

Lippo Malls Indonesia Retail Trust

3Q 2019 Results Presentation

7 November 2019



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.

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. The value of units in LMIRT ("Units") and the income derived from them may fall as well as rise. The Units are not obligations of, deposits in, or guaranteed by, LMIRT Management Ltd, as manager of LMIR Trust (the "Manager") or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

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.



Financial Highlights

Portfolio Performance

Key Highlights

S\$'000	3Q 2019	3Q 2018	% Change	9M 2019	9M 2018	% Change
Gross Rental Income (GRI)	39,308	36,996	6.2	115,732	118,655	(2.5)
Total Gross Revenue¹	69,248	64,831	6.8	203,428	166,604	22.1
Net Property Income (NPI)	44,122	39,464	11.8	128,609	126,565	1.6
Income Available for Distribution to Unitholders	17,996	13,896	29.5	51,556	49,730	3.7
Distribution to Unitholders²	16,196	13,896	16.6	49,756	49,730	0.1
DPU (Singapore cents)	0.56	0.49	14.3	1.71	1.75	(2.3)

- GRI grew 6.2% YoY on positive rental reversion of 5.0% and a recovering IDR which appreciated 0.8% YoY against SGD
- Total gross revenue climbed 6.8% YoY with the first full quarter of internalising the collection of service and utilities recovery charges directly from tenants
- NPI rose 11.8% with prudent operating cost management and improvement on the rental collections.

¹ Gross Revenue includes Gross Rental Income, Carpark Income, Service Charge and Utilities Recovery and Other Rental Income

² \$1.8 million is retained from the Income Available for Distribution to Unitholders for capital management and ensuring overall stability of distribution.

Key Financial Performance

	S\$'000		% Change	Rp'million		% Change
	3Q 2019	3Q 2018		3Q 2019	3Q 2018	
Gross Rental Income	39,308	36,996	6.2	404,082	394,545	2.4
Carpark Income	4,485	4,574	(1.9)	46,061	48,785	(5.6)
Other Rental Income	955	432	n.m.	9,838	4,843	n.m.
Service Charge and Utilities Recovery	24,500	22,829	7.3	251,886	239,386	5.2
Total Gross Revenue	69,248	64,831	6.8	711,867	687,559	3.5
Property Management Fee	(2,058)	(1,603)	(28.4)	(21,158)	(17,144)	(23.4)
Property Operating and Maintenance Expenses	(20,586)	(19,535)	(5.4)	(211,599)	(204,787)	(3.6)
Other Property Operating Expenses	(2,482)	(4,229)	41.3	(25,469)	(44,764)	43.0
Total Property Operating Expenses	(25,126)	(25,367)	(1.0)	(258,253)	(266,695)	3.2
Net Property Income	44,122	39,464	11.8	453,614	420,864	7.8
Income Available for Distribution to Unitholders	17,996	13,896	29.5			
Distribution to Unitholders	16,196	13,896	16.6			
Distribution Per Unit (cents) ¹	0.56	0.49	14.3			
Annualised Distribution Yield ²	9.9%					

Notes:

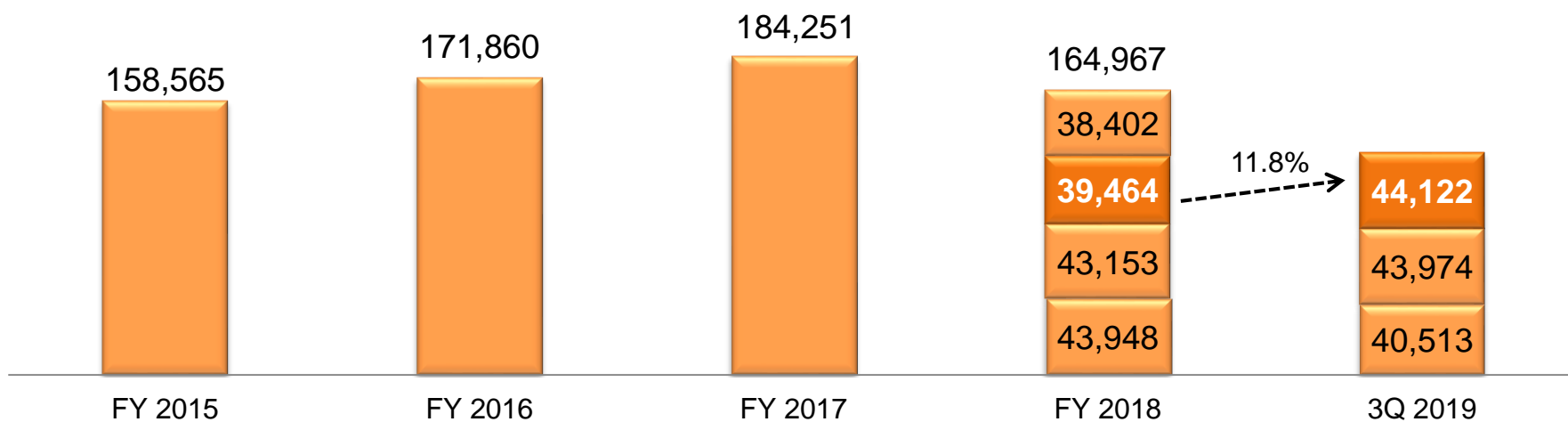
1. Based on 2.895 billion units in issue as at 30 September 2019
2. Based on a closing price of S\$0.23 as at 30 September 2019

Gross Revenue and NPI

Gross Revenue (S\$'000)

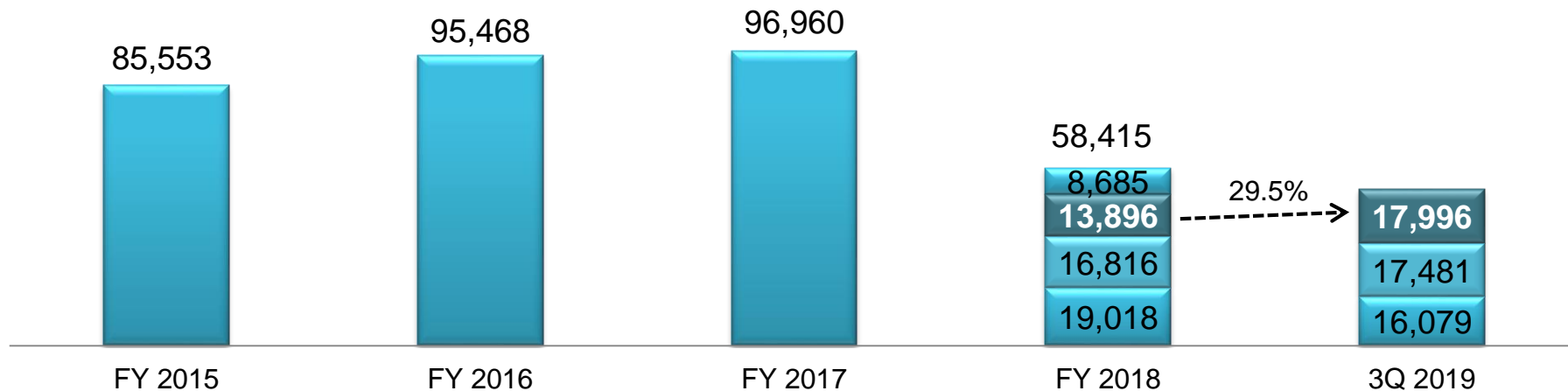


Net Property Income (S\$'000)

