets will be financed by the Group's internal resources and/or external banking financing, as appropriate.

Staff and remuneration

The Group had approximately 867 employees as at 30th June, 2009 (2008 — 923 employees). The decrease in the number of employees was due to optimisation of our retail operation in mainland China. Total staff costs (including directors' emoluments) during the period amounted to HK$39 million (2008 — HK$41 million). The Group ensures that its employees are offered competitive remuneration packages. Certain employees of the Group were granted options under the share option scheme of the Company.

Outlook

It appears that the latter half of 2009 will continue to be a difficult period. Business environment remains challenging to companies around the world. However the Group remains positive of the prospects of the Asia Pacific region over the medium term despite the fact that, similar to other regions, it was hard hit by the economic crisis. It is generally believed that mainland China will be among the first to rebound and recover at a faster pace than other countries. The Group will continue to focus on developments in the Asia Pacific region, especially in mainland China. At the same time, it will continue to remain prudent in managing its property and investment portfolios.

BUSINESS REVIEW

Overview

The financial crisis which struck the world in late 2008 continued to take its toll on the global economy in the first half of 2009. Economies around the world, including those in the Asia Pacific region, continued to be weighed down by the aftermath. Although financial markets appeared to have stabilized over the last couple of months, it remains to be seen whether the broader real economy is on the path to sustained recovery.

Results

During the period under review, the performance of the Group was also affected by the economic conditions of the countries and locations where the Group has operations. The Group remained profitable for the first half of the year though there was a drop in profit when compared with the last corresponding period. The Company recorded a profit attributable to shareholders of approximately HK$175 million for the six months ended 30th June, 2009, as compared with a profit of HK$236 million for the same period in 2008.

Property investment and development

The Group's investment properties continued to enjoy high occupancy during the period under review. Rental provided the Group with stable income. Lippo Plaza at Huaihai Zhong Road, Shanghai maintained high occupancy at satisfactory rental rates. The shopping mall of Lippo Plaza is now being renovated to provide a high-end shopping environment. The renovation work is scheduled to be completed by mid 2010. Louis Vuitton, the global leader in luxury goods, has chosen Lippo Plaza to house its second and largest global store in Shanghai. A number of other renowned international luxury brands are in discussions with the Group for leasing the remaining portion of the shopping mall. The renovated shopping mall of Lippo Plaza will generate much higher rental income.

Temporary occupation permits of the property projects in Singapore, namely Newton One, in which the Group is interested in 100 per cent. and The Metropolitan Condominium, a 50:50 joint venture development of the Group with CapitaLand Limited, were issued in the second quarter of the year. All units put up for sale in these two development projects were sold. Part of the sale proceeds has been recognized in the first half of the year.

Retail business

During the period under review, the Tianjin store of Robbinz, the Group's department store chain established in mainland China in 2007, optimized its vendor mix by introducing more competitive brands and wider product variety to increase its attractiveness to its target customers. The number of sales transactions of the Tianjin store increased 21 per cent. for the first half of the year when compared with the last corresponding period and the average spending of the customers also increased. During the period under review, Robbinz also carried out some improvement works to enhance the shopping environment in the Chengdu store and optimized its product mix.

Although the economy of Singapore, where Auric Pacific Group Limited ("APG", a listed company in Singapore, together with its subsidiaries, the "APG Group") derives a majority of its revenues, appears to have recovered in the second quarter of 2009 from the setbacks in the last quarter of 2008 and the first quarter of 2009, it is uncertain if the recovery can be sustained. Consumer spending remains cautious. During the period under review, APG, in which the Group is interested in approximately 49.3 per cent. of its issued share capital, recorded a loss attributable to shareholders of approximately S$4.3 million, as compared to a profit of S$2.4 million for the corresponding period in 2008. In July 2009, the APG Group further increased its interest in Food Junction Holdings Limited ("Food Junction"), a listed company in Singapore. As a result, the APG Group's interest in Food Junction was increased from 50.5 per cent. to 57.8 per cent. Food Junction recorded a profit attributable to shareholders of approximately S$2.1 million for the six months ended 30th June, 2009, as compared to a profit of S$1.4 million for the same period in 2008. Food Junction is a regional food court operation and management specialist and operates food courts in Singapore, Malaysia, Indonesia and mainland China. In order to prepare itself for the recovery in the future, the APG Group would further consolidate and streamline its operations.

