



## *1st Quarter 2010 Results Presentation*

6 May 2010



# Disclaimer

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Certain statements in this presentation concerning our future growth prospects are forward-looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. These forward-looking statements reflect our current views with respect to future events and financial performance and are subject to certain risks and uncertainties, which could cause actual results to differ materially from historical results or those anticipated. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition in the Indonesian retail industry including those factors which may affect our ability to attract and retain suitable tenants, our ability to manage our operations, reduced demand for retail spaces, our ability to successfully complete and integrate potential acquisitions, liability for damages on our property portfolios, the success of the retail malls and retail spaces we currently own, withdrawal of tax incentives, political instability, and legal restrictions on raising capital or acquiring real property in Indonesia. In addition to the foregoing factors, a description of certain other risks and uncertainties which could cause actual results to differ materially can be found in the section captioned "Risk Factors" in our preliminary prospectus lodged with the Monetary Authority of Singapore on 19 October 2007. Although we believe the expectations reflected in such forward-looking statements are based upon reasonable assumptions, we can give no assurance that our expectations will be attained. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of management on future events. We undertake no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events or otherwise.

# CONTENTS

1. Overview of LMIR Trust & Key Highlights .....	4-6
2. Financial Results .....	7-12
3. Portfolio Performance .....	13-20
4. LMIR Trust Growth Strategies .....	21-22
5. Acquisitions .....	23
6. Sponsor .....	24-26
7. Summary .....	27-28
8. Appendix .....	29-32







## *Overview of LMIR Trust*



# Overview of LMIR Trust



- Portfolio of Indonesian Retail Assets valued at S\$1.056 billion<sup>1</sup> including 8 retail malls and 7 retail spaces
- Strategically located with large population catchment areas - 5 of the Retail Malls are located in greater Jakarta, 2 in Bandung, and 1 in Medan
- Portfolio is well positioned in terms of target segment and diversified tenant base to benefit from Indonesia's emerging economy and favorable demographics
- Low gearing provides opportunity for future growth

**Notes:**

<sup>1</sup> Adopted valuation from CBRE as at 31 December 2009 in IDR, converted to SGD at the year end exchange rate

# Key Highlights

## Financial Results

- 1Q 2010 DPU of 1.20 cents equates to an annualised yield of 10% at price of 48 cents<sup>1</sup>
- NAV = S\$0.84 with low gearing 10%

## Portfolio Update

- Occupancy of 96.9% as at 31 March 2010 versus industry average of 82.8%<sup>2</sup>
- Well diversified portfolio with no particular trade sector accounting for more than 17% of LMIR Trust's total NLA and no single property accounting for more than 17% of LMIR Trust's total net property income

## Strategic Issues

- Recent asset enhancements successfully completed
- Acquisition pipeline of quality assets available
- Strategies for organic growth being pursued

## Economic Outlook

- The outstanding performance of the Indonesian economy in 2009 has continued unabated into 2010, with domestic financial markets maintaining their strong momentum
- Indonesia has increasingly captured the attention of global financial investors as there are expectations that Indonesia will return to investment grade
- Indonesian retail market expected to perform better in line with improving economic conditions.

Note:

1. Closing price of \$0.48 on 31 March 2010
2. Source: Cushman Wakefield Indonesia Q4 2009 Retail Report





# *Financial Results*



# 1Q 2010 Financial Results – P&L

	Actual 1Q 2010 (\$\$'000)	Actual 1Q 2009 (\$\$'000)	Variance (%)	Remarks
<b>Gross Revenue</b>	21,582	18,658	15.7%	Mainly due to:  The effect of foreign exchange rates used for translating revenues denominated in IDR to SGD. The average SGD/IDR exchange rate adopted in the 1Q 2010 financial statements was 6,611 considerably stronger than the average rate of 7,704 used in 1Q 2009
<b>Property Expenses</b>	(1,237)	(1,149)	(7.7%)	Mainly due to:  Higher property management fee of \$0.1M arising from the higher gross rental and net property income
<b>Net Property income</b>	20,345	17,509	16.2%	The higher gross revenue offset by higher property operating expenses resulted in higher net property income at \$20.3M, which is \$2.8M, or 16% higher than 1Q 2009.
<b>Distribution income</b>	12,877	14,552	(11.5%)	Mainly due to higher financial expenses including a realised loss on the cross currency swap
<b>Distribution per unit (cents)<sup>1</sup></b>	1.20	1.36	(12.0%)	
<b>Distribution yield<sup>2</sup> (%)</b>	10.0			

Notes:

1. Based on 1.076 billion units in issue as at 31 March 2010
2. Based on the closing price of \$0.48 as at 31 March 2010



# 1Q 2010 Financial Results – Balance Sheet



	31-Dec-09 (S\$ million)	31-Mar-10 (S\$ million)
Non Current Assets	1,056.1 <sup>1</sup>	1,087.5
Current Assets	132.1	133.3
Total Debt	125.0 <sup>2</sup>	125.0 <sup>2</sup>
Other Liabilities	171.7	193.2
Net Assets	891.5	902.6
Net Asset Value	S\$0.83	S\$0.84
Average Cost of Debt	7.7% p a	7.7% p a
Total Units in Issue	1.075 billion	1.076 billion

Notes:

1. Adopted valuation from CBRE as at 31 December 2009 in IDR, converted to SGD at the year end exchange rate
2. DB loan expires on 24 March 2012. Interest cost is fixed at 2.03% until 31 May 2011 plus margin and costs.

