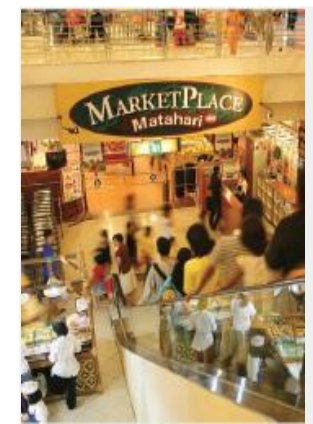


# Lippo Malls Indonesia Retail Trust

## 3Q 2014 Results Presentation

12 Nov 2014



# 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.

# Key Highlights of 3Q 2014 Results

## 3Q 2014 Results

- YTD Gross Rental Income increased by 4.2 % in IDR term
- 3Q 2014 DPU of 0.69 is higher than that of 2Q 2014
- 3Q 2014 DPU represents an annualised yield of 6.9%

## Financial Position

- 100% of LMIRT's S\$ 1.4 billion<sup>1</sup> asset portfolio remained unencumbered
- Weighted Average Maturity of debt facilities was ~ 1.8 years<sup>2</sup>, with no refinancing required until July 2015
- Gearing level of 28.3% as at 30 Sep 2014

## Economic and Retail Landscape

- Indonesia's FDI increased by 16.9% YoY to IDR 78.3 trillion in 3Q 2014<sup>3</sup>.
- Indonesia's economy expected to continue on its current grow rate in the coming year
- Retail sales Index rose to 21% YoY in 3Q 2014<sup>4</sup> and expected to maintain its growth momentum

## Portfolio Update

- Overall occupancy of 95.0% as at 30 Sep 2014
- Well-diversified portfolio with no single property contributing more than 14% of existing portfolio NPI
- New leases/Renewed leases of approx 16,000 sqm spaces, whilst average rental reversion was 11.6% during 3Q 2014

### Notes:

1. Based on valuation by Rengganis, Wilson, Hendra and Winarta in IDR as at 31 Dec 2013 and converted to SGD using IDR/SGD as at 30 Sep 2014
2. As at 30 Sep 2014
3. Indonesia Investment Coordination Board
4. Retail Sales Survey preliminary figure, Bank Indonesia



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## Financial Results

## 3Q 2014 Financial Results – P&L (in Rp)

	3Q 2014 (Rp'mn)	3Q 2013 (Rp'mn)	Variance (%)
Gross Rent	266,101	261,813	1.6%
Rental guarantee income	2,547	13,770	-81.5%
Other income	6,509	10,732	-39.3%
	275,157	286,315	-3.9%
Net parking income	24,769	25,082	-1.2%
Rental of electrical, mechanical and mall operating equipment	5,224	7,780	-32.9%
Total revenue	305,150	319,177	-4.4%
Property management fee	(8,950)	(7,609)	-17.6%
Property operating expenses	(5,937)	(1,375)	NM
	(14,887)	(8,984)	NM
Net property income	290,263	310,193	-6.4%

## 3Q 2014 Financial Results – P&L

	3Q 2014	3Q 2013	Variance (%)
	(S\$'000)	(S\$'000)	
Gross Rent	28,336	31,344	-9.6%
Rental guarantee income	271	1,633	-83.4%
Other income	692	1,303	-46.9%
	29,299	34,280	-14.5%
Net parking income	2,638	3,025	-12.8%
Rental of electrical, mechanical and mall operating equipment	552	876	-37.0%
Total revenue	32,489	38,181	-14.9%
Property management fee	(954)	(917)	-4.0%
Property operating expenses	(628)	(120)	NM
	(1,582)	(1,037)	NM
Net property income	30,907	37,144	-16.8%
Distributable Income	17,070	19,136	-10.8%
Distribution Per Unit (cents) <sup>1</sup>	0.69	0.87	-20.7%
Annualized Distribution Yield (%) <sup>2</sup>	6.9%		

Notes:

1. Based on 2,462.65 billion units in issue as at 30 Sep 2014
2. Based on a closing price of S\$0.395 as at 30 Sep 2014

## 3Q 2014 Financial Results – Balance Sheet

	30-Sep-14 (S\$ million)	31-Dec-13 (S\$ million)
Non Current Assets	1,428.7 <sup>1</sup>	1,415.7 <sup>2</sup>
Current Assets	251.1	398.2
Total Debt	475.0	622.5
Other Liabilities	183.7	181.8
Net Assets	1,021.1	1,009.6
Net Asset Value	S\$ 0.41	S\$ 0.41
Total Units in Issue	2,462.6	2,453.3
Gearing Ratio	28.3%	34.3%