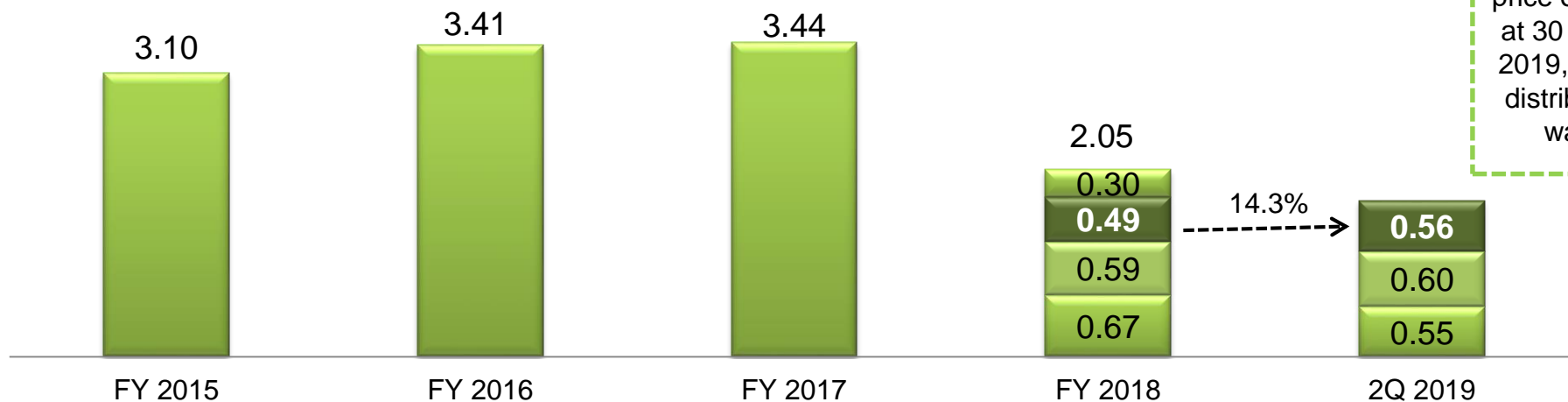


Distribution

Income Available for Distribution to Unitholders (S\$'000)



DPU (Singapore Cents)



Based on closing price of S\$0.23 as at 30 September 2019, annualised distribution yield was 9.9%

Balance Sheet

	30 September 2019 S\$'million	31 December 2018 S\$'million
Non Current Assets	1,926.1 ¹	1,851.0 ¹
Current Assets	173.5	115.1
Total Debt	729.2	680.0
Other Liabilities	208.1	206.9
Total Equity	1,162.3 ²	1,079.2 ²
Gearing Ratio	34.7 %	34.6 %
Total Units In Issue (million)	2,894.9	2,859.9
Net Asset Value per unit (in cents) ³	31.20	28.66

Notes:

1. Included in the Non Current Assets are the Investment properties of S\$1,905.3 million as at 30 September 2019 and S\$1,831.6 million as at 31 December 2018. The carrying values of the properties are stated based on the independent valuation as at 31 December 2018 and adjusted for property enhancements to-date. The valuations and property enhancements figures are recorded in the financial statements in Indonesian Rupiah and translated into Singapore Dollar using the respective exchange rate as at the end of each period.
2. Total equity is represented by Unitholder's funds of Unitholder's funds of S\$903.2 million and Perpetual Securities of S\$259.1 million as at 30 September 2019 and \$819.6 million and Perpetual Securities of \$259.6 million as at 31 December 2018.
3. Net Asset Value per unit is calculated as Unitholder's funds over the units issued at the end of the period.

Distribution Details

Total DPU

0.56 cents

- Tax-Exempt

0.38 cents

- Capital

0.18 cents

Books Closure Date

15 November 2019

Distribution Payment Date: 29 November 2019

Pro Forma Effects – Expiry of Lippo Mall Kemang (“LMK”) Master Leases on 16 Dec 2019

	9M 2019 (S\$'000)
	(with LMK master leases)
Gross Rental Income	115,732
Carpark Income	13,896
Service Charge, Utilities Recovery and Other Rental Income	73,800
Total Gross Revenue	203,428
Property Management Fee	(5,938)
Property Operating, Maintenance and Other Expenses	(68,881)
Total Property Operating Expenses	(74,819)
Net Property Income (NPI)	128,609
Other Expenses and Taxes	(77,053)
Total Income Available For Distribution	51,556

Scenario:

Assuming the LMK master leases with Lippo Karawaci expired on 1 Jan 2019 and new leases with the underlying tenants were entered into.



Pro Forma 9M 2019 (S\$'000)	%Change
(w/o LMK master leases but with underlying tenants)	
109,812	(5.1%)
8,104	(41.7%)
73,800	-
191,716	(5.8%)
(5,416)	8.8%
(68,881)	-
(74,297)	0.7%
117,419	(8.7%)
(74,987)	(2.7%)
42,432	(17.7%)

Lippo Mall Kemang (“LMK”)

Description	LMK is a mid-sized, fashion and lifestyle mall built to cater to the discerning consumers in Kemang and South Jakarta. It offers an intimate and exclusive shopping experience to shoppers through customer service excellence and attention to details.
Location	South Jakarta, Java
GFA / NLA	150,932 sqm / 58,490 sqm
Tenants	The anchor tenants are Hypermart, Cinema XXI and Ace Hardware. Its other major tenants include Uniqlo, Best Denki and Muji. Popular food and beverage outlets such as Kitchenette, Seribu Rasa, Classified, Ootoya, Sushi Tei and The Duck King can also be found at the mall.
Parking	2,326 car park lots and 1,311 motorcycle lots
Occupancy Rate (as at Sep 2019)	Stable Occupancy of 93.7%
Acquisition Date	17 December 2014



LMK - Improving Retail Environment with Strong Demand from Organisers; Increase in Visitor Traffic

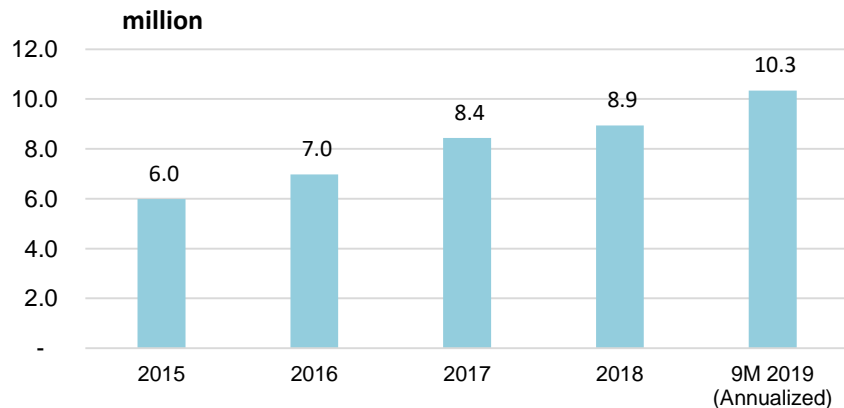


**Market Museum Event (over 160 brands)
17 -20 Oct 2019**

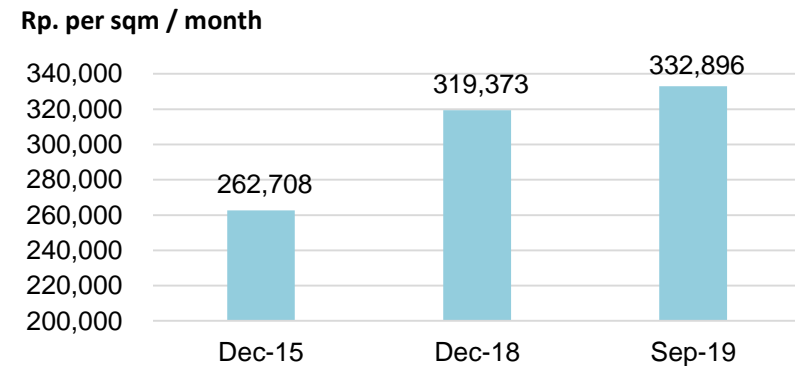


**Symphony Under the Stars
26 Oct 2019**

Shopper Traffic increase by 49.4%



Specialty Average Rental Rate



LMK - Active Management of Tenancy Mix : Department Stores no longer as Anchor Tenant

Areas previously occupied by Matahari:



Informa commenced operations in May 2019



Wonderkids is in the fit-out stage; expected opening: Q1 2020



To reconfigure into F&B and fashion units in 2020

LMK - Active Management of Tenancy Mix



Timezone's expanded lease area in April 2019 includes bowling alley

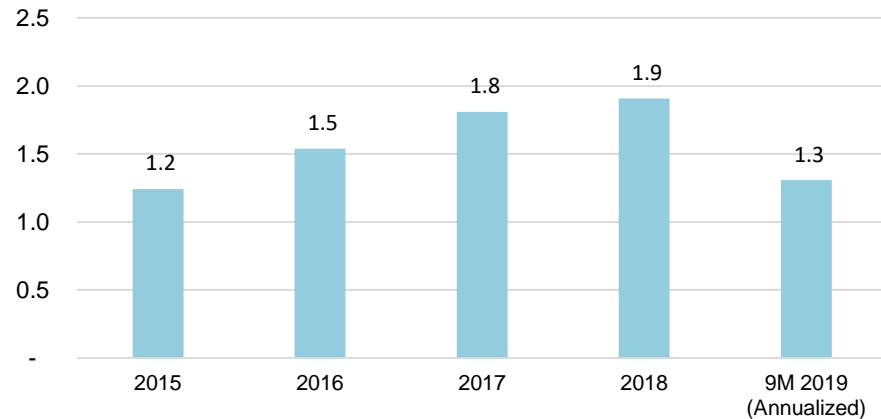


New specialty tenants in 2019 includes Xing Fu Tang & Mokka Coffee Cabana



LMK - Car Park Traffic

Million of vehicles



- ❑ **Original Plans to offer VIP and Valet Car Parking Services Unsuccessful**
- ❑ **Car Park business environment faces challenges from increasing usage of ride-hailing services**
 - **Increases Shopper Traffic; but**
 - **Decreases Carpark Income**

Mitigating Initiatives

- **Conversion of car park lots (up to regulatory limits) into crowd pulling services or rental generating tenants**



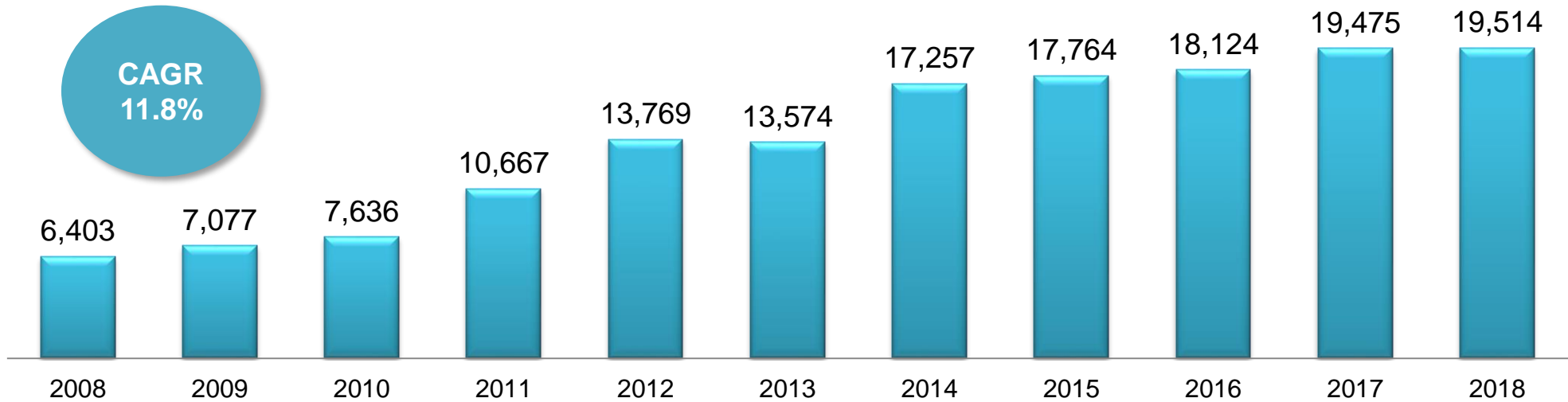
Indonesian Immigration Office

Financial Highlights

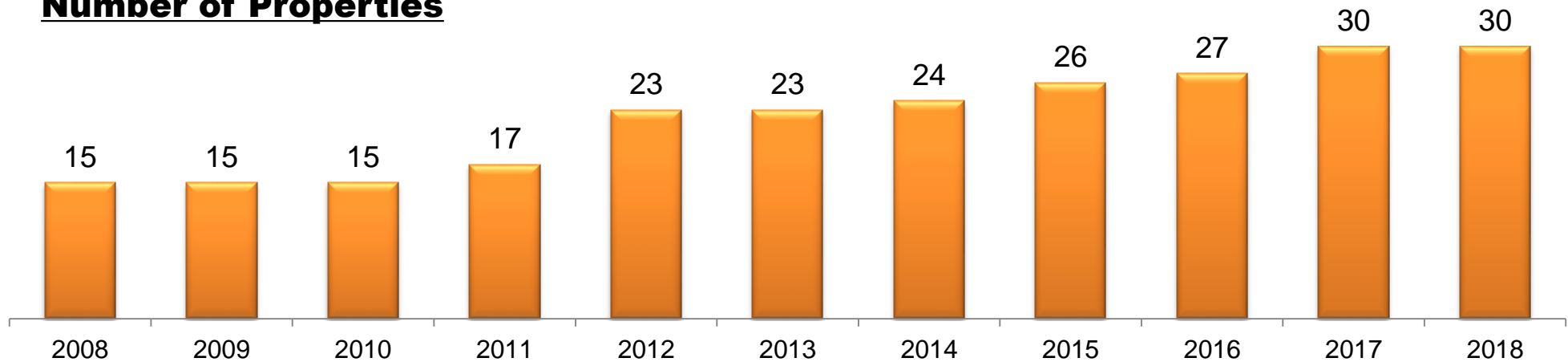
**Portfolio
Performance**

A Growing Portfolio

Portfolio Valuation (Rp'billion)



Number of Properties



Strategically Located Portfolio



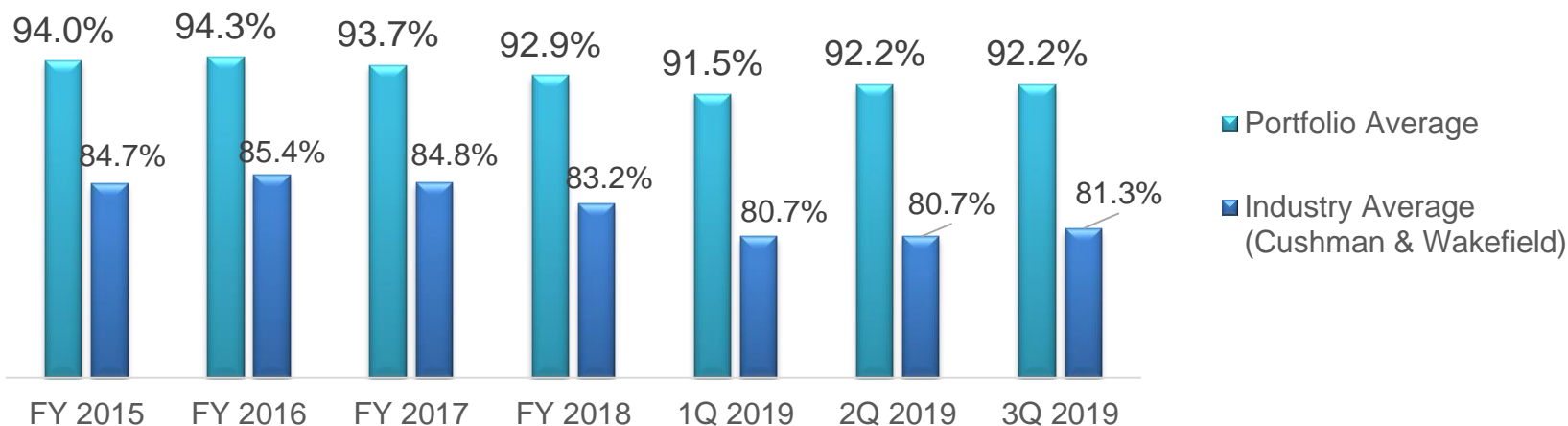
Portfolio Valuation Since IPO (Rp'billion)