# Distribution Details

**1 January – 31 March 2010**

**Total DPU**

**1.20 c**

**Tax-Exempt**

**0.96 c**

**Capital**

**0.24 c**

**Books Closure Date**

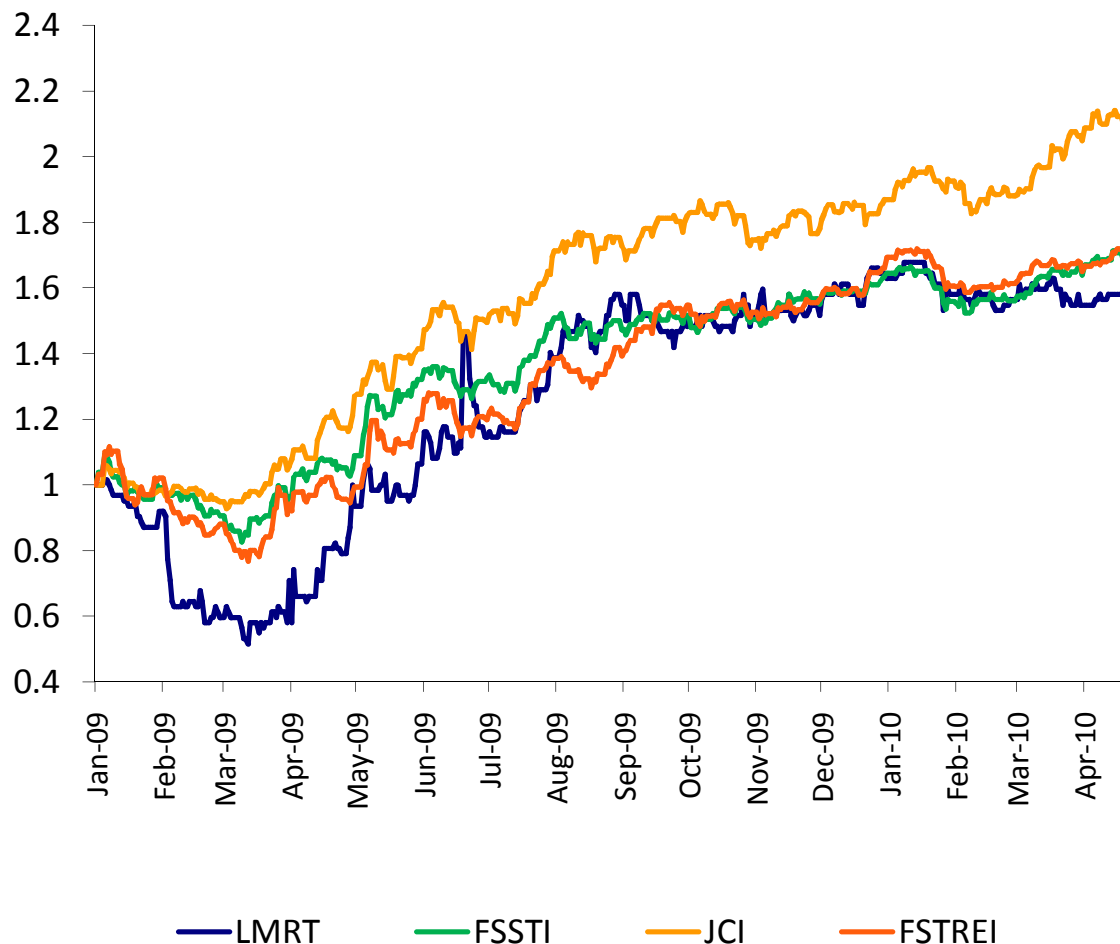
**14 May 2010**

**Distribution Payment Date**

**27 May 2010**

Since listing in Nov 2007, LMIR Trust has maintained a payout policy of 100% of distributable income  
**FOR FY 2010, LMIR TRUST PLANS TO MAINTAIN A 100% DISTRIBUTION PAYOUT**

# Unit Price Performance



## Notes:

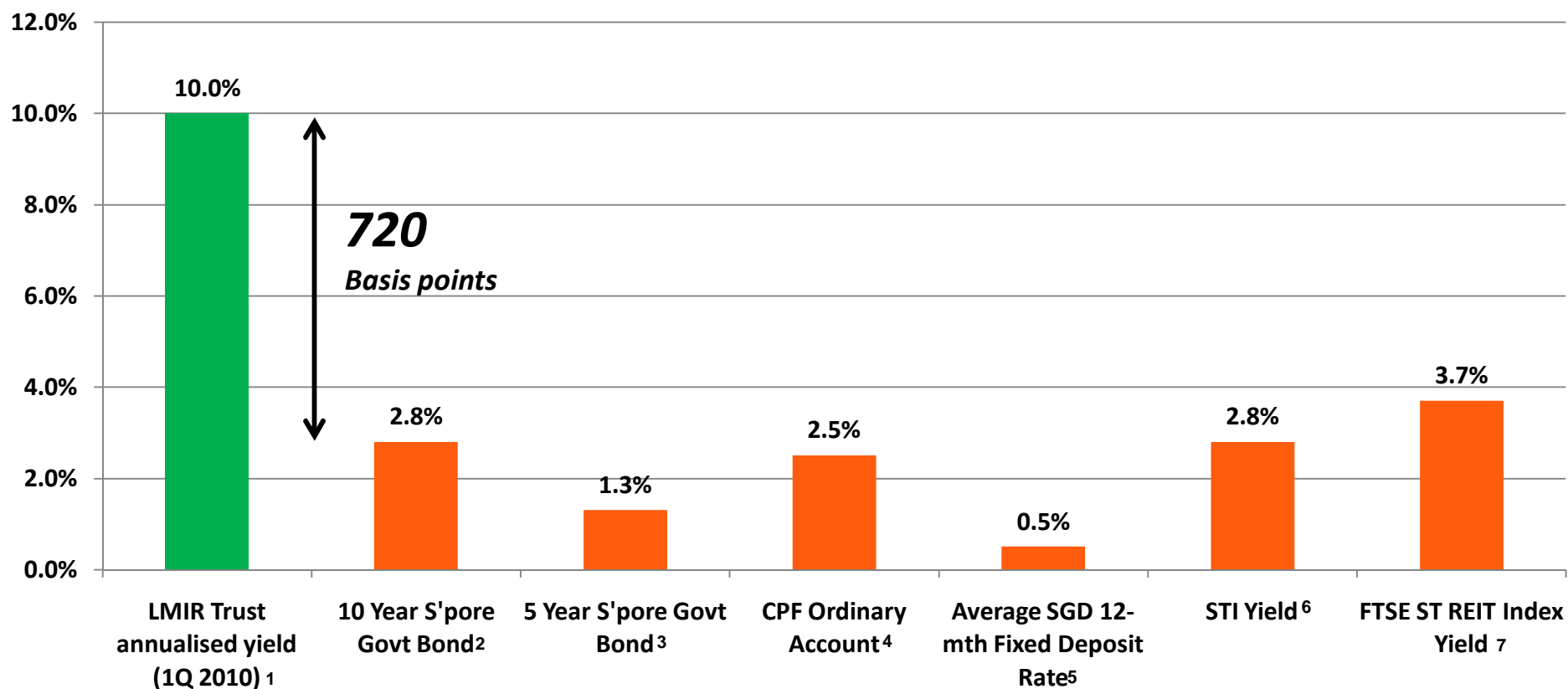
- ❖ LMIR Trust unit price has slightly under performed the STI since the start of 2009
- ❖ Market capitalization is S\$517 million<sup>1</sup> as of 31 March 2010

