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, 2010

INTERIM RESULTS

The Directors of Lippo China Resources Limited (the "Company") are pleased to announce the unaudited consolidated interim results of the Company and its subsidiaries (collectively, the "Group") for the six months ended 30th June, 2010 together with the comparative figures for the corresponding period in 2009 as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT
For the six months ended 30th June, 2010

		Unaudited six months ended 30th June,	
		2010	2009
	Note	***HK$'000***	*HK$'000*
Revenue	*2*	**193,959**	184,890
Cost of sales		**(89,560)**	(91,833)
Gross profit		**104,399**	93,057
Administrative expenses		**(60,429)**	(55,069)
Other operating expenses		**(119,074)**	(76,279)
Fair value gains on investment properties		**521,399**	129,824
Gain/(Loss) on disposal of fixed assets		**35,843**	(3)
Provision for impairment losses:			
Associates		**(11,958)**	—
Available-for-sale financial assets		**(8,945)**	(617)
Finance costs		**(21,252)**	(18,643)
Share of results of associates		**(8,259)**	(9,340)
Share of results of jointly controlled entities	*4*	**(472)**	129,605
Profit before tax	*5*	**431,252**	192,535
Income Tax	*6*	**(134,637)**	(24,745)
Profit for the period		**296,615**	167,790

		Unaudited six months ended 30th June,	
		2010	2009
	Note	***HK$'000***	*HK$'000*
Attributable to:			
Equity holders of the Company		**279,398**	174,941
Non-controlling interests		**17,217**	(7,151)
		296,615	167,790
		HK cents	*HK cents*
Earnings per share attributable to equity holders of the Company	*7*		
Basic		**3.04**	1.90
Diluted		**3.04**	N/A

Details of the interim dividend is disclosed in Note 8 to the interim results.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30th June, 2010

	Unaudited six months ended 30th June,	
	2010	2009
	HK$'000	*HK$'000*
Profit for the period	**296,615**	167,790
Other comprehensive income/(loss)		
Available-for-sale financial assets:		
Changes in fair value	**(7,913)**	(23,713)
Share of other comprehensive income/(loss) of associates	**(11,388)**	8,734
Exchange differences on translation of foreign operations	**18,186**	4,170
Other comprehensive loss for the period, net of tax	**(1,115)**	(10,809)
Total comprehensive income for the period	**295,500**	156,981
Attributable to:		
Equity holders of the Company	**276,081**	166,132
Non-controlling interests	**19,419**	(9,151)
	295,500	156,981

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30th June, 2010

	Note	30th June, 2010 HK$'000 (Unaudited)	31st December, 2009 HK$'000 (Audited)
Non-current assets			
Fixed assets		**310,540**	331,001
Investment properties		**3,976,011**	3,359,099
Properties under development		**62,087**	52,564
Interests in associates		**603,223**	637,815
Interests in jointly controlled entities		**9,868**	59,130
Available-for-sale financial assets		**326,721**	343,537
		5,288,450	4,783,146
Current assets			
Properties held for sale		**24,326**	24,561
Inventories		**3,491**	3,061
Financial assets at fair value through profit or loss		**379**	68,719
Loans and advances		**20,866**	20,187
Debtors, prepayments and deposits	*9*	**190,541**	325,029
Cash and bank balances		**662,959**	626,228
		902,562	1,067,785
Current liabilities			
Bank loans		**97,851**	87,430
Creditors, accruals and deposits received	*10*	**337,941**	335,745
Tax payable		**73,110**	88,741
		508,902	511,916
Net current assets		**393,660**	555,869
Total assets less current liabilities		**5,682,110**	5,339,015

	30th June, 2010 *HK$'000* **(Unaudited)**	31st December, 2009 *HK$'000* (Audited)
Non-current liabilities		
Bank loans	**1,220,453**	1,270,963
Deferred rental	**182,643**	170,230
Deferred tax liabilities	**625,550**	493,902
	2,028,646	1,935,095
Net assets	**3,653,464**	3,403,920
Equity		
Equity attributable to equity holders of the Company		
Issued capital	**919,125**	919,125
Reserves	**2,597,461**	2,367,336
	3,516,586	3,286,461
Non-controlling interests	**136,878**	117,459
	3,653,464	3,403,920