*Notes:*

1. Based on valuation by Rengganis, Wilson, Hendra and Winarta at 31 Dec 2013 in IDR and converted to SGD using the closing rate of 9,554.35 IDR/SGD as at the end of 3Q 2014.
2. Based on valuation by Rengganis, Wilson, Hendra and Winarta at 31 Dec 2013 in IDR and converted to SGD using the closing rate of 9,611.69 IDR/SGD as at the end of 4Q 2013.

## Distribution Details

01 Jul 2014 – 30 Sep 2014

<b>Total DPU</b>	<b>0.69 cents</b>
<i>- Tax-Exempt</i>	<i>0.49cents</i>
<i>- Capital</i>	<i>0.20 cents</i>
<b>Books Closure Date</b>	<b>20 Nov 2014</b>

**Tentative Distribution Payment Date      5 Dec 2014**

Since listing in Nov 2007, LMIR Trust has maintained a payout policy of 100% of distributable income



# Portfolio Overview

LMIRT is well-positioned to leverage on the strong Indonesian macro outlook and buoyant retail sector

- Portfolio valuation of S\$ 1.4bn<sup>1</sup>
- 95.0% Occupancy vs 86.1% Industry Average
- Total NLA of 705,850 sqm<sup>2</sup>

Portfolio Key Metrics				
No	Malls	NLA (sqm)	Valuation (S\$m) <sup>1</sup>	Occupancy Rate
1	Bandung Indah Plaza	30,288	87.4	99.6%
2	Cibubur Junction	34,538	53.3	99.0%
3	Ekalokasari Plaza	17,251	40.8	97.9%
4	Gajah Mada Plaza	36,377	77.9	99.0%
5	Istana Plaza	26,857	77.8	99.6%
6	Mal Lippo Cikarang	30,250	54.9	99.8%
7	Plaza Medan Fair	56,008	115.6	97.8%
8	The Plaza Semanggi	64,249	145.4	90.5%
9	Pluit Village	87,353	147.5	81.6%
10	Sun Plaza	64,297	169.3	95.6%
11	Binjai Super Mall	23,332	27.7	87.8%
12	Lippo Kramat Jati Indah	32,379	59.4	87.9%
13	Pejaten Village	42,098	98.6	99.2%
14	Palembang Square	31,636	65.8	97.5%
15	Palembang Square Ext	17,392	24.8	99.8%
16	Tamini Square	17,475	25.9	100.0%
<b>A</b>	<b>Mall Portfolio</b>	<b>611,780</b>	<b>1,272.1</b>	<b>94.2%</b>
<b>B</b>	<b>Retail Spaces</b>	94,070	152.6	100.0%
<b>A + B</b>	<b>Total Portfolio</b>	<b>705,850</b>	<b>1,424.7</b>	<b>95.0%</b>
	<b>Industry Average</b>			<b>86.1%</b> <sup>3</sup>

Notes:

- Based on valuation by Rengganis, Wilson, Hendra and Winarta at 31 Dec 2013 in IDR and converted to SGD using the closing rate of 9,554.35 IDR/SGD as at 30 Sep 2014.
- As at 30 Sep 2014
- Colliers Market Report \_3Q 2014\_Retail (occupancy of the Greater Jakarta area)