## Notes:

1. Based on the closing price of \$0.48 as at 31 March 2010



# Attractive yield compared to other local investment products



**Notes:**

1. Based on LMIR Trust's closing price of 48 cents per unit as at 31 March 2010 and distribution of 1.20 cents per unit for 1Q 2010
2. Singapore Government 10-Year bond yield as at 31 March 2010
3. Singapore Government 5-Year bond yield as at 31 March 2010
4. Prevailing CPF-Ordinary Account savings rate (Source: CPF website)
5. Based on 12-month SGD fixed deposit savings rate as at March 2010
6. Based in 12-month gross dividend yield of Straits Times Real Estate Index as at 31 March 2010
7. Based on 12-month gross dividend yield of stocks in the FTSE ST Real Estate Investment Trust Index as at 31 March 2010



# *Portfolio Performance*



# Portfolio Update: Occupancy

No.	Malls	NLA (sqm)	Occupied		Occupied + Committed
			As at Dec 09 (%)	As at Mar 10 (%)	As at Mar 10 (%)
1	Bandung Indah Plaza	30,603	99.3	94.6	94.9
2	Cibubur Junction	34,384	98.3	96.0	97.0
3	Ekalokasari Plaza	25,830	98.2	90.0	90.0
4	Gajah Mada Plaza	35,173	98.8	98.4	98.6
5	Istana Plaza	27,535	97.1	98.6	98.8
6	Mal Lippo Cikarang	28,713	86.9	86.2	93.2
7	The Plaza Semanggi	64,280	93.8	87.8	94.4
8	Sun Plaza	63,296	96.5	98.7	98.6
A	<b>Mall Portfolio</b>	<b>309,562</b>	<b>96.0</b>	<b>93.8</b>	<b>96.0</b>
B	<b>Retail Spaces</b>	<b>94,070</b>	<b>100</b>	<b>100</b>	<b>100</b>
A+B	<b>Total Portfolio</b>	<b>403,632</b>	<b>96.9</b>	<b>95.2</b>	<b>96.9</b>
	<b>Industry Average</b>				<b>82.2<sup>1</sup></b>

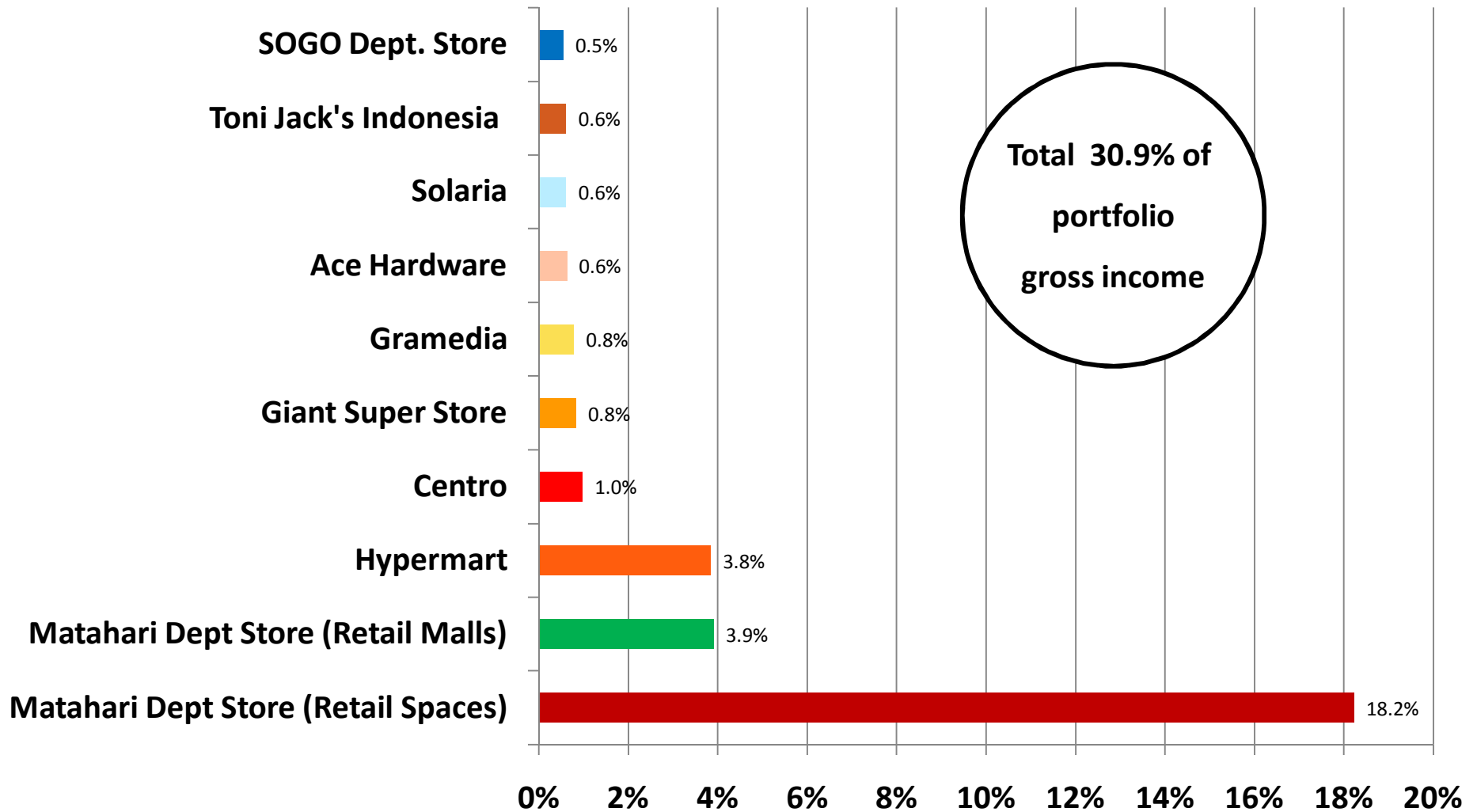
Note:

1. Source : Cushman & Wakefield Indonesia Q4 2009 Retail Report

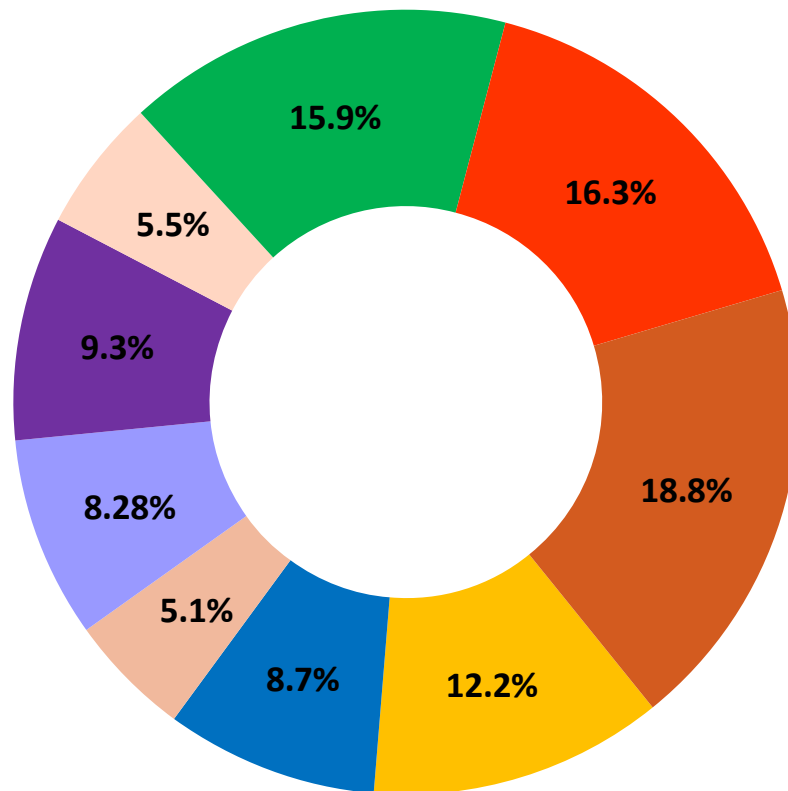
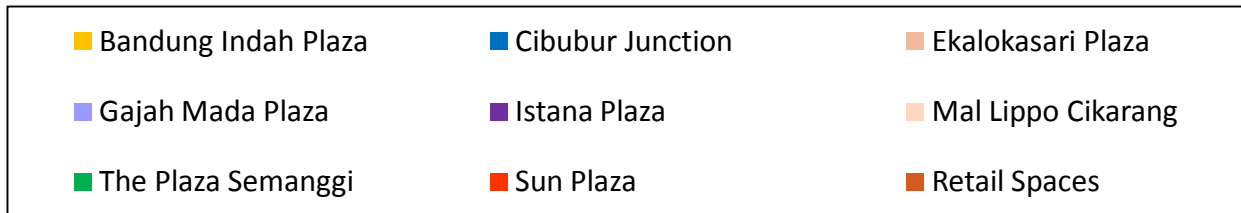
- The rental guarantees expired on 31 December 2009 which has reduced the occupancy figures for Bandung Indah Plaza, Ekalokasari Plaza, Cibubur Junction and Plaza Semanggi as at 31 March 2010
- After including temporary leasing and new leases committed by way of signed letters of intent, the occupancy is as shown in the Occupied and Committed column