Property	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 ¹	%
Bandung Indah Plaza	673.7	796.2	825.0	885.0	910.0	832.0	801.5	801.5	797.8	756.2	764.7	3.9
Cibubur Junction	468.3	491.1	502.0	534.0	546.0	507.0	492.5	485.3	451.2	430.9	375.0	1.9
Lippo Ekalokasari Plaza	289.2	343.5	373.0	367.0	409.0	388.0	409.0	375.8	410.3	396.8	381.7	2.0
Gajah Mada Plaza	612.1	669.2	745.0	762.0	803.0	744.0	752.8	751.4	780.9	799.0	798.9	4.1
Istana Plaza	690.7	642.8	733.0	787.0	809.0	742.0	730.7	737.6	713.0	664.2	644.2	3.3
Mal Lippo Cikarang	397.6	443.5	478.0	490.0	529.0	523.0	565.0	561.3	609.1	643.9	689.1	3.5
The Plaza Semanggi	1,052.9	1,238.5	1,367.0	1,330.0	1,454.0	1,385.0	1,342.2	1,232.2	1,173.7	1,148.8	1,069.0	5.5
Depok Town Square Units	148.9	172.4	180.3	187.0	196.2	204.1	207.1	208.1	169.7	163.0	155.5	0.8
Grand Palladium Units	151.4	162.2	177.9	178.0	187.3	192.8	188.0	173.5	156.6	118.7	99.8	0.5
Java Supermall Units	151.6	175.9	177.5	184.0	193.6	186.1	192.5	193.7	153.6	143.3	148.4	0.8
Malang Town Square Units	148.7	177.1	179.7	186.0	195.4	192.4	207.8	213.5	172.6	162.0	170.0	0.9
Mall WTC Matahari Units	146.0	169.8	176.3	177.0	173.7	175.7	169.7	165.1	146.0	124.0	113.0	0.6
Metropolis Town Square Units	193.8	226.1	237.4	238.0	249.9	271.3	256.6	230.6	186.4	163.7	140.8	0.7
Plaza Madiun Units	194.9	193.4	215.7	222.0	240.5	231.8	242.4	250.7	226.9	199.3	211.5	1.1
Sun Plaza	1,082.9	1,175.2	1,268.0	1,371.0	1,470.0	1,613.0	1,680.4	1,693.7	1,826.1	1,967.1	2,156.6	11.1
Plaza Medan Fair				1,100.4	1,115.3	1,102.0	1,140.6	1,087.1	1,083.2	1,103.0	1,008.2	5.2
Pluit Village				1,668.2	1,537.7	1,405.0	1,305.1	1,146.0	1,026.8	953.0	846.2	4.3
Lippo Plaza Kramat Jati					549.0	565.1	573.7	565.0	573.8	595.3	647.0	3.3
Palembang Square Extension					242.0	236.1	256.1	248.1	258.0	276.3	288.0	1.5
Tamini Square					236.0	247.0	236.3	242.9	243.0	269.7	276.0	1.4
Palembang Square					603.0	627.0	641.4	642.6	649.5	689.5	719.0	3.7
Pejaten Village					866.0	939.2	958.4	970.0	973.7	1,073.4	1,157.0	5.9
Binjai Supermall					253.0	264.0	266.6	263.9	266.9	282.1	302.0	1.5
Lippo Mall Kemang							3,640.6	3,477.9	3,235.0	3,193.0	3,143.1	16.1
Lippo Plaza Batu								272.0	260.7	274.1	251.0	1.3
Palembang Icon								774.7	774.9	770.0	770.0	3.9
Lippo Mall Kuta									805.0	835.7	836.1	4.3
Lippo Plaza Kendari										316.0	354.8	1.8
Lippo Plaza Jogja										599.3	601.3	3.1
Kediri Town Square										363.7	396.2	2.0
Grand Total	6,402.7	7,076.9	7,635.8	10,666.6	13,768.6	13,573.7	17,257.3	17,764.3	18,124.4	19,475.4	19,514.1	100.0

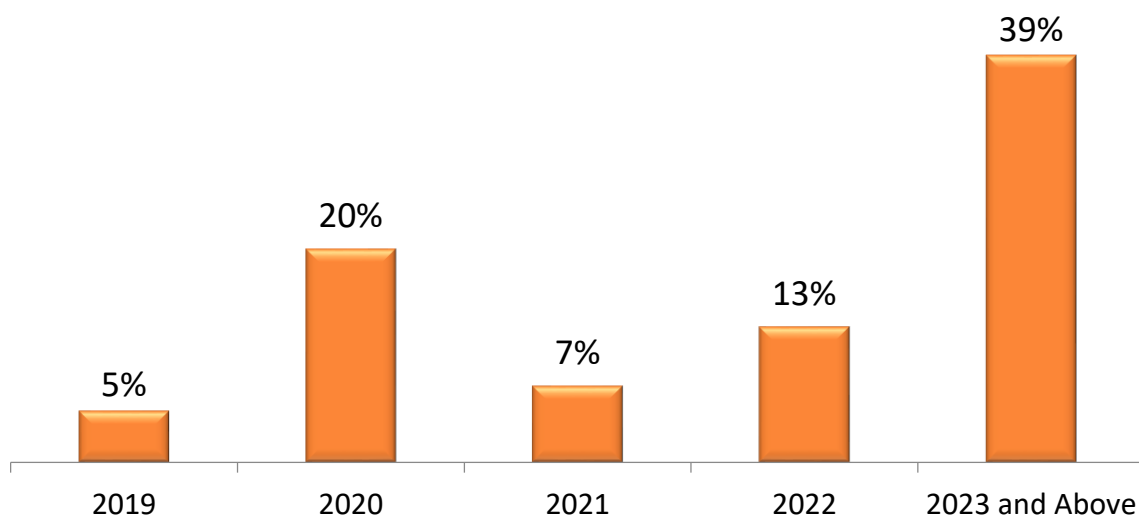
¹Based on valuation conducted by Savills Valuation and Professional Services (S) Pte Ltd, Cushman & Wakefield VHS Pte Ltd, Colliers International Consultancy & Valuation (Singapore) Pte Ltd, KJPP Rengganis, Hamid dan Rekan (in association with CBRE) and KJPP Wilson & Rekan (in association with Knight Frank) as at 31 December 2018