PROSPECTS

The extensive fiscal and monetary stimulus programs implemented by governments around the world appeared to have stabilized the markets over the last few months. While this has clearly encouraged economic activities to bounce back, it is still early to say whether the worst of the financial crisis is over and the global economy is back on a sustained path of recovery. It seems likely that the markets in the near future would see more volatility. China, supported by its extensive stimulus and investment programs, seems well placed to be one of the first economies to recover from the global economic crisis, which in turn will have a positive impact on Hong Kong and other neighbouring Asian countries.

Despite the current challenges, management remains positive about the prospects of the region over the medium term. Management will continue to adopt a cautious and prudent approach in managing the Group's investments and businesses and in assessing new investment opportunities.

INTERIM DIVIDENDS

The Directors have resolved to declare the payment of an interim dividend of HK0.2 cent per share (2008 — HK0.2 cent per share) and a special interim dividend of HK0.8 cent per share (2008 — Nil) amounting to approximately HK$91,913,000 for the six months ended 30th June, 2009 (2008 — HK$18,402,000), which will be paid on or about Friday, 16th October, 2009 to shareholders whose names appear on the Register of Members on Friday, 9th October, 2009.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from Wednesday, 7th October, 2009 to Friday, 9th October, 2009 (both dates inclusive) during which period no transfer of share will be registered. In order to qualify for the interim dividend and special interim dividend for the six months ended 30th June, 2009, all transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's Registrars, Tricor Tengis Limited, 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Tuesday, 6th October, 2009.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the six months ended 30th June, 2009, the Company had repurchased a total of 1,600,000 shares of HK$0.10 each in the Company on The Stock Exchange of Hong Kong Limited, all of which were subsequently cancelled. Particulars of the aforesaid repurchases are as follows:

Month	Number of shares of HK$0.10 each repurchased	Highest price paid per share	Lowest price paid per share	Total price paid
2009		HK$	HK$	HK$
January	30,000	0.089	0.087	2,650
February	620,000	0.092	0.086	54,930
March	950,000	0.094	0.090	87,036
Total	1,600,000			144,616
			Expenses incurred for shares repurchased	5,330
				149,946

The above repurchases were effected by the Directors with a view to benefiting the shareholders as a whole in enhancing the net asset value per share of the Company.

Save as disclosed herein, there was no purchase, sale or redemption of the Company's listed securities by the Company or any of its subsidiaries during the period.

AUDIT COMMITTEE

The Company has established an audit committee (the "Committee"). The existing members of the Committee comprise three independent non-executive Directors, namely Mr. Victor Ha Kuk Yung (Chairman), Mr. Edwin Neo and Mr. King Fai Tsui and one non-executive Director, Mr. Leon Nim Leung Chan. The Committee has reviewed with the management of the Company the accounting principles and practices adopted by the Group and financial reporting matters including the review of the unaudited consolidated interim financial statements of the Company for the six months ended 30th June, 2009.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company is committed to ensuring high standards of corporate governance practices. The Board of Directors of the Company (the "Board") believes that good corporate governance practices are increasingly important for maintaining and promoting investor confidence. Corporate governance requirements keep changing, therefore the Board reviews its corporate governance practices from time to time to ensure they meet public and shareholders' expectation, comply with legal and professional standards and reflect the latest local and international developments. The Board will continue to commit itself to achieving a high quality of corporate governance.

To the best knowledge and belief of the Directors, the Directors consider that the Company has complied with the code provisions of the Code on Corporate Governance Practices contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the six months ended 30th June, 2009.

By Order of the Board
Lippo China Resources Limited
John Luen Wai Lee
Director

Hong Kong, 14th September, 2009

As at the date of this announcement, the Board of Directors of the Company comprises eight directors, of which Dr. Mochtar Riady (Honorary Chairman) and Mr. Leon Nim Leung Chan as non-executive Directors, Messrs. James Tjahaja Riady (Chairman), Stephen Tjondro Riady (Deputy Chairman, Managing Director and Chief Executive Officer) and John Luen Wai Lee as executive Directors and Messrs. Edwin Neo, King Fai Tsui and Victor Ha Kuk Yung as independent non-executive Directors.