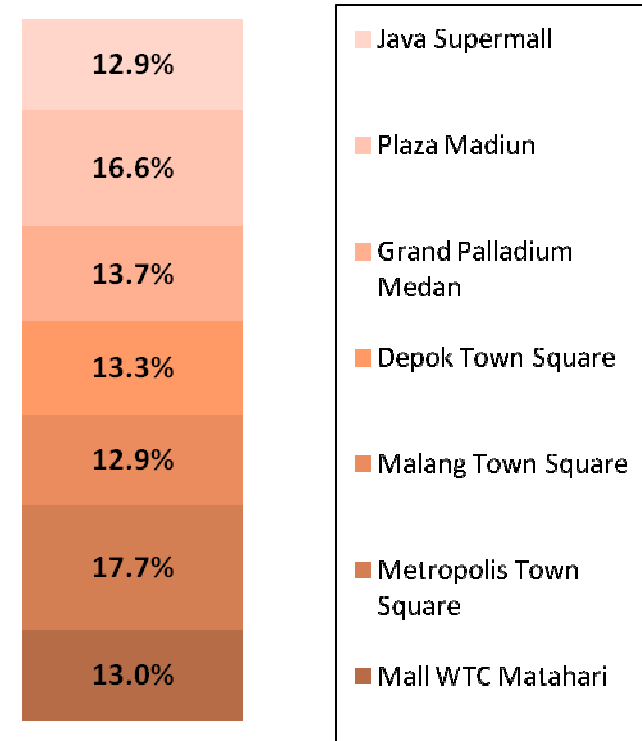
# Top 10 Tenants by Gross Income



# Portfolio Update: Diversification

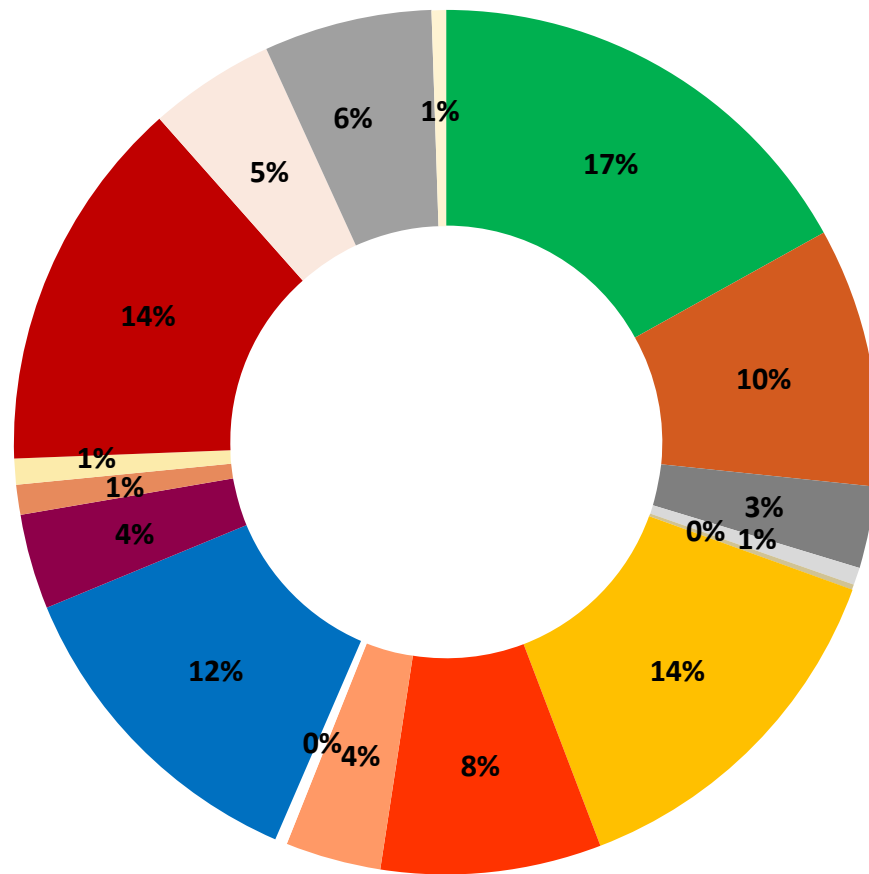


## Retail Spaces Income Breakdown



Note: As at 31 March 2010

# Portfolio NLA Breakdown By Trade Sector

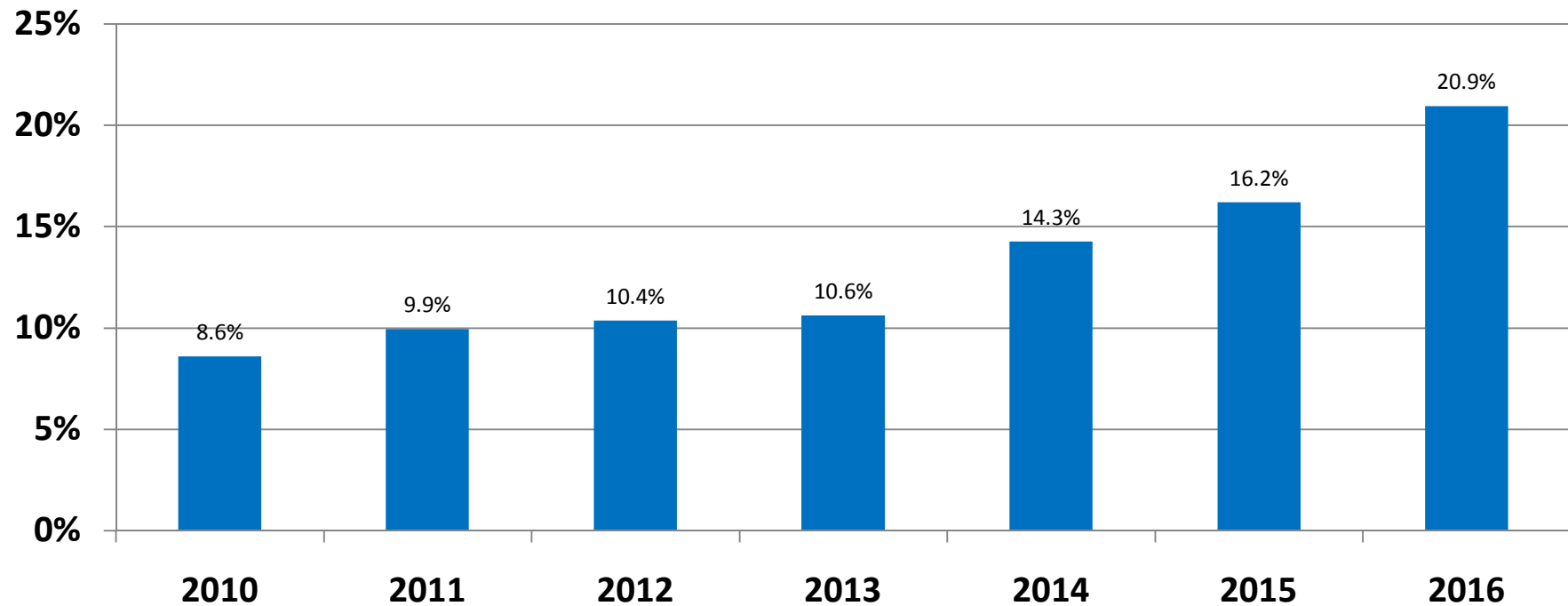


- Department Store
- Fashion
- Books & Stationary
- Hobbies
- Education / School
- Supermarket / Hypermarket
- Casual & Others
- Sports & Fitness
- Toys
- Leisure & Entertainment
- Electronic / IT
- Gifts & Specialty
- Jewelry
- F & B / Food Court
- Home Furnishing

Note: As at 31 March 2010



# Lease Expiry as % of Total Malls NLA



- Long lease expiry profile underpins portfolio stability
- Mixture of long-term and short term leases, provides growing & stable distributions