Occupancy Rate and Lease Profile

High Occupancy Rate



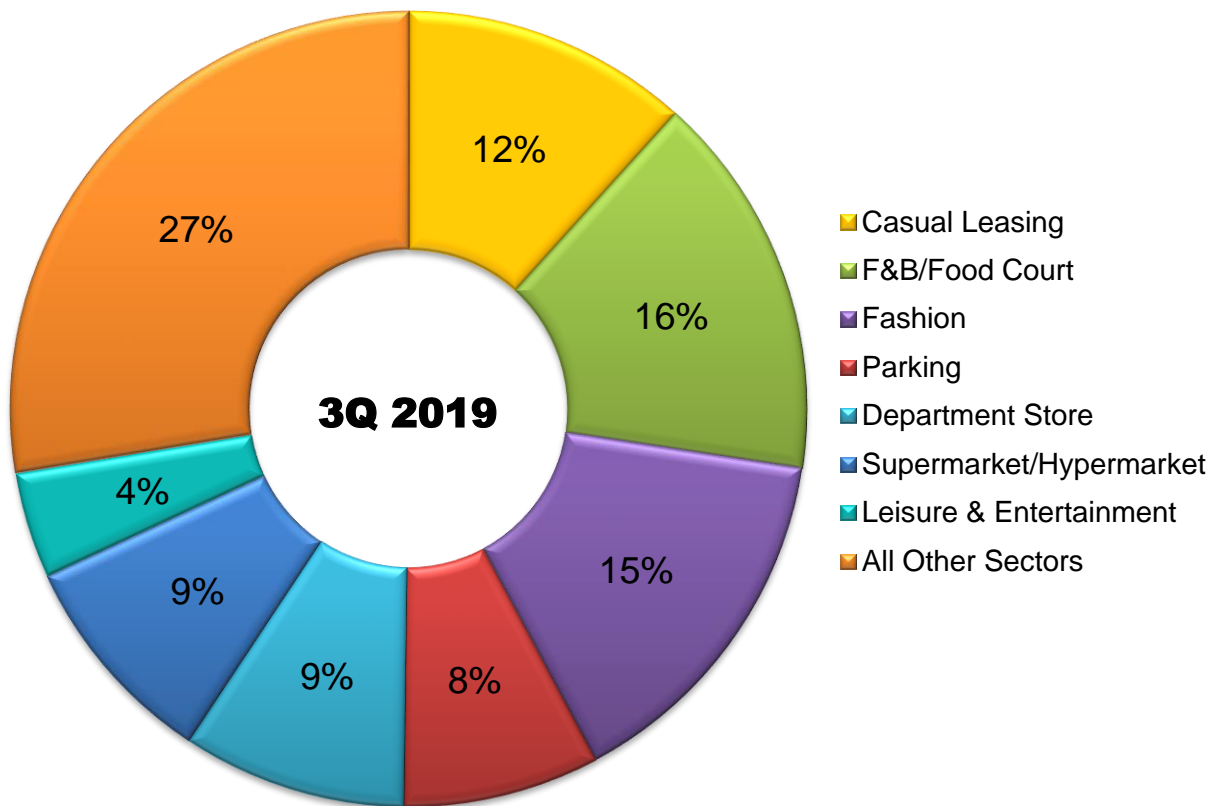
Long Lease Profile



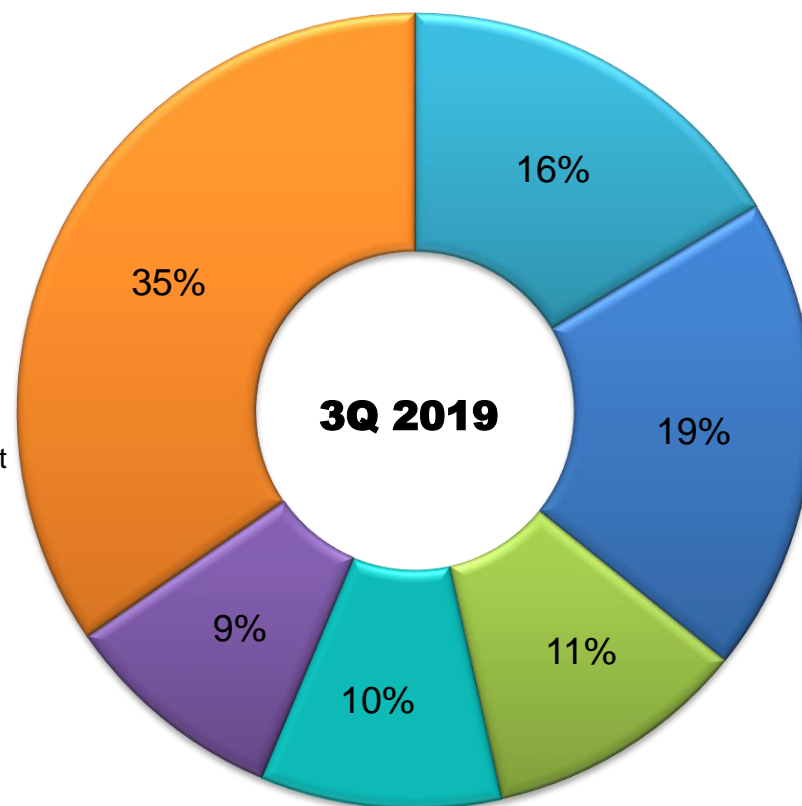
- Weighted Average Lease Expiry (by NLA) as at 30 September 2019: **4.0 years**
- Balanced mix of long-term anchor leases and shorter-term leases for non-anchor tenants provide both stability and growth potential
- Average rental reversion YTD September: **5.0%**