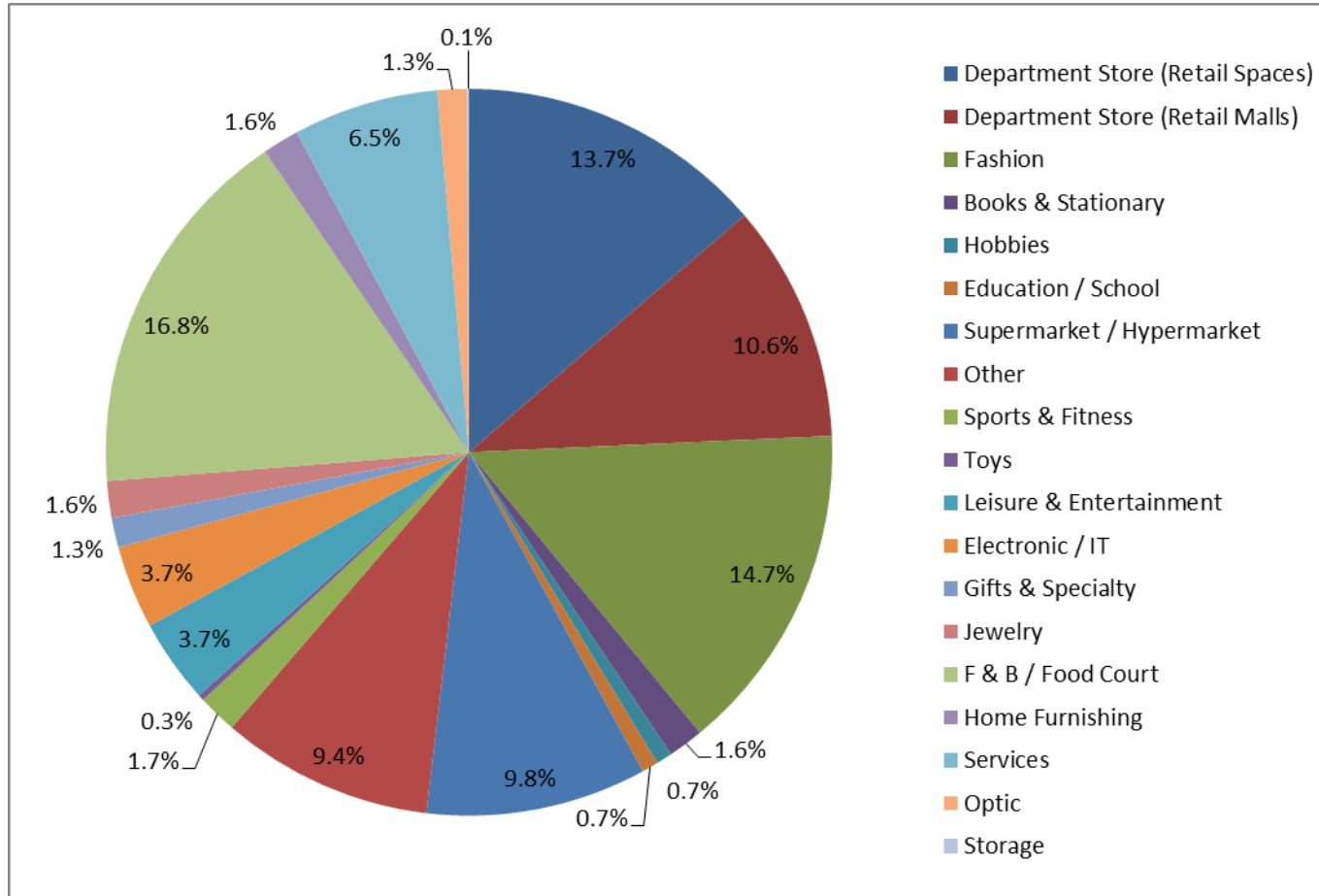
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## Portfolio Performance

