

# **Lippo Malls Indonesia Retail Trust**

## **Proposed Acquisition of Lippo Mall Puri**



# Disclaimer

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.

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Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on Singapore Exchange Securities Trading Limited. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This document is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units. The past performance of LMIRT is not necessarily indicative of the future performance of LMIRT.

# Acquisition Highlights



Notes:

1 Cushman & Wakefield VHS Pte Ltd

2 Colliers International Consultancy & Valuation (Singapore) Pte Ltd

3 Total transaction cost includes purchase consideration of \$354.7m, BPHTB & VAT of S\$53.2m, professional and other fees of S\$12.1m, and Asset Enhancement Initiatives at Lippo Mall Puri of S\$10.0m

Property Type	Retail Mall (part of St. Moritz Jakarta Integrated Development )		
Purchase Consideration	<b>Rp. 3,700.0 billion</b>		
Valuations	Valuer	With vendor support (Rp. billion)	Without vendor support (Rp. billion)
	Cushman <sup>1</sup>	3,900.0	3,700.0
	Colliers <sup>2</sup>	4,021.0	3,806.7
Discount to Valuation	<b>5.13%</b> (based on the lower of the two valuations with vendor support)		
NPI Yield	9.41% (with vendor support)		
Financing	Combination of equity and debt		
Target Completion	2 <sup>nd</sup> half 2019		
Vendor Support Agreement	Vendor to provide NPI Guarantee till 31 December 2023		
Total Transaction Cost	S\$ 430.0 million <sup>3</sup>		



# Lippo Mall Puri

<b>Description</b>	<ul style="list-style-type: none"> <li>Two eight-storey buildings and two lower ground floors connected by an underground and overhead retail walkway</li> <li>Part of the St. Moritz Jakarta Integrated Development, which is the largest mixed-use development in West Jakarta with a total construction floor area of approximately 850,000 sqm</li> </ul>
<b>Location</b>	West Jakarta, Java
<b>Year of Commencement</b>	Commenced operations in 2014
<b>GFA / NLA</b>	165,172 sqm / 115,600 sqm
<b>Key Tenants</b>	Matahari Department Store, SOGO, Food Hall, Zara, Cinema XXI, Timezone, Parkson, Uniqlo, & H&M
<b>Carpark Lots</b>	5,006
<b>Occupancy Rate</b>	89.6%
<b>Property Title</b>	Strata title certificates to be issued at completion