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, 2009, except in relation to the following new and revised Hong Kong Financial Reporting Standards ("HKFRS"), HKASs and Interpretations (hereinafter collectively referred to as the "new and revised HKFRSs"), which have become effective for accounting periods beginning on or after 1st January, 2010, that are adopted for the first time for the current period's interim results:

HKFRS 1 (Revised)	*First-time Adoption of Hong Kong Financial Reporting Standards*
HKFRS 1 Amendments	Amendments to HKFRS 1 *First-time Adoption of Hong Kong Financial Reporting Standards — Additional Exemptions for First-time Adopters*
HKFRS 2 Amendments	Amendments to HKFRS 2 *Share-based Payment — Group Cash-settled Share-based Payment Transactions*
HKFRS 3 (Revised)	*Business Combinations*
HKAS 27 (Revised)	*Consolidated and Separate Financial Statements*
HKAS 39 Amendment	Amendment to HKAS 39 *Financial Instruments: Recognition and Measurement — Eligible Hedged Items*
HK(IFRIC)–Int 17	*Distributions of Non-cash Assets to Owners*
Amendments to HKFRS 5 included in *Improvements to HKFRSs* issued in October 2008	Amendments to HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations — Plan to Sell the Controlling Interest in a Subsidiary*
HK Interpretation 4 (Revised in December 2009)	*Leases — Determination of the Length of Lease Term in respect of Hong Kong Land Leases*
Improvements to HKFRSs (May 2009)	Amendments to a number of HKFRSs*

* Improvements to HKFRSs (May 2009) contains amendments to HKFRS 2, HKFRS 5, HKFRS 8, HKAS 1, HKAS 7, HKAS 17, HKAS 36, HKAS 38, HKAS 39, HK(IFRIC)–Int 9 and HK(IFRIC)–Int 16.

The adoption of the above new and 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 3 (Revised) *Business Combinations*

HKFRS 3 (Revised) introduces a number of changes in the accounting for business combinations that will impact the amount of goodwill recognition, the reported results in the period that an acquisition occurs, and future reported results. As the Group has not undertaken such transactions during the six months ended 30th June, 2010, the revised standard has no financial impact on the Group.

HKAS 27 (Revised) *Consolidated and Separate Financial Statements*

HKAS 27 (Revised) requires that a change in the ownership interest of a subsidiary without loss of control is accounted for as an equity transaction. Therefore, such a change will not have any impact on goodwill, nor will it give rise to a gain or loss. Furthermore, the revised standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. Other consequential amendments were made to HKAS 7 *Statement of Cash Flows*, HKAS 12 *Income Taxes*, HKAS 21 *The Effects of Changes in Foreign Exchange Rates*, HKAS 28 *Investments in Associates* and HKAS 31 *Interests in Joint Ventures*. As the Group has not undertaken such transactions during the six months ended 30th June, 2010, the adoption of the revised standard has no financial impact on the Group.

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,	
	2010	2009
	HK$'000	*HK$'000*
Property investment	**86,963**	93,912
Retail business	**81,919**	56,305
Treasury investment	**955**	8,386
Securities investment	**12**	—
Other	**24,110**	26,287
	193,959	184,890

3. SEGMENT INFORMATION

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

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

(b) the property development segment includes development and sale of properties;

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

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

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

(f) 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 results of its operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/(loss), which is a measure of adjusted profit/(loss) before tax. The adjusted profit/(loss) before tax is measured consistently with the Group's profit/(loss) before tax except that finance costs as well as head office and corporate expenses are excluded from such measurement.