# Diversified Trade Mix

As at 30 Sep 2014

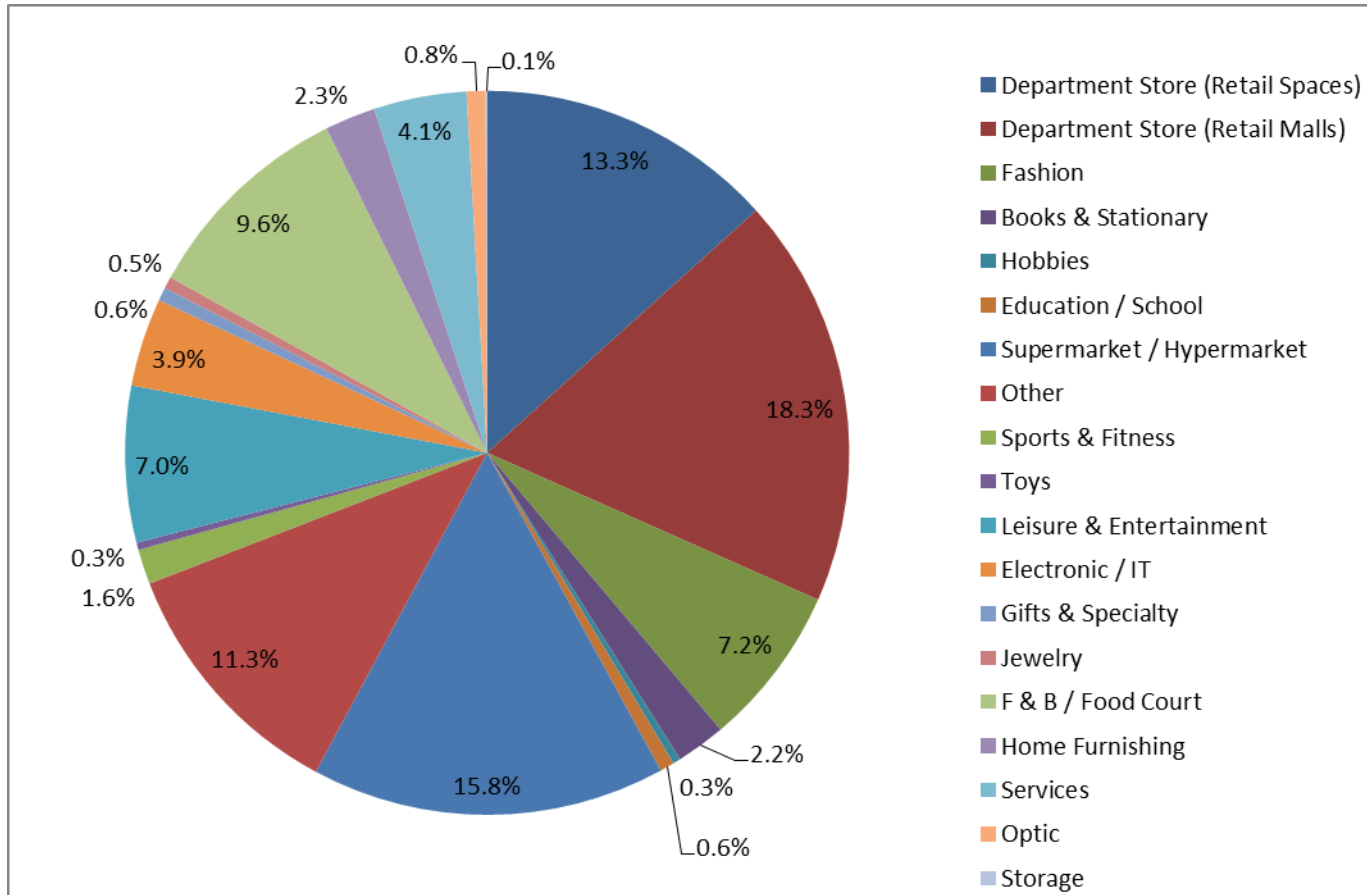
## Trade Sector Breakdown by Rental Income