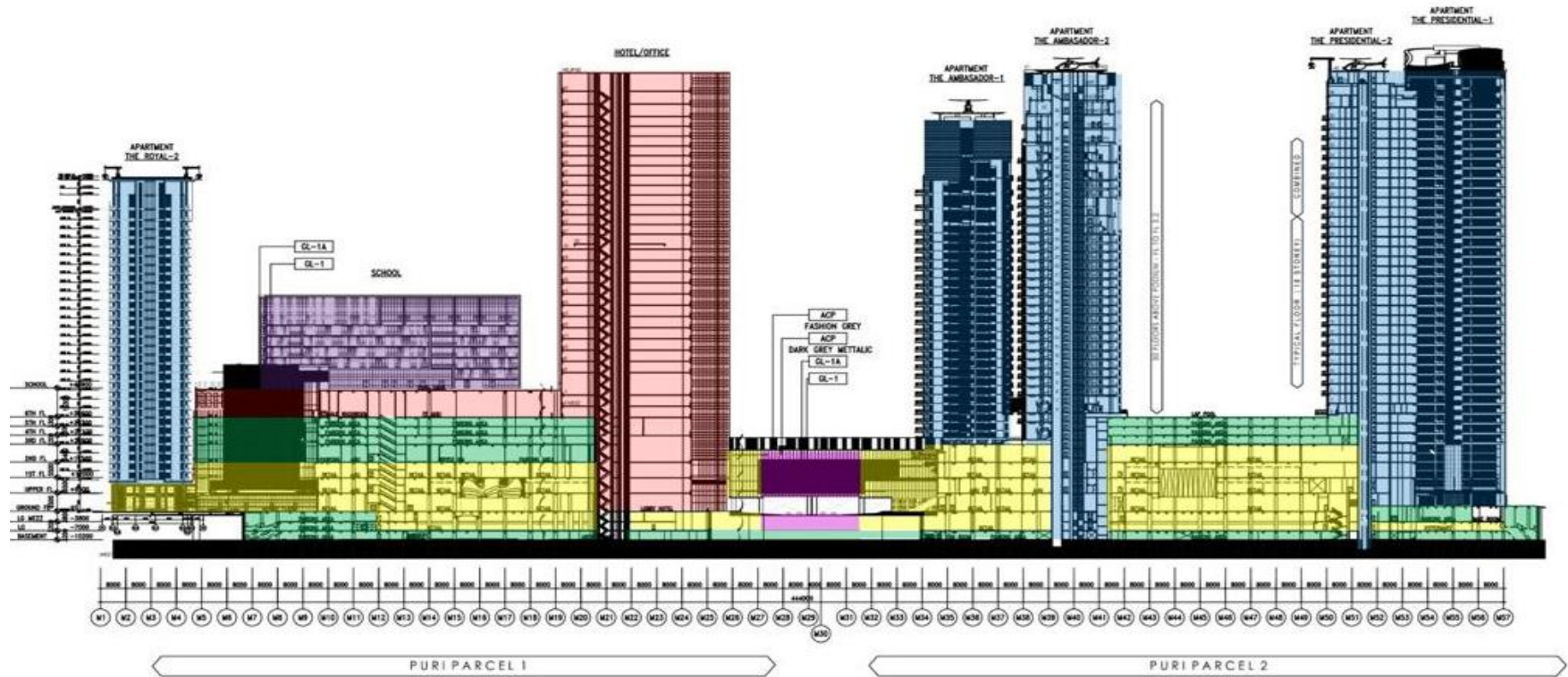


# Layout of St. Moritz





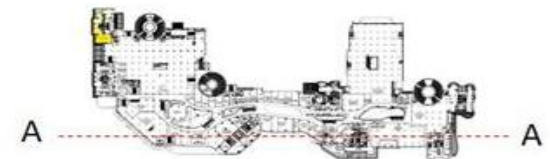
# Cross section of St. Moritz



Yellow Mall / Retail  
Green Parking

Purple School  
Pink Hotel & Office

Blue Apartment  
Magenta Retail Walkway



# Diversified Tenants

Lippo Mall Puri boosts a broad and diversified selection of 324 tenants, comprising of established international and local brands:

## Key Tenants

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# Vendor Support Agreement

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## Key Terms:

- Vendor will provide NPI Guarantee from completion till 31 December 2023
  - NPI Guarantee of Rp.348.0 bn in 2019, increasing to Rp.356.0 bn in 2023
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## Rationale:

- To benefit from the additional stability of rental income and downside protection during the initial ramping up period as Lippo Mall Puri continues to mature
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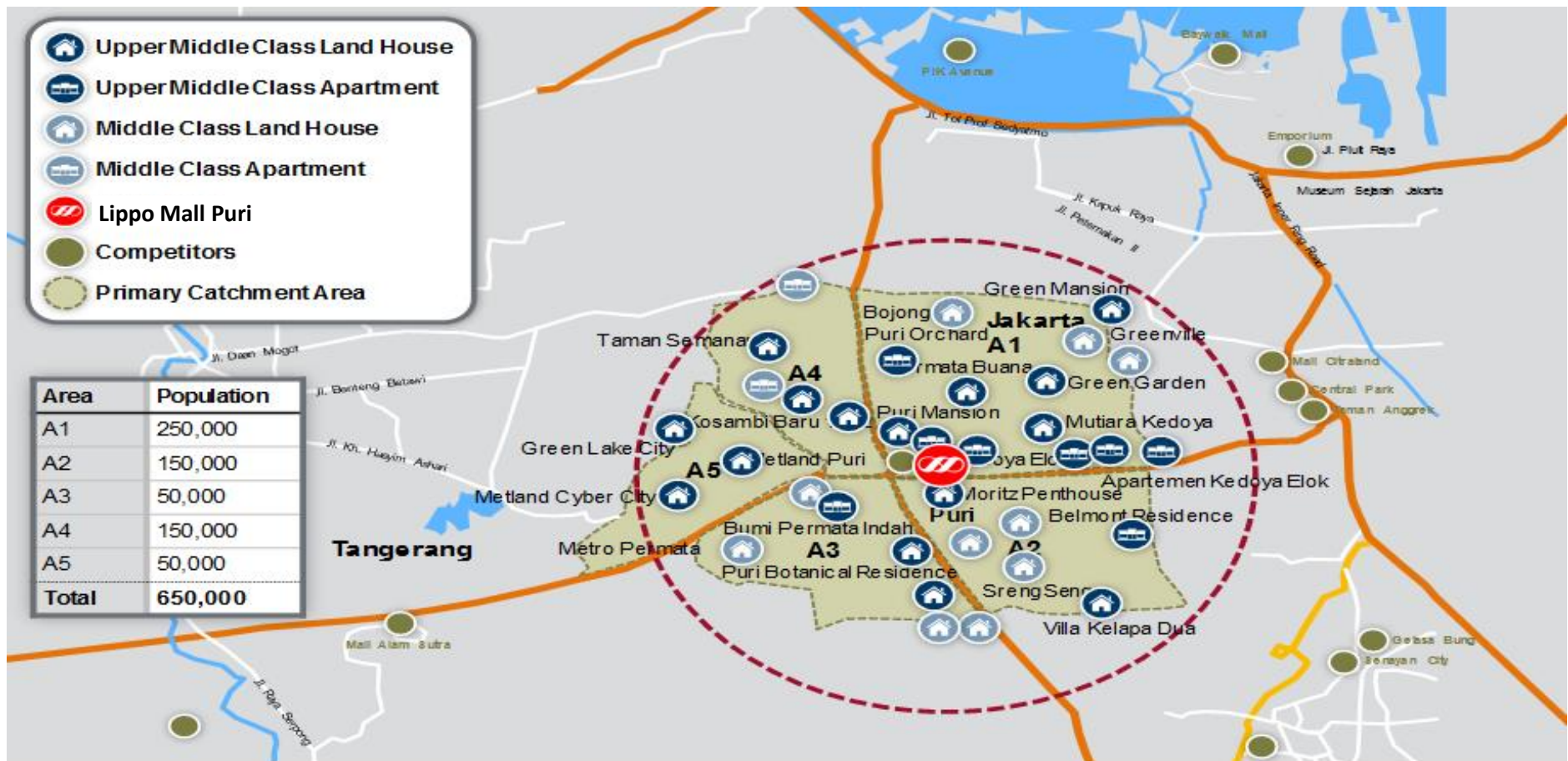
## Sustainability:

- Both Independent Valuers view that the estimated NPI will be achievable by the underlying revenue after the expiry of the Vendor Support Period
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# Catchment area

Lippo Mall Puri is a popular destination for residents due to its excellent location, scale and transport connectivity:



# Rationale for Acquisitions

## Strategic location

- Within commercial precinct which facilitates close to 400 businesses
- Visitors in 2018: 14.7 million
- Catchment area: 650,000 people

## Attractive price and NPI Yield

- 5.13% discount to lower of two valuations
- NPI Yield: 9.41%, (Portfolio Yield: 8.94%)

## AUM and NLA Growth

- AUM to increase by 18.96% to Rp.23,214.1 bn
- NLA to increase by 12.69% to 1,026,349 sqm