## Average Rental Rates as at March 2010

Retail Malls	ARR	
	Anchor	Specialty shops
Bandung Indah Plaza	62,000	277,000
Cibubur Junction	54,000	205,000
Ekalokasari	48,000	149,000
Gajah Mada Plaza	46,000	184,000
Istana Plaza	59,000	209,000
Mal Lippo Cikarang	59,000	150,000
Plaza Semanggi	57,000	188,000
Sun Plaza	39,000	188,000
<b>ARR Retail Malls</b>	<b>51,000</b>	<b>198,000</b>

# Traffic Flow of LMIR Trust Malls

	Q4			Q1			Total YTD		
	2008 (Million)	2009 (Million)	Variance (%)	2009 (Million)	2010 (Million)	Variance (%)	2009 (Million)	2010 (Million)	Variance (%)
<b>Car</b>	2.16	2.20	1.9	2.12	2.10	(0.9)	2.12	2.10	(0.9)
<b>Motorcycle</b>	1.55	1.58	1.9	1.49	1.37	(8.1)	1.49	1.37	(8.1)
<b>Visitor</b>	20.52	23.09	12.5	19.76	20.36	3.04	19.76	20.36	3.04



# ***LMIR Trust Growth Strategies***

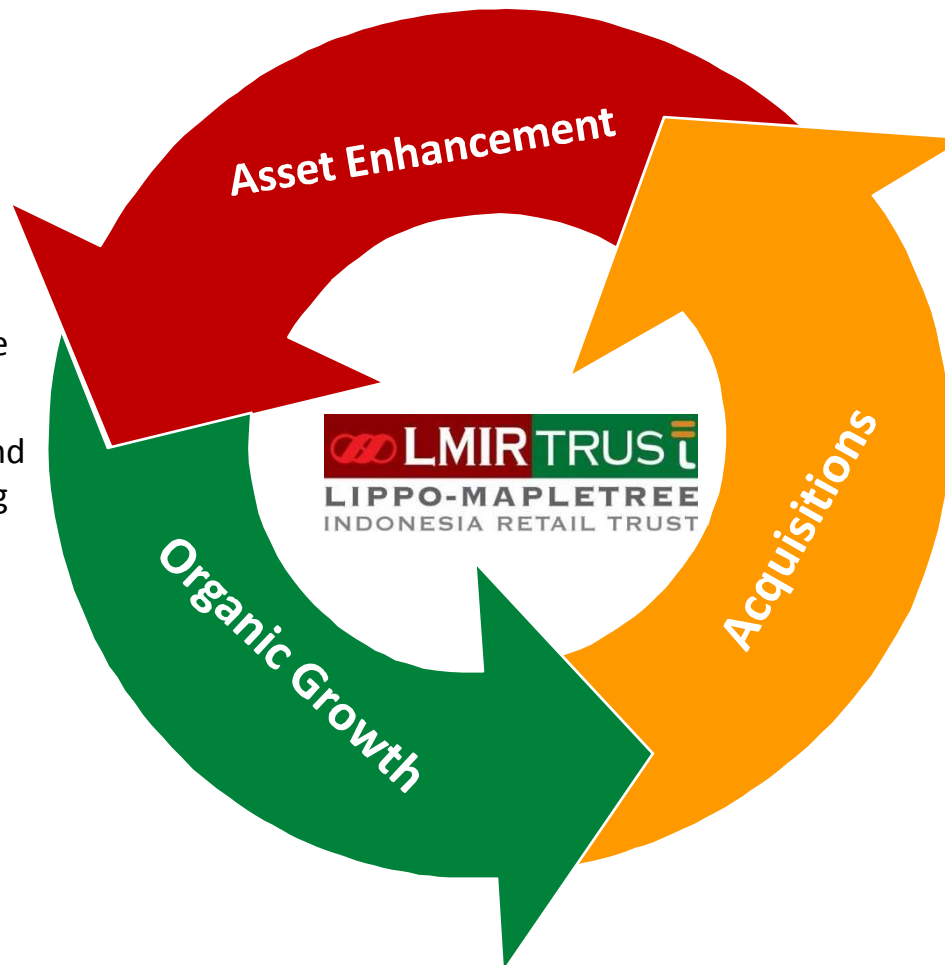




# Targeted Growth Strategies

- 5 asset enhancements completed in 2009 which translated into additional revenue of Rp 5 billion per annum

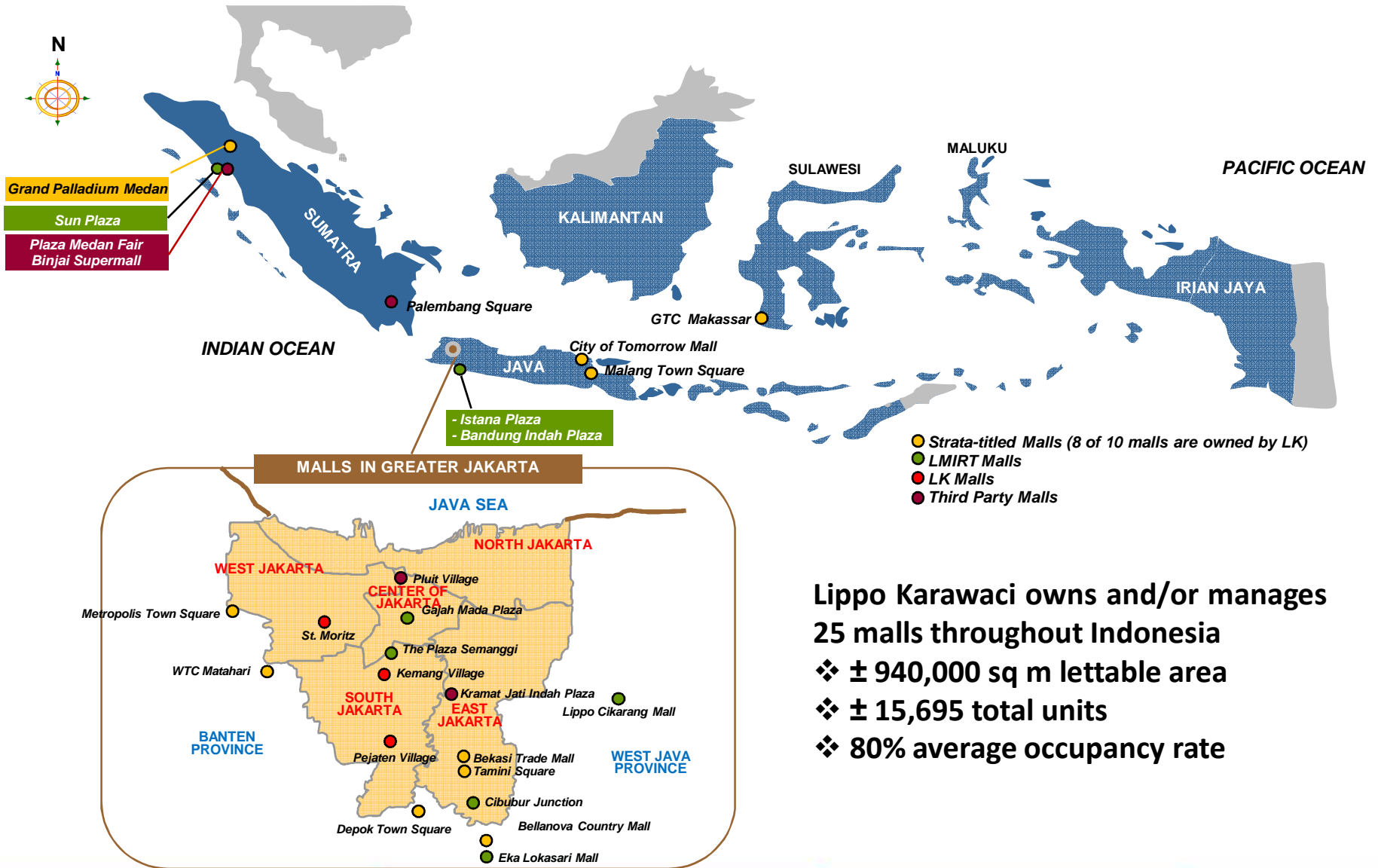
- Improving macroeconomic fundamentals
- Growing & affluent urban middle income class
- Active portfolio management and tenant re-mixing / re-positioning strategies