# Diversified Trade Mix

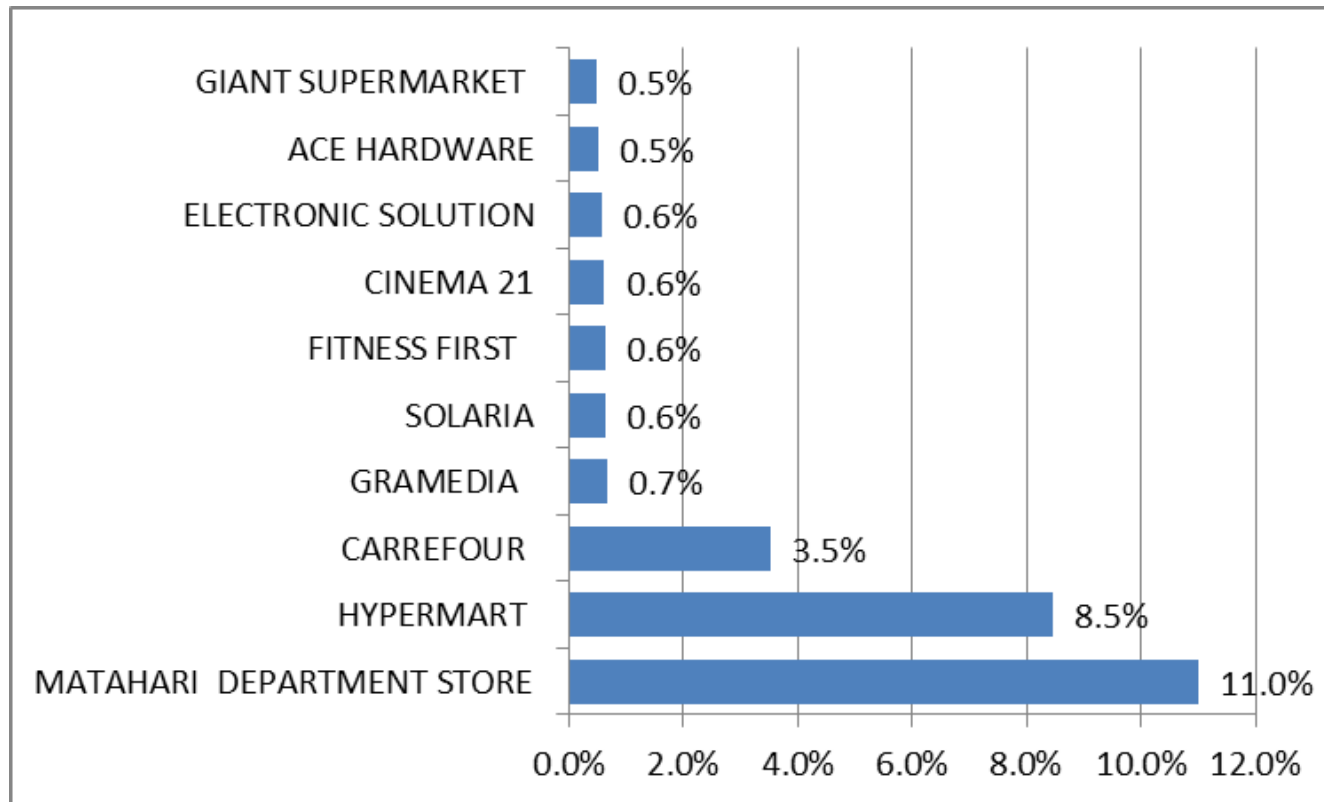
As at 30 Sep 2014

## Trade Sector Breakdown by NLA



# Top 10 Tenants By Gross Rental Income

As at 30 Sep 2014, includes retail space

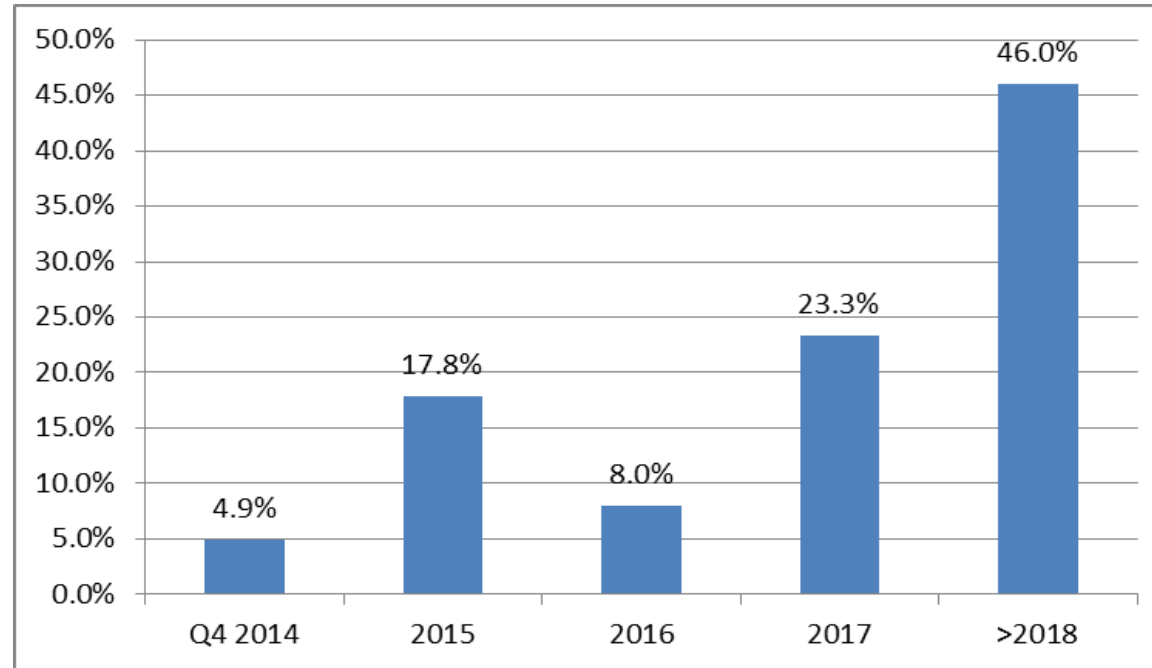


- Top 10 tenants contribute approximately 27.1% of LMIRT Retail Mall Portfolio's Gross Rental Income