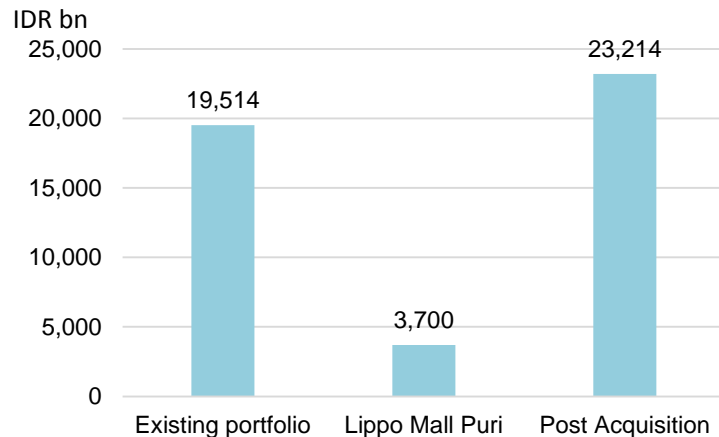
## Enhanced product offering

- 324 tenants
- Entertainment, Fashion and F&B sectors to increase to 31.5% from 30.5%

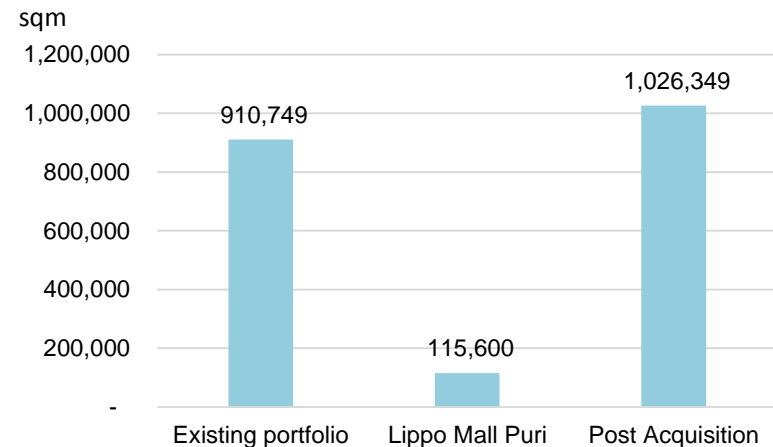


