



(Constituted in the Republic of Singapore pursuant to a Trust Deed dated 8 August 2007)

FOR IMMEDIATE RELEASE

**JOINT ACQUISITION PROJECT BETWEEN LMIR TRUST AND FIRST REIT OF AN
INTEGRATED DEVELOPMENT IN YOGYAKARTA**

- *LMIR Trust and First REIT entered into a joint arrangement to acquire an integrated development comprising a 23,083sqm retail mall and a hospital*
- *LMIR Trust and First REIT will hold separate economic rights to all the assets and revenue of the retail mall and hospital, respectively*
- *The purchase consideration of S\$51.0 million for the retail mall asset represents a 8.8% discount to the higher of two independent valuations*

SINGAPORE – 3 February 2016 – LMIRT Management Ltd (“LMIRT”), the Manager of **Lippo Malls Indonesia Retail Trust (“LMIR Trust”** or the **“Trust”**), today announced that LMIR Trust has entered into a joint venture deed (the **“JVA”**) with First Real Estate Investment Trust (“First REIT”) in connection with the joint acquisition of an integrated development (the **“Property”**) in Yogyakarta, Indonesia, from PT Lippo Karawaci Tbk, the sponsor of both LMIR Trust and First REIT (the **“Sponsor”**).

The Property comprises a retail mall (to be known as **“Lippo Plaza Jogja”**) (**“LPJ”**) and a hospital component attached to the retail mall. The purchase consideration for LPJ, which will be borne by LMIR Trust, represents a discount of 8.8% to the higher of two independent valuations¹, whereas the purchase consideration for the hospital component will be borne by First REIT.

The joint acquisition is subject to the approval of LMIR Trust’s Unitholders and First REIT’s Unitholders at their respective extraordinary general meetings (**“EGM”**). The Unitholders’ Circular in relation to this proposed joint acquisition, together with a notice of the EGM to be convened, will be despatched to Unitholders in due course.

¹ KJPP Rengganis, Hamid & Rekan (in strategic alliance with CBRE) has independently valued the property at S\$55.9 million as at 30 September 2015 and KJPP Willson & Rekan (in association with Knight Frank) has independently valued the property at S\$53.7 million as at 30 September 2015.

Under the JVA, LMIR Trust is entitled to all the economic rights of all the assets and undertakings relating to LPJ and all the rights to the revenue, profits and dividends attributable to LPJ, as well responsible for all the liabilities, obligations, costs, expenses and losses attributable to LPJ. Similarly, First REIT will have the corresponding rights, undertakings, liabilities and responsibilities in respect of the hospital component.

Being in a strategically located catchment area and along with the surrounding areas in Central Java, Yogyakarta has one of the highest population densities in Java. The Property comprises a 10-storey building including one basement and one mezzanine level on a total land area of 13,715 square metres, with a shared multi-storey parking area² on the upper levels totalling 752 and 875 car and motorcycle lots respectively, and a rooftop helipad.

The Property is held under one “Right to Build” (*Hak Guna Bangunan* or “**HGB**”) title certificate. Currently, in Yogyakarta, there are no regulations permitting the regional government of Yogyakarta to subdivide the Property and issue separate strata titles for LPJ and the hospital component, such that LMIR Trust and First REIT have decided to jointly acquire this asset.

LMIRT’s Executive Director and Chief Executive Officer, Mr Alvin Cheng, commented, “Following the successful acquisitions of Lippo Plaza Batu and Palembang Icon in July last year, and the announcement of the proposed acquisition of Lippo Mall Kuta in Bali on 8 January 2016, we look forward to further strengthening our property portfolio with the proposed yield accretive acquisition. We expect this joint acquisition will further bolster our revenue and deliver increasing returns to our Unitholders.”

“Whilst we added SGD362 million of new assets at end of 2014, when we acquired Lippo Mall Kemang, we will have added a further SGD240 million of assets since July 2015 when we complete the latest transactions in Bali and Yogyakarta.”

LMIR Trust will finance the retail mall acquisition by utilising debt financing. The Manager of LMIR Trust is currently exploring the options of bank loan facilities and/or issuance of unsecured bonds under the EMTN Program which was established in September 2015.

² The parking area forms part of LPJ.

About Lippo Malls Indonesia Retail Trust (“LMIR Trust”) (www.lmir-trust.com)

LMIR Trust is a Singapore-based real estate investment trust established with the principal investment objective of owning and investing, on a long-term basis, in a diversified portfolio of income-producing real estate in Indonesia that are primarily used for retail and/or retail-related purposes.

Important Notice

The value of Units and the income from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, 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 the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

The past performance of LMIR Trust is not necessarily indicative of the future performance of LMIR Trust.