- Large available pipeline from both Sponsor and third parties.
- ROFR over malls from Sponsor
- A fragmented and diverse retail market provides further acquisition growth opportunities

# Access to acquisitions through Sponsor and third parties

## 25 malls throughout in Indonesia



Lippo Karawaci owns and/or manages  
 25 malls throughout Indonesia  
 ❖ ± 940,000 sq m lettable area  
 ❖ ± 15,695 total units  
 ❖ 80% average occupancy rate



*Sponsor*

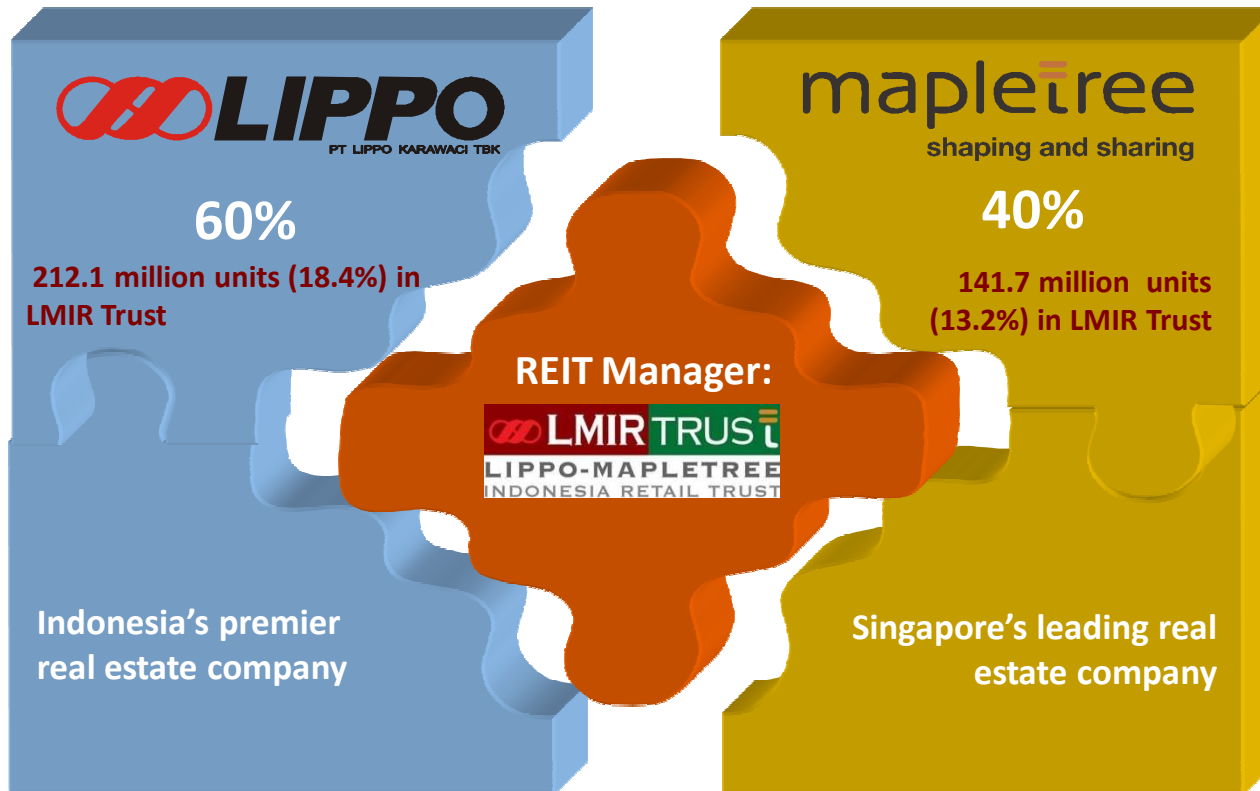


# Manager of LMIR Trust: LMIR Trust Management Ltd



## Partnership between two leading real estate forces

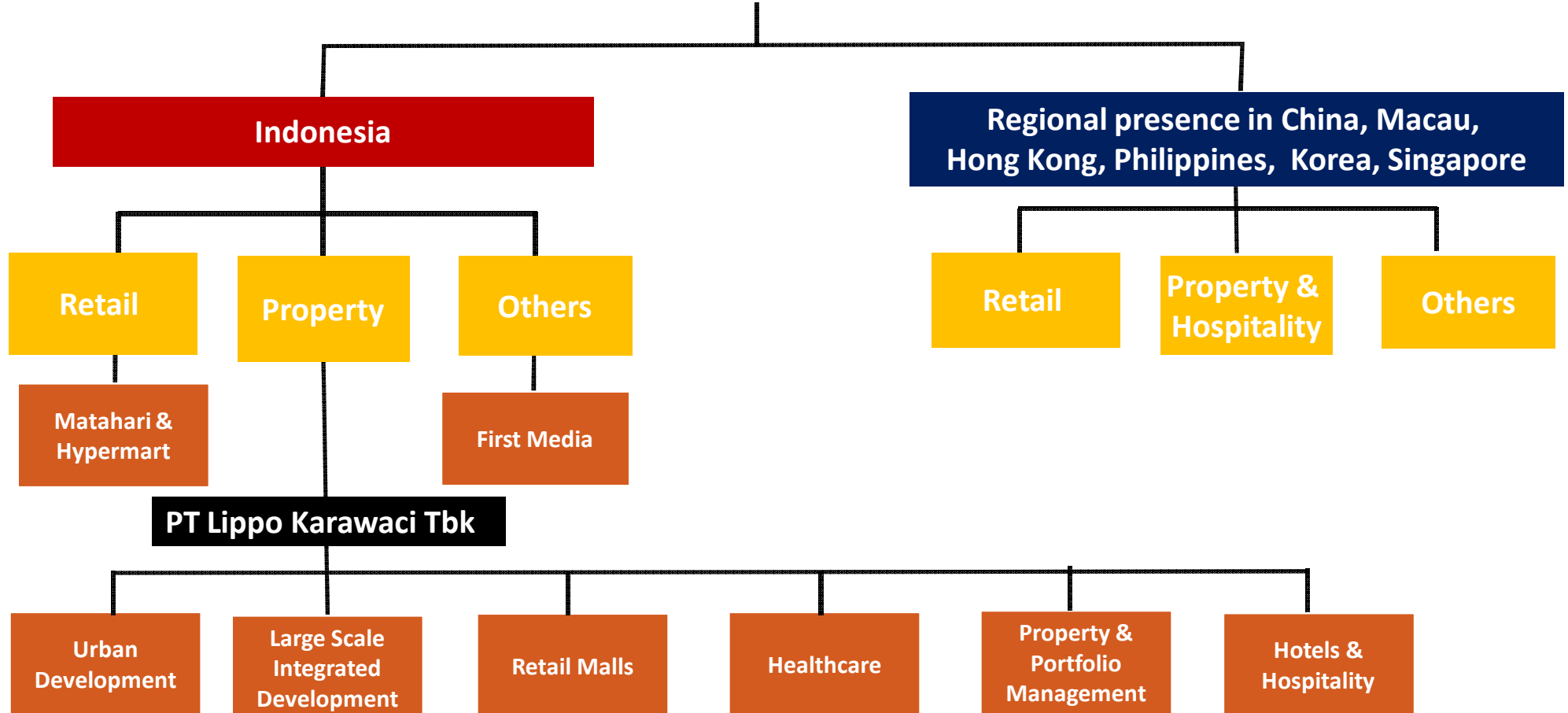
- Lippo is one of Indonesia's largest conglomerates
- Lippo Karawaci ("LK") is the largest listed property company in Indonesia by assets, revenue and net profit.
- LK has the most integrated business model of all property companies in Indonesia.
- LK rated by 3 rating agencies-B by S&P, B1 by Moody's and B+ by Fitch.



- Leading real estate company in Singapore with Asian focus.
- Owns and manages over S\$11.8 billion of real estate assets pan Asia.
- 8 offices across Asia to support regional business.



# Lippo is One of Indonesia's Largest Conglomerates





# *Summary*



# Conclusion

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- Based on announced DPU, attractive yield of 10%
- Share price trading at a substantial discount to NAV
- Well-balanced property diversification with no single property accounting for more than 17% of Net Property Income
- Portfolio occupancy rate remains higher than industry average
- Conservative gearing provides capacity for further yield accretive acquisitions
