

Canada Pension Plan Investment Board to Invest in Cipali Toll Road in Indonesia

CPPIB deepens commitment to Asia with first infrastructure investment in Indonesia

West Java, Indonesia/Toronto, Canada (September 19, 2019) – Canada Pension Plan Investment Board (CPPIB) will make its first infrastructure investment in Indonesia with the acquisition of a 45% interest in PT Lintas Marga Sedaya (LMS), the concession holder and operator of the Cikopo-Palimanan (Cipali) toll road.

The investment will be made in partnership with PT Baskhara Utama Sedaya (BUS), a wholly-owned subsidiary of PT Astra Tol Nusantara (Astra Infra). CPPIB and BUS will jointly acquire the 55% stake currently held by PLUS Expressways International Berhad, a subsidiary of the UEM Group, ultimately wholly-owned by Khazanah Nasional Berhad. BUS is an existing owner of 45% of LMS and will increase its stake to 55%. CPPIB will acquire the remaining 45% stake in LMS.

“We are pleased to invest in the Cipali toll road alongside Astra Infra, a knowledgeable and sophisticated local partner, and look forward to a successful long-term relationship between our two organizations,” said Scott Lawrence, Managing Director, Head of Infrastructure, CPPIB. “Cipali toll road provides CPPIB access to a vital infrastructure development supported by rising motorization rates in one of the most densely populated and economically productive regions in Indonesia.”

At 117km, the Cipali toll road is one of the longest operational toll roads in Indonesia and a critical link in the transportation network of the island of Java, as part of the Trans Java Toll Road network. It serves as a thoroughfare within West Java, which is Java’s most populous and fastest growing province, and it also connects West Java and suburbs of Jakarta with the rest of Java.

“As CPPIB’s first infrastructure investment in Indonesia, this deepens the Fund’s commitment to the Asia-Pacific region as well as our focus on investments in new markets with attractive return and risk characteristics,” said Suyi Kim, Senior Managing Director and Head of Asia Pacific, CPPIB.

The transaction is expected to be completed in the fourth quarter of 2019, subject to customary closing conditions, including regulatory approvals.

CPPIB has a diversified, global portfolio of infrastructure assets and makes direct investments through many of its nine offices worldwide. CPPIB’s Infrastructure group is focused on investing in quality, large-scale core opportunities with dependable, like-minded partners. At June 30, 2019, CPPIB had C\$33.1 billion invested in infrastructure assets globally.

About Canada Pension Plan Investment Board

Canada Pension Plan Investment Board (CPPIB) is a professional investment management organization that invests the funds not needed by the Canada Pension Plan (CPP) to pay current benefits in the best interest of 20 million contributors and beneficiaries. In order to build diversified portfolios of assets, CPPIB invests in public equities, private equities, real estate, infrastructure and fixed income instruments. Headquartered in Toronto, with offices in Hong Kong, London, Luxembourg, Mumbai, New York City, San Francisco, São Paulo and Sydney, CPPIB is governed and managed independently of the Canada Pension Plan and at arm's length from governments. At June 30, 2019, the CPP Fund totalled \$400.6 billion. For more information about CPPIB, please visit www.cppib.com or follow us on [LinkedIn](#), [Facebook](#) or [Twitter](#).

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