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LIPPO LIMITED

力寶有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 226)

LIPPO CHINA RESOURCES LIMITED

力寶華潤有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 156)

**DISCLOSEABLE AND
CONNECTED TRANSACTION**

DISCLOSEABLE TRANSACTION

**Disposal of shares in
The Hong Kong Building and Loan Agency Limited by
a wholly-owned subsidiary of Lippo China Resources Limited to
Island New Finance Limited**

THE HONG KONG BUILDING AND LOAN AGENCY LIMITED

香港建屋貸款有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 145)

**Mandatory Cash Offer by Island New Finance Limited
for all the issued shares in
The Hong Kong Building and Loan Agency Limited
(other than those already owned by or agreed to be acquired by
Island New Finance Limited and parties acting in concert with it)**

Change of Secretary

JOINT ANNOUNCEMENT

The respective boards of directors of Lippo and LCR are pleased to jointly announce, and the board of directors of HKBLA has been informed by the Vendor and announces, that Completion of the Sale and Purchase Agreement took place on 12th September, 2005.

Ms. Marisa Mak Mun Chung has resigned as the secretary of HKBLA and a new secretary, Mr. Stephen Lo Kam Fai, has been appointed in her stead.

The respective boards of directors of Lippo, LCR and HKBLA refer to their joint announcements dated 6th July, 2005 and 7th September, 2005 and Lippo's circular dated 11th August, 2005 (the "Circular") relating to the Sale and Purchase Agreement. Terms used in this announcement have the same meanings as defined in the Circular unless otherwise stated.

COMPLETION

The respective boards of directors of Lippo and LCR are pleased to jointly announce, and the board of directors of HKBLA has been informed by the Vendor and announces, that Completion of the Sale and Purchase Agreement took place on 12th September, 2005.

MANDATORY CASH OFFER

Following Completion, the Purchaser becomes interested in approximately 74.8 per cent. of the issued share capital of HKBLA. Under Rule 26.1 of the Takeovers Code, the Purchaser is required to make a mandatory cash offer to acquire all the issued shares of HKBLA other than those already owned by or agreed to be acquired by the Purchaser and parties acting in concert with it. Further details in relation to the Offer are set out in the joint announcement issued by the Purchaser and Allied Group dated 6th July, 2005, and an offer document in respect of the same will be despatched to the shareholders of HKBLA shortly.

APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

Pursuant to the Takeovers Code, HKBLA is required to form an independent board committee to consider the Offer and advise the Independent Shareholders in respect of the Offer, and appoint an independent financial adviser to advise the independent board committee regarding the Offer. A separate announcement will be made by HKBLA once the appointment of the independent financial adviser has been finalised.

A circular of HKBLA including, inter alia, the letter of advice of the independent financial adviser, will be despatched to the shareholders of HKBLA after the above offer document has been sent.

CHANGE OF SECRETARY

Pursuant to the terms of the Sale and Purchase Agreement relating to Completion, Ms. Marisa Mak Mun Chung has tendered her resignation as the secretary of HKBLA with effect from 12th September, 2005. Ms. Mak has confirmed that there is no disagreement with the board of directors of HKBLA and there is nothing concerning her resignation that should be brought to the attention of the shareholders of HKBLA and The Stock Exchange of Hong Kong Limited.

The board of directors of HKBLA is pleased to announce that Mr. Stephen Lo Kam Fai has been appointed as the new secretary of HKBLA with effect from 12th September, 2005.

Mr. Stephen Lo Kam Fai, aged 44, is a member of the Institute of Chartered Accountants of England and Wales and a fellow member of both The Chartered Association of Certified Accountants in the United Kingdom and The Hong Kong Institute of Certified Public Accountants. He holds a Master of Business Administration degree from the Hong Kong Polytechnic University and a Bachelor of Science degree in Economics with First Honours from the University of London. He has over 20 years of experience in auditing and accounting profession. He is currently a Director and the Financial Controller of United Asia Finance Limited and has worked for United Asia Finance Limited as Financial Controller for 10 years.

By Order of the Board
Lippo Limited
Davy Lee
Secretary

By Order of the Board
Lippo China Resources Limited
Millie Luk
Secretary

By Order of the Board
The Hong Kong Building and Loan Agency Limited
David T. Yeh
Director

Hong Kong, 12th September, 2005

As at the date of this announcement, the board composition of each of Lippo, LCR and HKBLA is as follows:

Lippo	LCR	HKBLA
<i>Non-executive Director:</i> Mr. Leon Nim Leung Chan	<i>Non-executive Directors:</i> Dr. Mochtar Riady Mr. Ning Gaoning Mr. Leon Nim Leung Chan	<i>Non-executive Directors:</i> Mr. Ning Gaoning (<i>Chairman</i>) Mr. Leon Nim Leung Chan Mr. Wai Lam Chan
<i>Executive Directors:</i> Mr. Stephen Riady (<i>Chairman</i>) Mr. John Luen Wai Lee (<i>Managing Director and Chief Executive Officer</i>) Mr. Jark Pui Lee Mr. David T. Yeh	<i>Executive Directors:</i> Mr. James Riady (<i>Chairman</i>) Mr. Stephen Riady (<i>Deputy Chairman, Managing Director and Chief Executive Officer</i>) Mr. John Luen Wai Lee	<i>Executive Directors:</i> Mr. David T. Yeh (<i>Chief Executive Officer</i>) Mr. Jark Pui Lee Mr. Jonathan Miles Foxall Mr. Tai Chiu Ng
<i>Independent non-executive Directors:</i> Mr. Edwin Neo Mr. Victor Ha Kuk Yung Mr. King Fai Tsui	<i>Independent non-executive Directors:</i> Mr. Edwin Neo Mr. Victor Ha Kuk Yung Mr. King Fai Tsui	<i>Independent non-executive Directors:</i> Dr. Nai Kong Leung Mr. Victor Ha Kuk Yung Mr. King Fai Tsui

The directors of Lippo jointly and severally/individually accept full responsibility for the accuracy of the information contained in this announcement, other than that relating to HKBLA and LCR, and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement, other than that relating to HKBLA and LCR, have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statements in this announcement misleading.

The directors of LCR jointly and severally/individually accept full responsibility for the accuracy of the information contained in this announcement, other than that relating to Lippo and HKBLA, and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement, other than that relating to Lippo and HKBLA, have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statements in this announcement misleading.

The directors of HKBLA jointly and severally/individually accept full responsibility for the accuracy of the information contained in this announcement, other than that relating to Lippo and LCR, and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement, other than that relating to Lippo and LCR, have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statements in this announcement misleading.