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

	Six months ended 30th June, 2010							
	Property investment	**Property 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$'000*	*HK$'000*
Revenue								
External	**86,963**	**—**	**81,919**	**955**	**12**	**24,110**	**—**	**193,959**
Inter-segment	**1,876**	**—**	**—**	**—**	**—**	**—**	**(1,876)**	**—**
Total	**88,839**	**—**	**81,919**	**955**	**12**	**24,110**	**(1,876)**	**193,959**
Segment results	**627,790** *(Note)*	**—**	**(64,173)**	**932**	**(8,915)**	**(20,497)**	**(1,876)**	**533,261**
Unallocated corporate expenses								**(72,026)**
Finance costs								**(21,252)**
Share of results of associates	**(2)**	**—**	**—**	**—**	**—**	**(8,257)**	**—**	**(8,259)**
Share of results of jointly controlled entities	**—**	**87**	**—**	**—**	**—**	**(559)**	**—**	**(472)**
Profit before tax								**431,252**

	Six months ended 30th June, 2009							
	Property investment	Property 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$'000*	*HK$'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 *(Note)*	—	(77,056)	7,928	(182)	18,790	(1,823)	156,652
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

Note: The amount included fair value gains on investment properties of HK$521,399,000 (2009 — HK$129,824,000).

4. SHARE OF RESULTS OF JOINTLY CONTROLLED ENTITIES

The amount included the Group's share of profit in Tanglin Residential Pte. Ltd. ("Tanglin") which was set up for the purpose of a property development project in the Republic of Singapore (the "Project") of HK$87,000 (2009 — HK$129,605,000). 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 all the units had been handed over to the buyers during the year ended 31st December, 2009.

5. PROFIT BEFORE TAX

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

	Six months ended 30th June,	
	2010	2009
	HK$'000	*HK$'000*
Interest income:		
Loans and advances	**253**	248
Other	**955**	8,386
Dividend income from listed investments	**12**	—
Net fair value gain/(loss) on financial assets at fair value through profit or loss:		
Listed	**18**	(37)
Unlisted	**—**	472
Allowance for bad and doubtful debts	**(25,830)**	—
Depreciation	**(16,768)**	(12,809)
Impairment of fixed assets	**(1,189)**	—
Gain/(Loss) on disposal of fixed assets:		
Leasehold land and buildings	**35,836**	—
Other items of fixed assets	**7**	(3)
Loss on disposal of investment properties	**(741)**	—
Cost of inventories sold	**(4,916)**	(4,649)

6. INCOME TAX

	Six months ended 30th June, 2010 HK$'000	2009 HK$'000
Hong Kong:		
Charge for the period	**3,643**	1,104
Underprovision/(Overprovision) in prior periods	**10**	(31)
Deferred	**15,420**	23,622
	19,073	24,695
Overseas:		
Charge for the period	**3,648**	8,849
Underprovision in prior periods	**8**	9
Deferred	**111,908**	(8,808)
	115,564	50
Total charge for the period	**134,637**	24,745

Hong Kong profits tax has been provided at the rate of 16.5 per cent. (2009 — 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.

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$279,398,000 (2009 — HK$174,941,000); and (ii) the weighted average number of 9,191,253,000 ordinary shares (2009 — 9,191,729,000 ordinary shares) in issue during the period.

(b) Diluted earnings per share

Diluted earnings per share for the six months ended 30th June, 2010 is calculated based on (i) the consolidated profit for the period attributable to equity holders of the Company of HK$279,398,000; and (ii) the weighted average number of 9,193,052,000 ordinary shares, calculated as follows:

	Number of shares 2010
Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation	**9,191,253,000**
Effect of dilution — weighted average number of ordinary shares: Share options	**1,799,000**
	9,193,052,000

No diluted earnings per share was presented for the six months ended 30th June, 2009 as the share options outstanding during the period had no dilutive effect on the basic earnings per share.

8. INTERIM DIVIDEND

	Six months ended 30th June,	
	2010	2009
	HK$'000	*HK$'000*
Interim dividend, declared, of HK0.3 cent (2009 — HK0.2 cent) per ordinary share	**27,574**	18,383
2009 special interim dividend, declared, of HK0.8 cent per ordinary share	—	73,530
	27,574	91,913

The interim dividend was declared after the end of the reporting period and hence was not accrued on that date.

9. DEBTORS, PREPAYMENTS AND DEPOSITS

The balance mainly comprised of progress billing receivables in respect of the sales of property units under a development project in the Republic of Singapore of HK$50,835,000 (31st December, 2009 — HK$151,429,000).