# Lease Expiry Profile

As at 30 Sep 2014

Weighted Average Lease Expiry (by NLA) as at 30 Sep 2014: 4.6 years

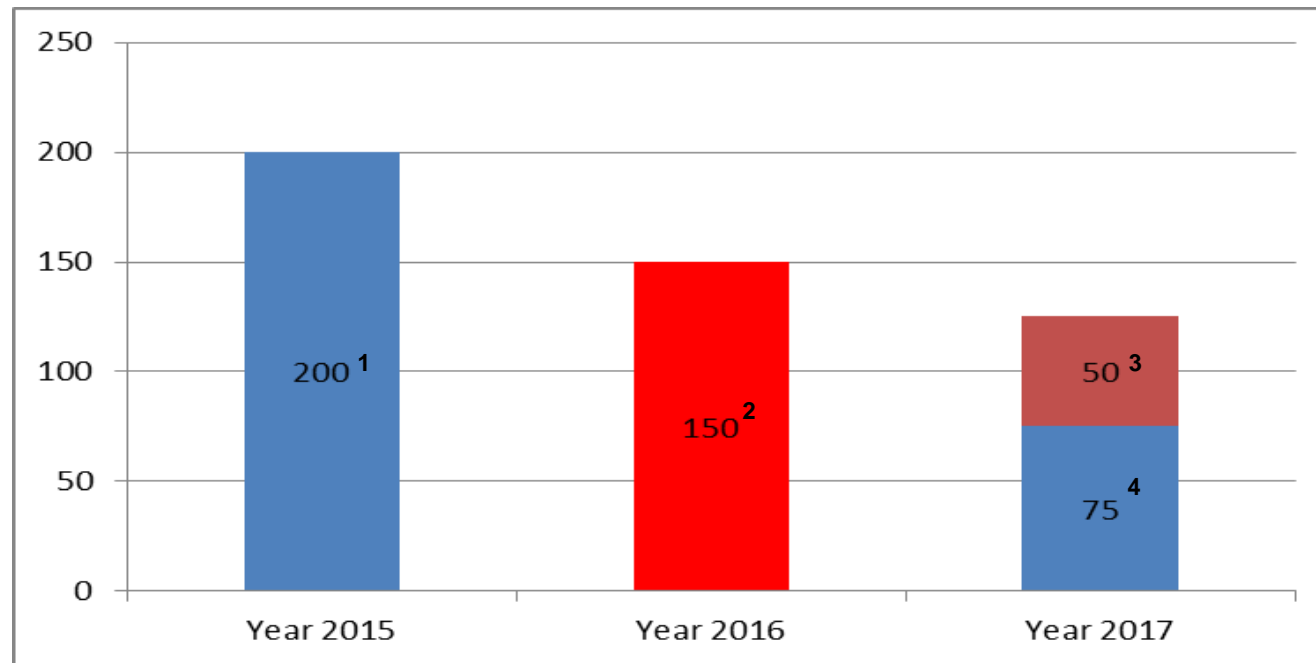


- LMIRT's portfolio lease terms represent a balanced mix of long-term anchor leases and shorter-term leases for non-anchor tenants, providing both stability and growth potential