# Effect of Acquisition on Portfolio

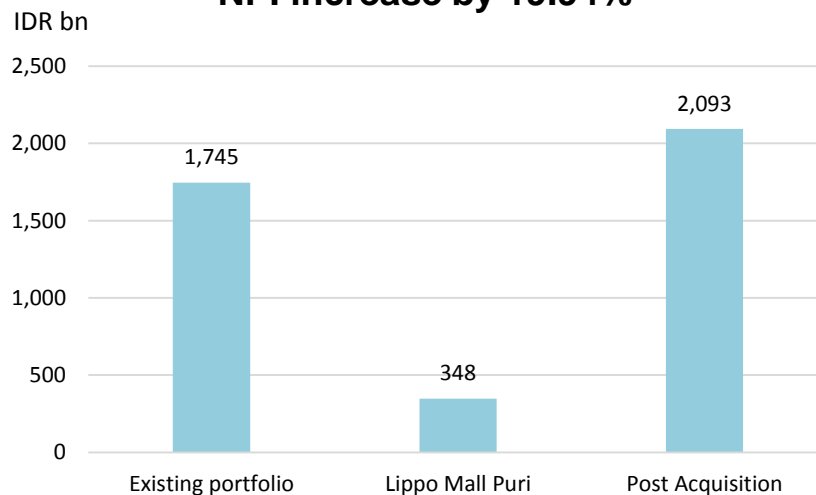
**AUM increase by 18.96%**



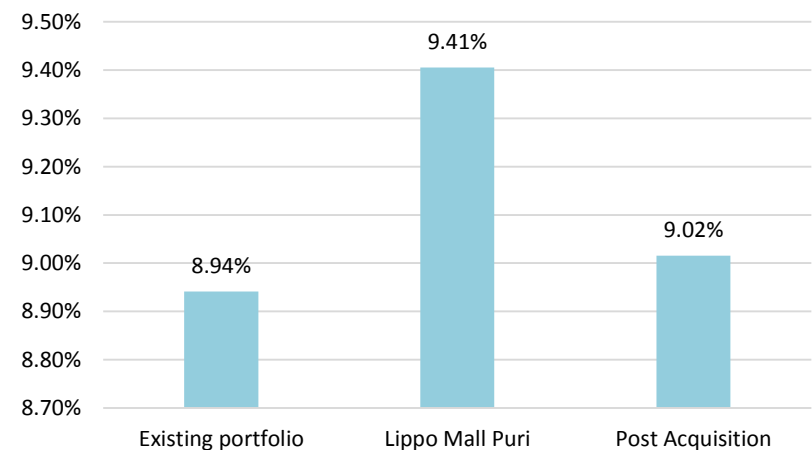
**NLA increase by 12.69%**



**NPI increase by 19.94%**



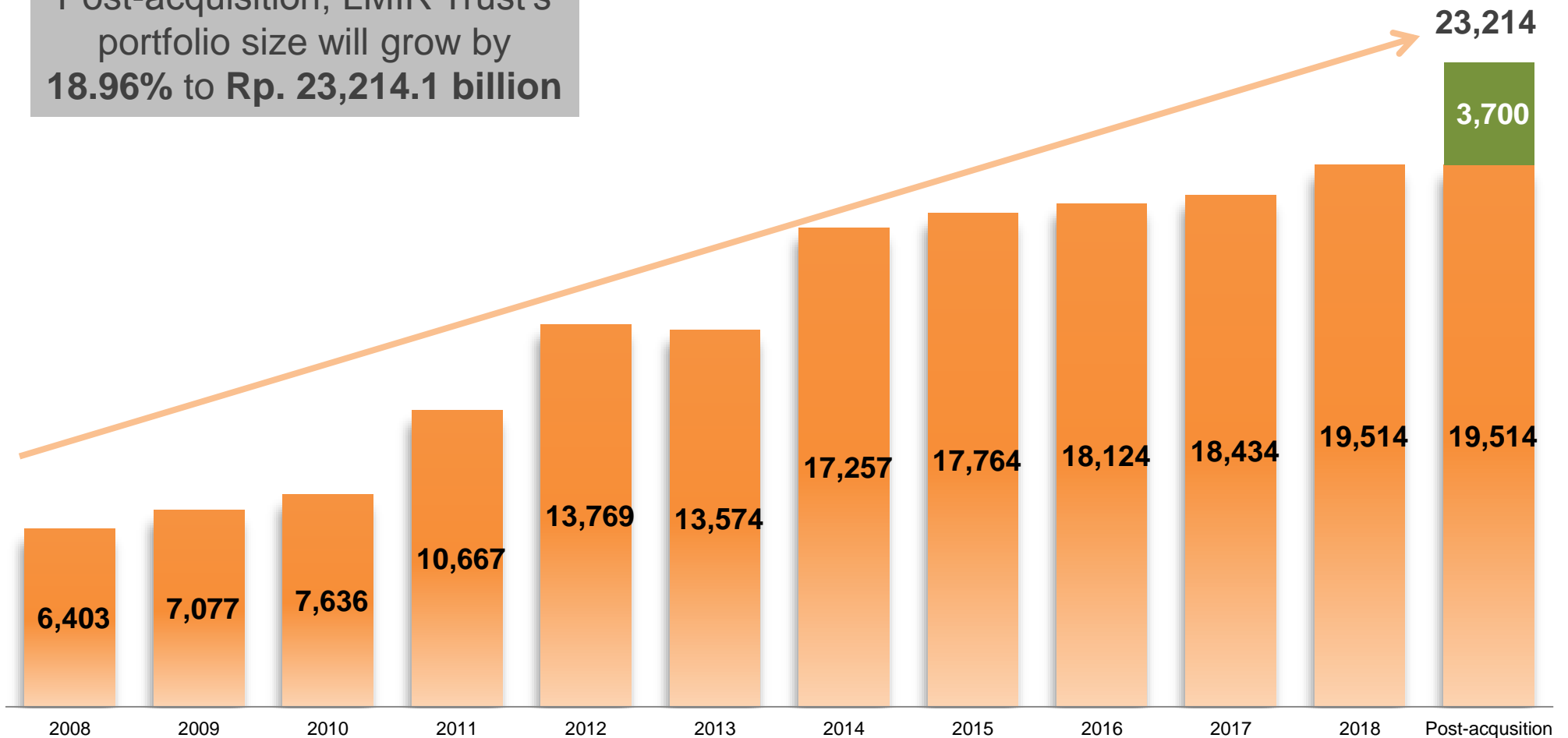
**NPI yield improve to 9.02%**



# Effect of Acquisition on Portfolio

Portfolio AUM (IDR'billion)

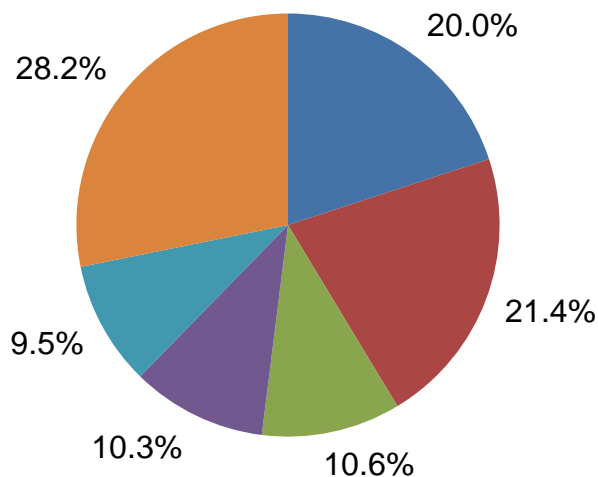
Post-acquisition, LMIR Trust's portfolio size will grow by 18.96% to Rp. 23,214.1 billion