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

	30th June, 2010 *HK$'000*	31st December, 2009 *HK$'000*
Outstanding balances with ages:		
Within 30 days	**5,582**	4,312
Between 31 and 60 days	**1,612**	714
Between 61 and 90 days	**1,054**	371
Between 91 and 180 days	**915**	775
Over 180 days	**841**	2,489
	10,004	8,661

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.

10. CREDITORS, ACCRUALS AND DEPOSITS RECEIVED

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

	30th June, 2010 *HK$'000*	31st December, 2009 *HK$'000*
Outstanding balances with ages:		
Within 30 days	**37,463**	58,040
Between 31 and 60 days	**20,726**	9,576
Between 61 and 90 days	**3,994**	2,634
Between 91 and 180 days	**6,625**	4,418
Over 180 days	**3,674**	1,402
	72,482	76,070

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

MANAGEMENT DISCUSSION AND ANALYSIS

The global economy showed some signs of recovery in first half of 2010, but the pace of recovery varied across industry sectors and regions. Singapore and Asian regions show a strong growth, while the recovery in US and Europe remains at a slower pace. Due to the positive trend in the local property market since the second quarter of 2009 and the upgrade of the shopping mall of Lippo Plaza in Shanghai, the Group recorded a profit attributable to shareholders of HK$279 million for the six months ended 30th June, 2010 (2009 — HK$175 million).

Results for the period

Turnover for the six months ended 30th June, 2010 totalled HK$194 million (2009 — HK$185 million). Property investment and retail business were the principal sources of revenue of the Group during the period, contributing 45 per cent. (2009 — 51 per cent.) and 42 per cent. (2009 — 30 per cent.) of the total turnover, respectively.

Property investment and property development

Property investment business continued to provide stable and recurrent revenue to the Group. Property market in the region which the Group conducts its business is on an upward trend since the rebound in 2009.

Lippo Centre in Hong Kong and Lippo Plaza in Shanghai, being the landmarks of the Group in Hong Kong and in mainland China continued to achieve satisfactory occupancy rates. The rental income of Lippo Centre in Hong Kong registered an increase of 5 per cent. The shopping mall of Lippo Plaza in Shanghai was closed since the second half of 2009. It was refurbished and upgraded to provide a high-end shopping environment and the renovation has been completed. Due to the decline in renewal rental rate of the office units and the renovation of the shopping mall, the rental income generated from Lippo Plaza in Shanghai decreased by 20 per cent. during the period. However, with the two renowned international luxury brands, Louis Vuitton and Ermenegildo Zegna, established their global stores in Lippo Plaza in the second quarter of 2010, the Group is optimistic on the future rental income generated. Given the quality and strategic location of the investment properties and the upgrade of the shopping mall in Lippo Plaza, the Group recorded a total revaluation gain on investment properties of HK$521 million (2009 — HK$130 million). As a result, the property investment sector tripled its profits to HK$628 million in the first half of 2010 (2009 — HK$209 million).

The Group cautiously looked for opportunities to realise the increase in value of its property assets. In January 2010, the Group completed the disposal of a property located at AXA Centre in Wanchai, Hong Kong at a total consideration of HK$44 million. Such disposal contributed a profit of HK$36 million to the Group during the period.

The property development projects held by the Group are still in planning stage. Accordingly, there was no revenue or profit recorded for this segment during the six months ended 30th June, 2010 as compared with a share of profit of a jointly controlled entity of HK$130 million in the last corresponding period.

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 by HK$26 million to HK$82 million in the six months ended 30th June, 2010 (2009 — HK$56 million). Turnover comprised of net proceeds received from concessionaire sales and gross rental income. A new store, with a gross floor area of approximately 22,000 square metres, is expected to be opened in Yangzhou by the end of 2010. Loss suffered from the retail business fell to HK$64 million for the six months ended 30th June, 2010 (2009 — HK$77 million).

The business environment of Robbinz remains competitive. The retail business is currently in the development phase and will require further capital injection in order to open new stores to benefit from economies of scale.

On 7th August, 2010, the Group entered into an agreement with PT Multipolar Tbk (“Multipolar”), an associate of the Group’s holding company which is listed on the Indonesia Stock Exchange, to sell the retail business including the existing two stores in Tianjin and Chengdu as well as the new store in Yangzhou to Multipolar for an aggregate cash consideration of HK$345 million. Pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the transaction constitutes a connected transaction for the Company and Lippo Limited (“Lippo”), an intermediate holding company of the Company. The transaction is subject to approval by the independent shareholders of the Company and Lippo.