- Access to future acquisitions in a fragmented and diverse retail market
- The outstanding performance of the Indonesian economy in 2009 has continued unabated into 2010
- Indonesia retail market is likely to benefit from the improved macro-economy
- LMIRT is committed to deliver stable results to our unit holders





# Appendix





# Quality and strategically located Retail Malls

High Quality Retail Malls...

Gajah Mada Plaza



The Plaza Semanggi



Ekalokasari Plaza



Istana Plaza



Cibubur Junction



Mal Lippo Cikarang



Bandung Indah Plaza



Sun Plaza



Anchored by premier local retailers..

<p><b>Matahari</b> Largest retailer and department store in Indonesia</p>
<p><b>hypermart</b> 30 hypermarkets across Indonesia</p>
<p><b>CENTRO</b> 4 department stores across Indonesia</p>
<p><b>SOGO</b> 6 department stores across Indonesia</p>
<p><b>Giant</b> 14 Giant Hypermarkets across Indonesia</p>
<p><b>21</b> Indonesia's largest Cinema Network</p>

Well complimented by Int'l & local specialty retailers


# Retail Spaces Master-leased to Matahari

LMIR Trust's portfolio includes 7 Retail Spaces with total NLA of 94,070 sqm, master-leased to Matahari for a period of 10+10 years, with fixed rental growth of 8% p.a. for the first 4 years and a revenue sharing formula thereafter

Mall WTC Matahari Units



NLA : 11,184 sqm

Metropolis Town Square Units



NLA : 15,248 sqm

Depok Town Square Units



NLA : 13,045 sqm

Java Supermall Units



NLA : 11,082 sqm

Malang Town Square Units



NLA : 11,065 sqm

Plaza Madiun



NLA : 19,029 sqm

Grand Palladium Unit



NLA : 13,417 sqm

5 of the 7 Retail Spaces reside in strata-titled malls built by the Sponsor



**THANK YOU**