Diversified Quality Tenants

Trade Sector Breakdown by Gross Revenue*



Trade Sector Breakdown by Net Lettable Area

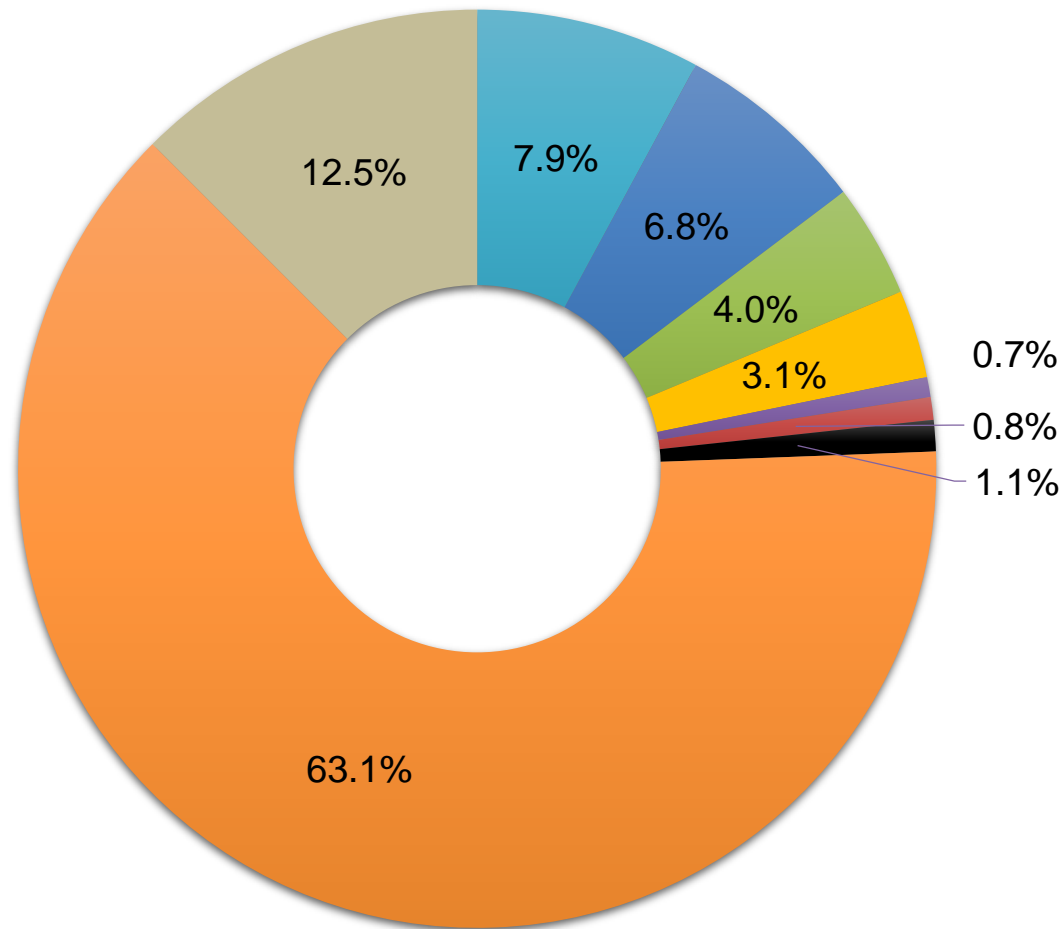


* Exclude other rental income and utilities recovery

Diversified Tenant Mix

Contribution of Tenants to Gross Revenue

- No single party contributes more than 10% of gross revenue

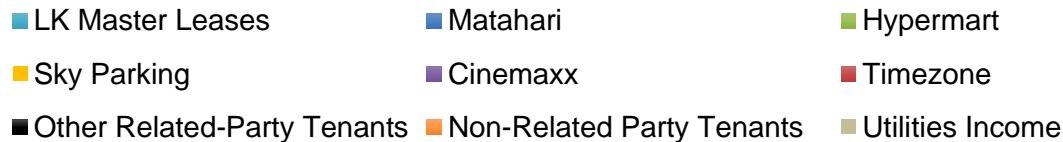
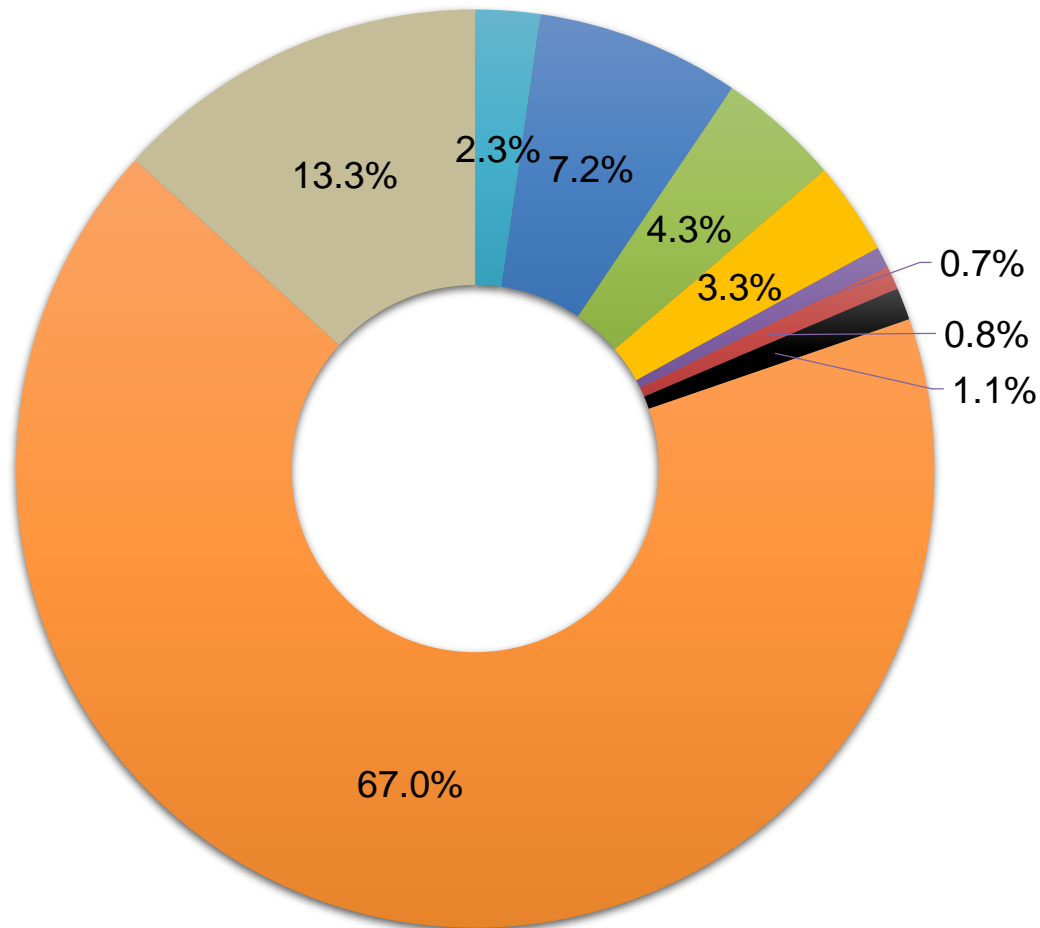


■ LK Master Leases ■ Matahari ■ Hypermart
■ Sky Parking ■ Cinemaxx ■ Timezone
■ Other Related-Party Tenants ■ Non-Related Party Tenants ■ Utilities Income

- For YTD 30 September 2019, revenue from related-party tenants, including Lippo Karawaci, Matahari, Hypermart, Cinemaxx etc accounted for 24.4% but none accounted for more than 10%
- Non-related party tenants comprising international and local brands accounted for 63.1%

Tenant Mix Post Expiry of LMK Master Leases

Contribution of Tenants to Gross Revenue - Post Expiry of LMK Master Leases

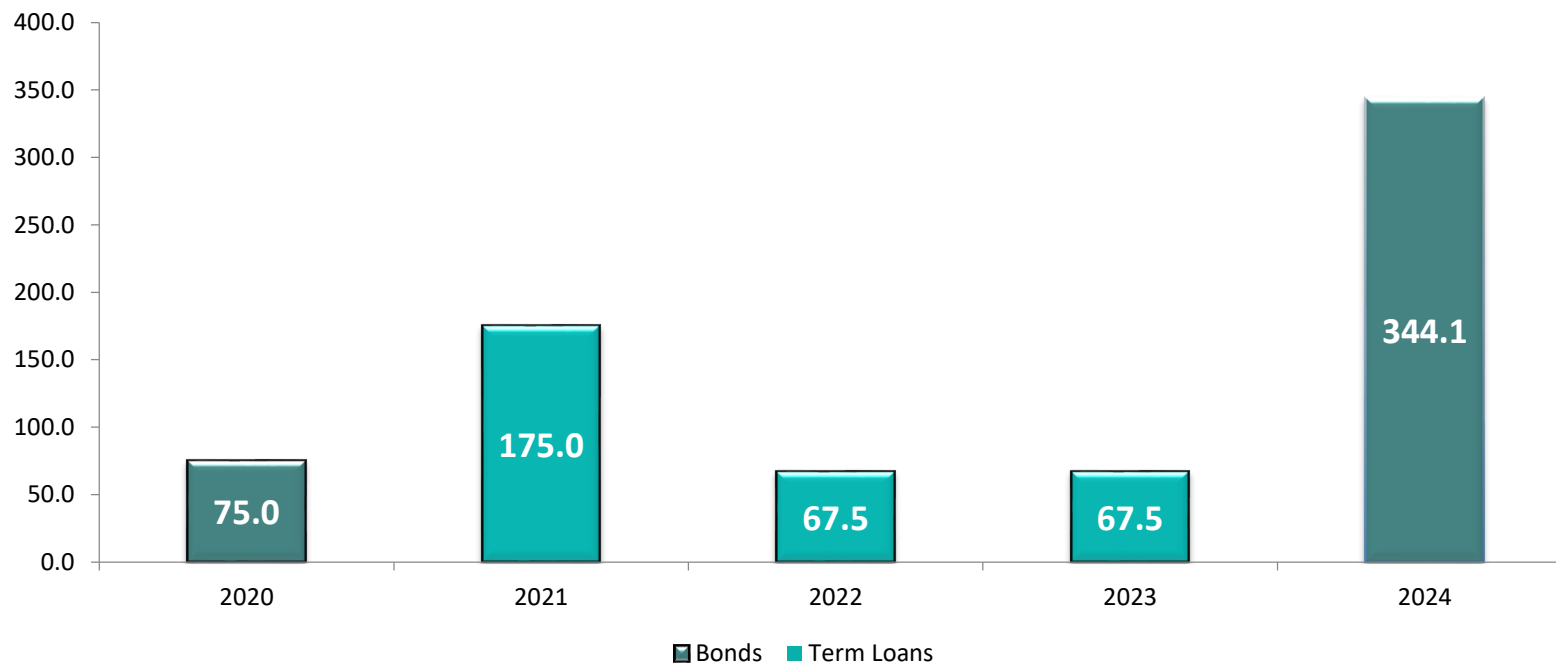


- Post expiry of the Master Leases at Lippo Mall Kemang, revenue from related-party tenants is expected to be lower than 20% based on YTD Sep 2019 figures
- Non-related party tenants comprising international and local brands is expected to account for 67.0%

Debt Maturity Profile

Total Debt	Gearing	Interest Cover (Excluding Perpetuals)	Fixed Rate Debt Ratio	Weighted Ave. Maturity of Debt	All-in cost (Excluding Perpetuals)	All-in cost (Including Perpetuals)
S\$729.1 m	34.7%	4.7 times	100%	3.4 years	6.15%	6.32%

As at 30 September 2019



All existing debt facilities are on unsecured basis

Notes:

1. S\$75.0 million 4.10% bond due 22 June 2020
2. S\$175.0 million 3.15% + SOR term loan due 25 August 2021
3. S\$67.5 million 3.05% + SOR term loan due 9 November 2022
4. S\$67.5 million 3.25% + SOR term loan due 9 November 2023
5. US\$250.0 million 7.25% bond, swapped to SGD at 6.71% due June 2024

Perpetual: S\$140.0 million 7.0% Subordinated Perpetual Securities was issued on 27 September 2016
 Perpetual: S\$120.0 million 6.6% Subordinated Perpetual Securities was issued on 19 June 2017