Other businesses

During the period, the Group registered a share of profit of HK$3 million (2009 — 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. With food as a basic necessity, APG’s core food related businesses should remain resilient.

Financial position

As at 30th June, 2010, the Group’s total assets amounted to HK$6.2 billion (31st December, 2009 — HK$5.9 billion). Property-related assets increased slightly to HK$4.2 billion (31st December, 2009 — HK$3.8 billion), representing 68 per cent. (31st December, 2009 — 65 per cent.) of the total assets. The cash and cash equivalents of the Group increased to HK$663 million (31st December, 2009 — HK$626 million). The Group’s financial position remained healthy and current ratio of the Group (measured as current assets to current liabilities) was 1.77 to 1 (31st December, 2009 — 2.09 to 1).

As at 30th June, 2010, the bank loans of the Group decreased to HK$1,318 million (31st December, 2009 — HK$1,358 million). All the bank loans were secured by certain properties of the Group. 70 per cent. and 30 per cent. (31st December, 2009 — 70 per cent. and 30 per cent.) of the loans were denominated in Hong Kong dollars and Renminbi respectively. All bank loans carried interest at floating rates and 7 per cent. (31st December, 2009 — 6 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 non-controlling interests, to shareholders’ funds) was 36.9 per cent. (31st December, 2009 — 40.7 per cent.).

As at 30th June, 2010, the net asset value of the Group amounted to HK$3.5 billion (31st December, 2009 — HK$3.3 billion). This was equivalent to HK38 cents per share (31st December, 2009 — HK36 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, 2009 — Nil). The Group had no material contingent liabilities outstanding (31st December, 2009 — Nil).

As at 30th June, 2010, the Group's total capital commitment decreased to HK$31 million (31st December, 2009 — HK$60 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 669 employees as at 30th June, 2010 (2009 — 867 employees). The decrease in the number of employees was due to the operation optimisation of our retail business in mainland China. Total staff costs (including directors' emoluments) during the period amounted to HK$40 million (2009 — HK$39 million). The Group ensures that its employees are offered competitive remuneration packages. Certain employees of the Group were granted options under share option scheme of the Company.

Outlook

The outlook for the latter half of 2010 will continue to be a challenging period. Affected by the fears of sovereign debt crisis in Euro zone, business environment remains unstable and uncertain to companies around the world. However, the Group remains positive of the prospects of the Asia Pacific region over the medium term. The Group will keep on refining its existing businesses and seeking new investment opportunities with long-term growth potential.

BUSINESS REVIEW

The first half of 2010 has seen a recovering global economy, leaving little doubt that the massive fiscal and monetary stimulus programs adopted around the world have helped to push off the global economic and financial crisis. However, while the worst may be over, it is still too early to suggest that the world is on the road to sustained recovery. Economic revival has been uneven across the board. Economies in the Asia Pacific region, particularly mainland China and India, have done well. But in comparison, economic recovery in US, Europe and Japan is lagging and uncertain.

For the period under review, the Company recorded an unaudited consolidated profit attributable to shareholders of approximately HK$279 million, as compared with a profit of HK$175 million for the last corresponding period in 2009.

The Group's investment properties enjoyed satisfactory occupancy during the first half of the year. Rental provided the Group with stable income. The renovation work of the retail portion of Lippo Plaza in Shanghai has been completed. Louis Vuitton, the global leader in luxury goods, has chosen Lippo Plaza to house one of its largest global stores in the PRC (the "LV Store"). Ermenegildo Zegna, another renowned international luxury brand, has also housed its first global concept store in the PRC at Lippo Plaza (the "Zegna Store"). The LV Store and

Zegna Store were opened in the second quarter of the year. Following the revamp of the retail portion of Lippo Plaza, both the rental income and occupancy rate of Lippo Plaza have improved.