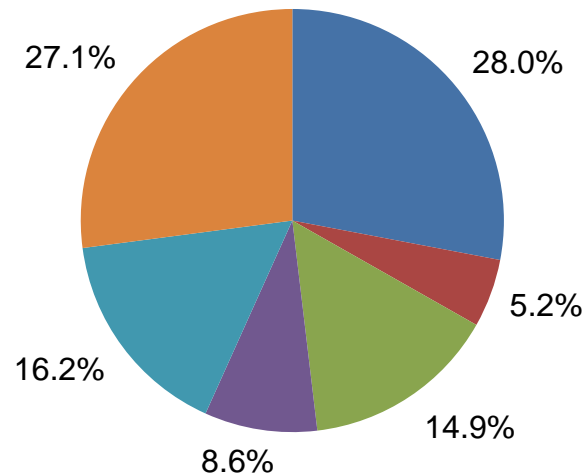


# Tenancy Mix Post-Acquisition

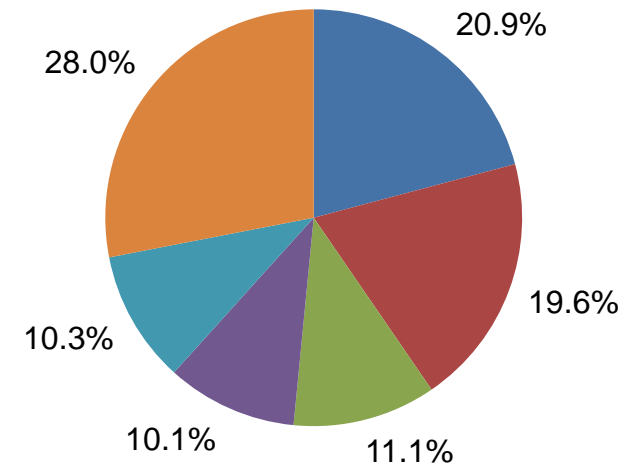
**Existing Portfolio**



**Lippo Mall Puri**



**Enlarged Portfolio**



■ Department store

■ Supermarket / Hypermarket

■ F&B / Food court

■ Leisure & entertainment

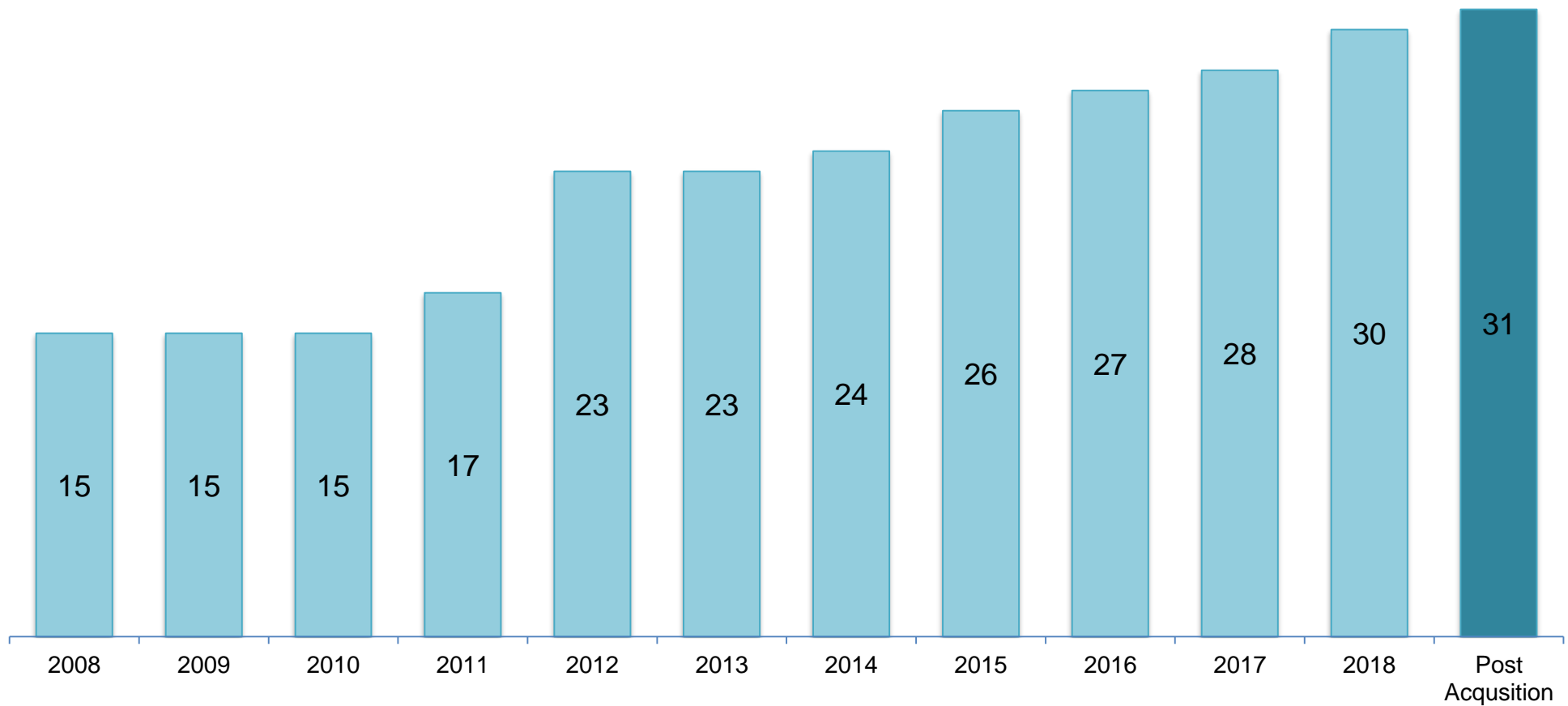
■ Fashion

■ All other sectors

Entertainment , Fashion and F&B sectors increase to 31.5% from 30.5% to capitalise on the growing affluence and consumerism

# Effect of Acquisition on Portfolio

Number of Properties





**Thank You**