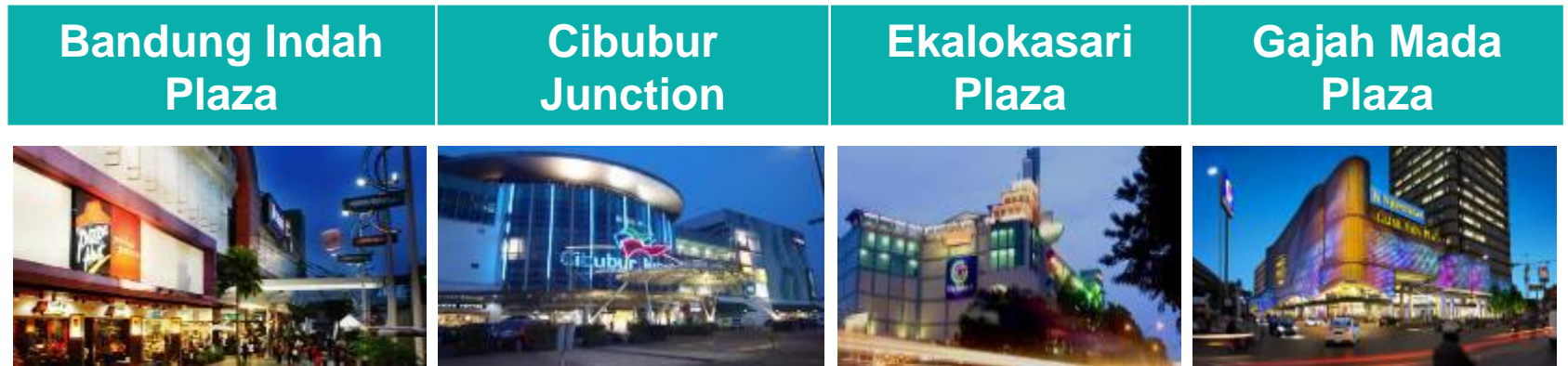


Thank You



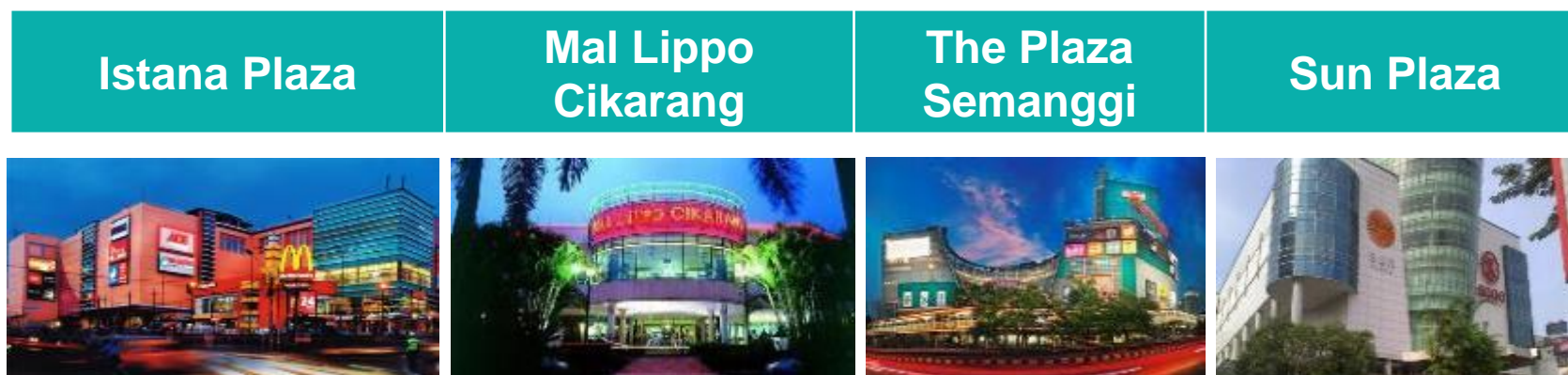
Appendix

Property Overview : Retail Malls



Valuation	Rp 764.7 billion	Rp 375.0 billion	Rp 381.7 billion	Rp 798.9 billion
Location	Jalan Merdeka, Bandung, West Java	Jalan Jambore, Cibubur, East Jakarta	Jalan Siliwangi 123, Bogor, West Java	Jalan Gajah Mada, Central Jakarta
GFA	75,868 sqm	66,071 sqm	58,859 sqm	66,160 sqm
NLA	30,288 sqm	34,100 sqm	28,212 sqm	36,535 sqm
Occupancy rate	98.3%	98.0%	91.5%	73.8%
Number of Tenants	245	155	98	158

Property Overview : Retail Malls



Valuation	Rp 644.2 billion	Rp 689.1 billion	Rp 1,069.0 billion	Rp 2,156.6 billion
Location	Jalan Pasir Kaliki, Bandung, West Java	Jalan MH Thamrin, Lippo Cikarang, West Java	Jalan Jenderal Sudirman, South Jakarta	Jalan Haji Zainul Arifin Medan, North Sumatera
GFA	46,809 sqm	39,293 sqm	155,122 sqm	107,373 sqm
NLA	27,471 sqm	29,926 sqm	60,084 sqm	69,541 sqm
Occupancy rate	93.0%	94.9%	81.5%	96.8%
Number of Tenants	181	125	419	379

Property Overview : Retail Malls

	Plaza Medan Fair	Pluit Village	Lippo Plaza Kramat Jati	Palembang Square Extension
				
Valuation	Rp 1,008.2 billion	Rp 846.2 billion	Rp 647.0 billion	Rp 288.0 billion
Location	Jalan Jenderal Gatot Subroto No.30, Medan Petisah, Medan, North Sumatera	Jalan Pluit Indah Raya, Penjaringan, North Jakarta	Jalan Raya Bogor Km 19, Kramat Jati, East Jakarta	Jalan Angkatan 45/POM IX, Palembang, South Sumatera
GFA	138,767 sqm	134,576 sqm	67,285 sqm	22,527 sqm
NLA	67,258 sqm	87,394 sqm	32,908 sqm	18,093 sqm
Occupancy rate	99.3%	94.4%	96.1%	96.0%
Number of Tenants	469	273	112	32

Property Overview : Retail Malls



Valuation	Rp 276.0 billion	Rp 719.0 billion	Rp 1,157.0 billion	Rp 302.0 billion
Location	Jalan Raya Taman Mini, East Jakarta	Jalan Angkatan 45/POM IX, Palembang, South Sumatera	Jalan Warung Jati Barat, South Jakarta	Jalan Soekamo, Hatta No.14, Binjai, North Sumatra
GFA	18,963 sqm	46,546 sqm	89,157 sqm	28,760 sqm
NLA	17,475 sqm	30,513 sqm	42,184 sqm	23,430 sqm
Occupancy rate	97.8%	97.2%	99.9%	98.8%
Number of Tenants	12	131	160	117

Property Overview : Retail Malls

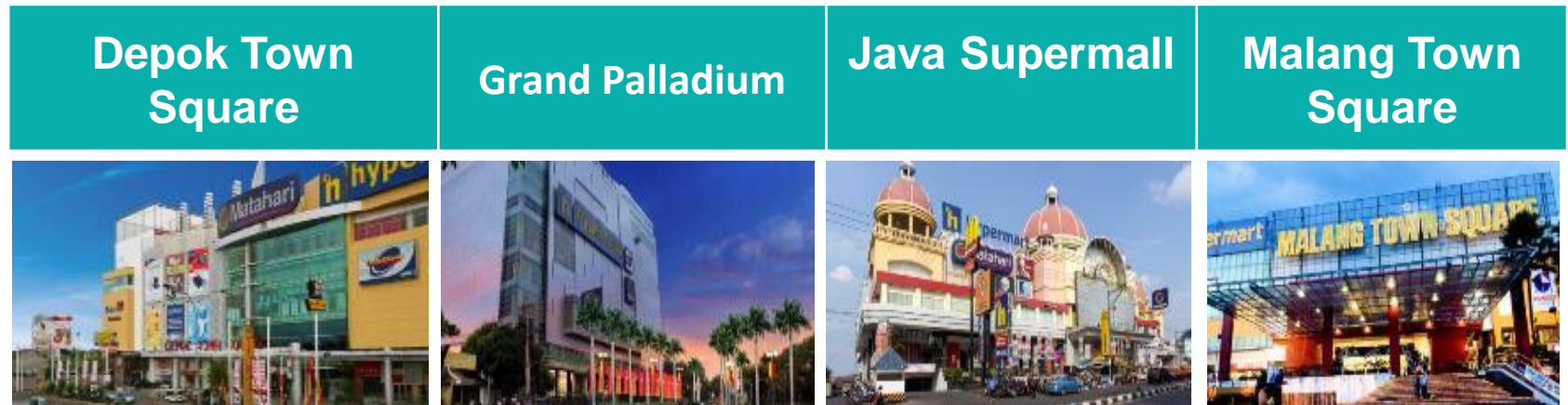


Valuation	Rp 3,143.1 billion	Rp 251.0 billion	Rp 770.0 billion	Rp 836.1 billion
Location	Jalan Kemang VI, South Jakarta	Jalan Diponegoro No. RT 07RW05, Batu City, East Java	Jalan POM IX, Palembang, South Sumatera	Jalan Kartika Plaza, District of Kuta, Badung, Bali
GFA	150,932 sqm	34,586 sqm	42,361 sqm	36,312 sqm
NLA	58,490 sqm	17,673 sqm	36,348 sqm	20,350 sqm
Occupancy rate	93.6%	91.3%	96.2%	93.2%
Number of Tenants	186	48	170	64