Robbinz, the Group's department store chain in the PRC, is currently in the development phase and has been loss making since the commencement of its business in late 2007. Robbinz will require further capital injection in order to open additional department stores to benefit from meaningful economies of scale. However, it is anticipated that the business environment of the retail business in the PRC will remain competitive. In August 2010, the Group entered into a conditional sale and purchase agreement with PT Multipolar Tbk ("Multipolar", together with its subsidiaries, the "Multipolar Group") and its wholly-owned subsidiary for the disposal of its interest in Robbinz (specifically being the operations of two department stores and carrying out related retail business in Tianjin and Chengdu and the establishment and subsequent operation of a department store and carrying out retail business in Yangzhou) for an aggregate cash consideration of HK$345 million (the "Disposal"). Given that the Multipolar Group has significant interests and expertise in the retail sector, it is anticipated that the Multipolar Group can facilitate Robbinz to achieve necessary economies of scale and improve its performance. Therefore, the Group proposes to enter into a call option deed with Multipolar and its wholly-owned subsidiary on completion of the Disposal pursuant to which the Group will have a time frame of three years after completion of the Disposal to observe the performance of Robbinz, and will have the right to buy back 20 per cent. of the enlarged interest of Robbinz if it proves to be successful. It is expected that the Disposal will enhance the working capital and cash resources of the Group.

The performance of Auric Pacific Group Limited ("APG", a listed company in Singapore, in which the Group is interested in approximately 49.3 per cent. of its issued share capital, together with its subsidiaries, the "APG Group") has improved during the first half of the year. APG recorded a consolidated profit attributable to shareholders of approximately S$1.1 million for the six months ended 30th June, 2010, as compared to a loss of S$4.3 million for the last corresponding period in 2009. The improved profitability was mainly attributable to, inter alia, the improved results from its food manufacturing business as a result of higher sales and better cost management, and closure of non-performed food retail outlets and non-core business. The APG Group will continue to improve its food retail segment through cost rationalization, exploring new retail concepts and better menu planning. Food Junction Holdings Limited ("Food Junction", a listed company in Singapore, in which the APG Group is interested in approximately 57.8 per cent. of its issued share capital), recorded a consolidated profit attributable to shareholders of approximately S$1.5 million for the first half of the year, as compared with a profit of S$2.1 million for the same period in 2009. Food Junction will continue to streamline its food court operation, expand business operation through the introduction of new F&B concepts, and control operating costs to improve its profits and financial position.

PROSPECTS

Growth momentum in the economies in the Asia Pacific region in which the Group has investments appear to be holding although views are starting to become different, which includes the recent forecast of the Singapore Government that the strong growth momentum in the first half of 2010 is not likely to continue into the second half of 2010. These views reflect concerns about the sluggish recovery and continuing uncertainties in the developed economies like US, Europe and Japan and the subsequent economic drag that may slow down the growth momentum in the Asia Pacific region.

Management is therefore moving forward with cautious optimism about the prospects in the Asia Pacific region and is watchful about the challenges ahead. Management will continue to take a cautious and prudent approach in managing the Group's investment portfolio and businesses and in assessing new investment opportunities.

INTERIM DIVIDEND

The Directors have resolved to declare the payment of an interim dividend of HK0.3 cent per share (2009 — an interim dividend of HK0.2 cent per share and a special interim dividend of HK0.8 cent per share, totalled HK1 cent per share) amounting to approximately HK$27,574,000 for the six months ended 30th June, 2010 (2009 — HK$91,913,000), which will be paid on or about Tuesday, 12th October, 2010 to shareholders whose names appear on the Register of Members on Wednesday, 6th October, 2010.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from Monday, 4th October, 2010 to Wednesday, 6th October, 2010 (both dates inclusive) during which period no transfer of share will be registered. In order to qualify for the interim dividend for the six months ended 30th June, 2010, 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 Thursday, 30th September, 2010.

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

During the six months ended 30th June, 2010, there was no purchase, sale or redemption of the Company's listed securities by the Company or any of its subsidiaries.

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, 2010.

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, 2010.

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

Hong Kong, 30th August, 2010

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), John Luen Wai Lee as executive Directors and Messrs. Edwin Neo, King Fai Tsui and Victor Ha Kuk Yung as independent non-executive Directors.