# Debt Maturity Profile

As at 30 Sep 2014

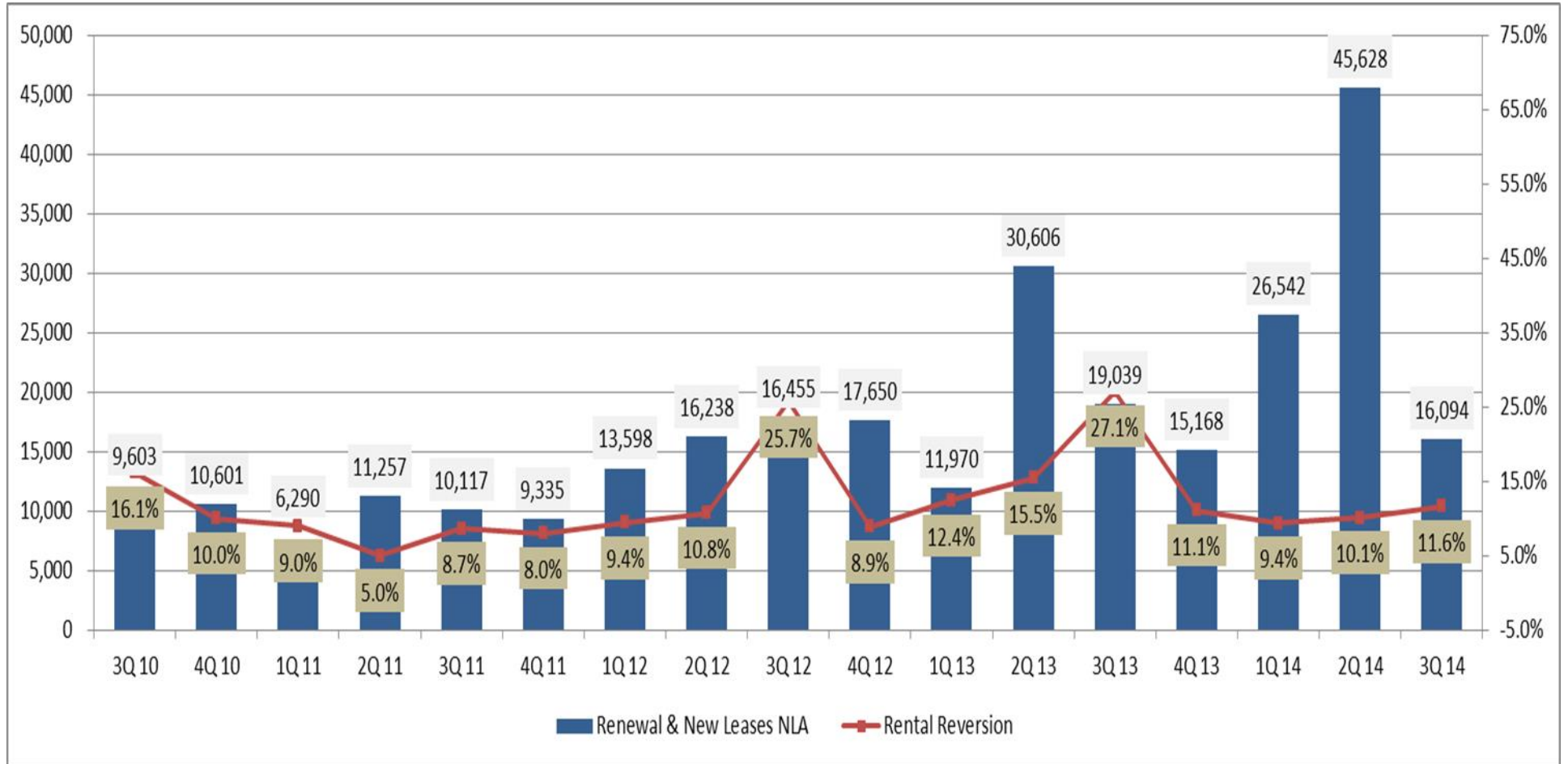
Weighted Average Maturity of Debt Facilities as at 30 Sep 2014: 1.8 years



Notes:

- 1 S\$ 200 million 4.88% fixed rate note (EMTN Program) to mature in July 2015
- 2 S\$ 150 million 4.25% fixed rate note (EMTN Program) to mature in Oct 2016
- 3 S\$ 50 million 5.875% fixed rate note (EMTN Program) to mature in July 2017
- 4 S\$ 75 million 4.48% fixed rate note (EMTN Program) to mature in Nov 2017

# Rental Reversion Trend





## Our Value Proposition

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- 3Q2014 Net Property Income of S\$30.9 million
- 3Q2014 Distributable Income of S\$17.1 million
- 3Q2014 DPU of 0.69 cents equivalent to Annualized DPU yield of 6.9%
- Portfolio occupancy rate stood at 95.0%, remained higher than the industry average
- As at 30 Sep 2014, LMIRT's outstanding debt was S\$475 million at gearing level of 28.3%
- Clarity of growth in a fragmented retail market with a visible pipeline of Sponsor and 3<sup>rd</sup> party malls
- Indonesia's domestic demand driven economy remained resilient in the face of global uncertainty