Property Overview : Retail Malls

	Lippo Plaza Kendari	Lippo Plaza Jogja	Kediri Town Square
			
Valuation	Rp 354.8 billion	Rp 601.3 billion	Rp 396.2 billion
Location	Jalan MT Haryono No.61-63, Kendari, South East Sulawesi	Jalan Laksda Adi Sucipto No. 32 – 34, Yogyakarta	Jalan Hasanudin No. 2, RT/22 RW/06, Balowerti Subdistrict, Kediri, East Java
GFA	34,831 sqm	66,098 sqm	28,688 sqm
NLA	20,184 sqm	21,452 sqm	16,848 sqm
Occupancy rate	99.4%	98.2%	99.3%
Number of Tenants	38	39	53

Property Overview : Retail Spaces



Valuation	Rp 155.5 billion	Rp 99.8 billion	Rp 148.4 billion	Rp 170.0 billion
Location	Jalan Margonda Raya, Depok, West Java	Jalan Kapt, Maulana Lubis, Medan, North Sumatera	Jalan MT Haryono, Semarang, Central Java	Jalan Veteran, Malang, East Java
GFA	13,045 sqm	13,417 sqm	11,082 sqm	11,065 sqm
NLA	12,490 sqm	12,305 sqm	11,082 sqm	11,065 sqm
Occupancy rate	100.0%	4.3%	100.0%	100.0%
Number of Tenants	4	1	2	3

Property Overview : Retail Spaces

Mall WTC Matahari

Metropolis Town Square

Plaza Madiun



Valuation	Rp 113.0 billion	Rp 140.8 billion	Rp 211.5 billion
Location	Jalan Raya Serpong, Tangerang, Banten Greater Jakarta	Jalan Hartono Raya, Tangerang, Banten Great Jakarta	Jalan Pahlawan, Madiun, East Java
GFA	11,184 sqm	15,248 sqm	19,029 sqm
NLA	10,753 sqm	14,861 sqm	11,436 sqm
Occupancy rate	100.0%	66.2%	99.1%
Number of Tenants	3	3	17

Favourable Indonesian Retail Outlook

Strong Middle-Income Growth

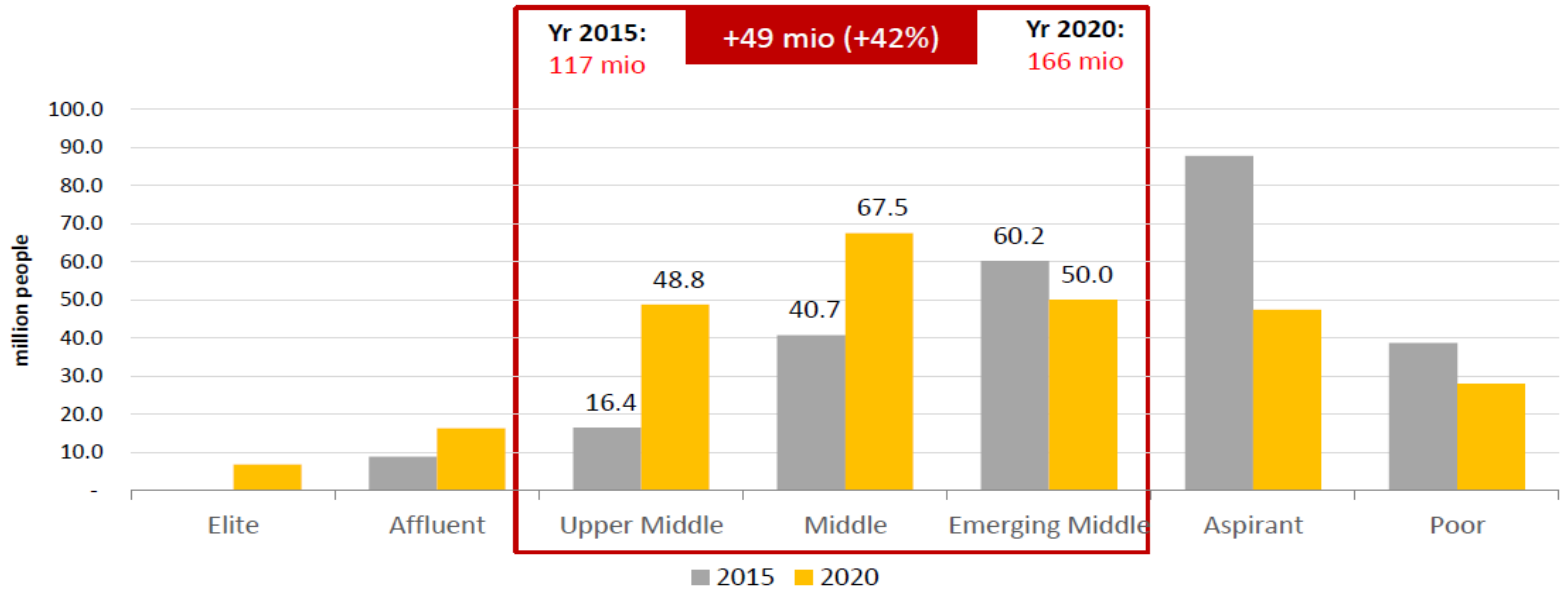
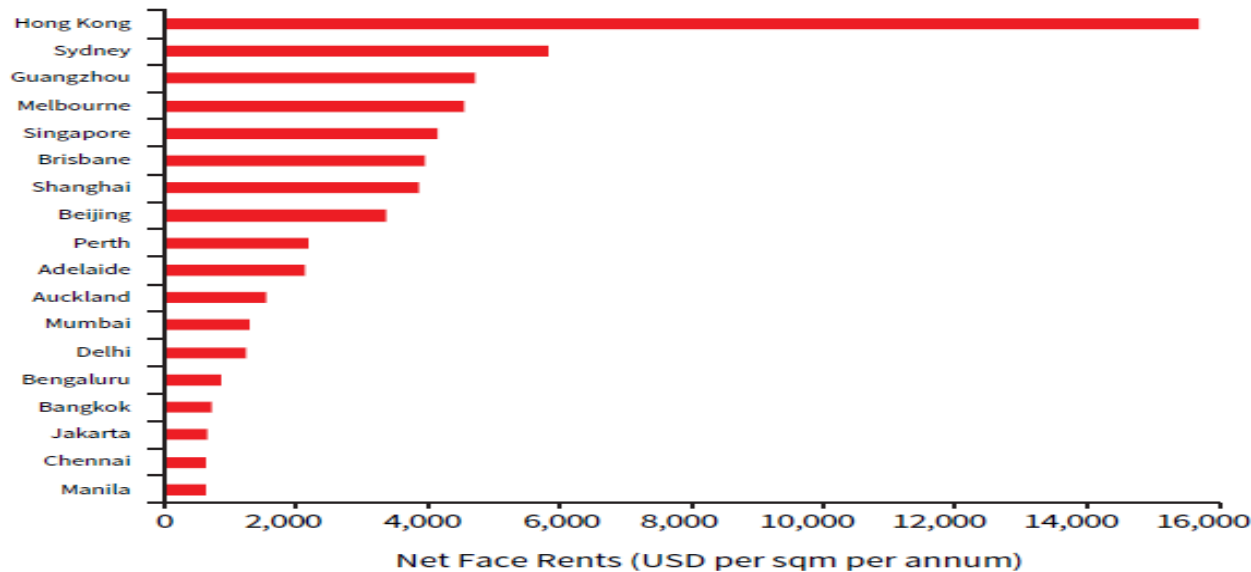


Figure 1: Asia Pacific Shopping Centre Rents, 4Q18



Potential for rents to catch-up to that of other markets in the long term

Trust Structure

