

Lippo Malls Indonesia Retail Trust

**Annual General Meeting
18 April 2018**



**BUILDING ON
10 RESILIENT YEARS**



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.

Portfolio Overview

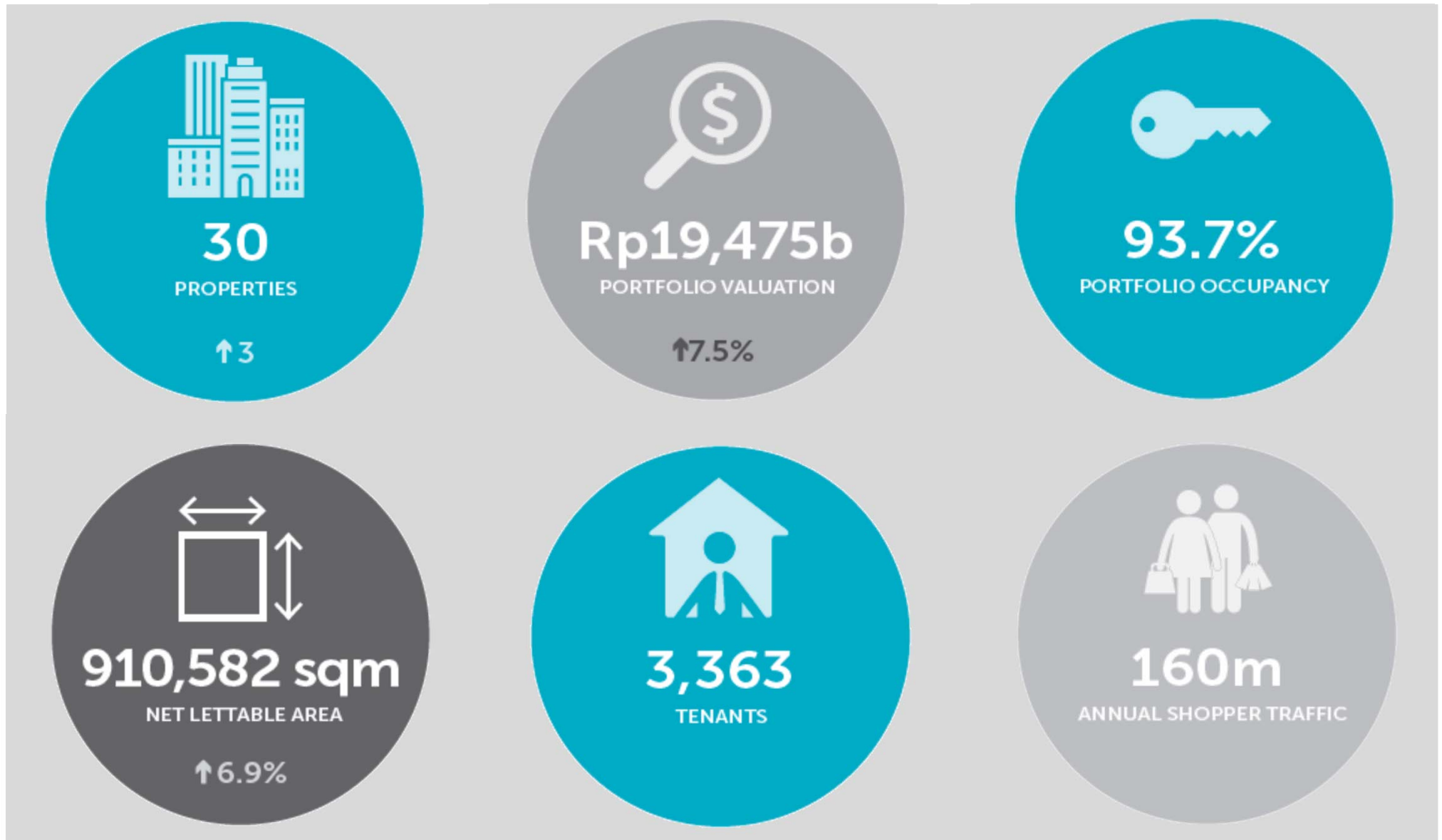
Key Highlights in FY 2017

Financial Highlights

Growth Outlook

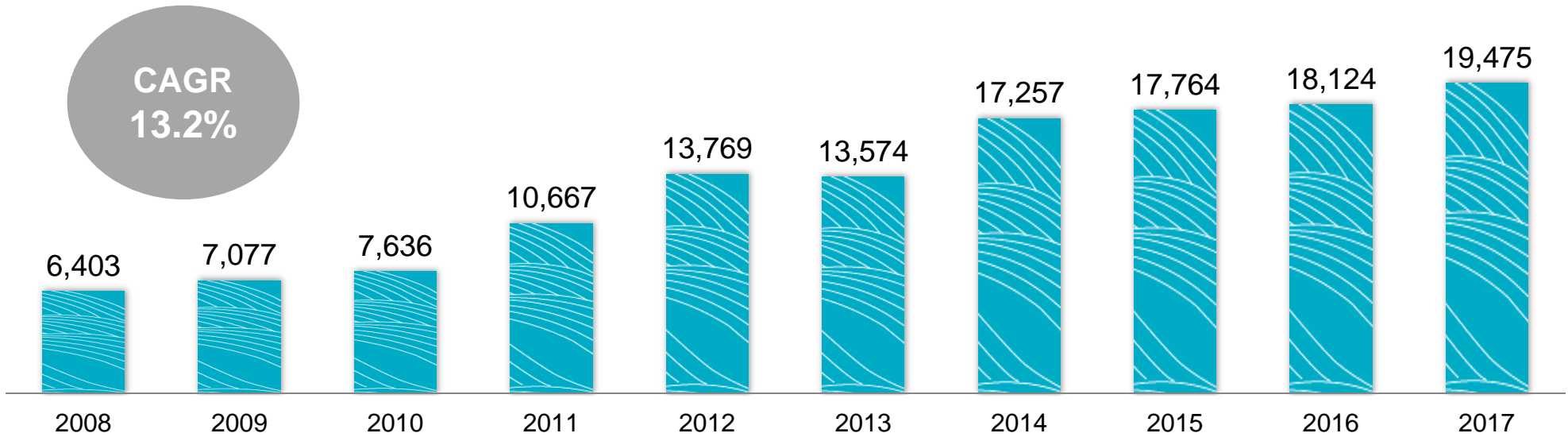


A Snapshot

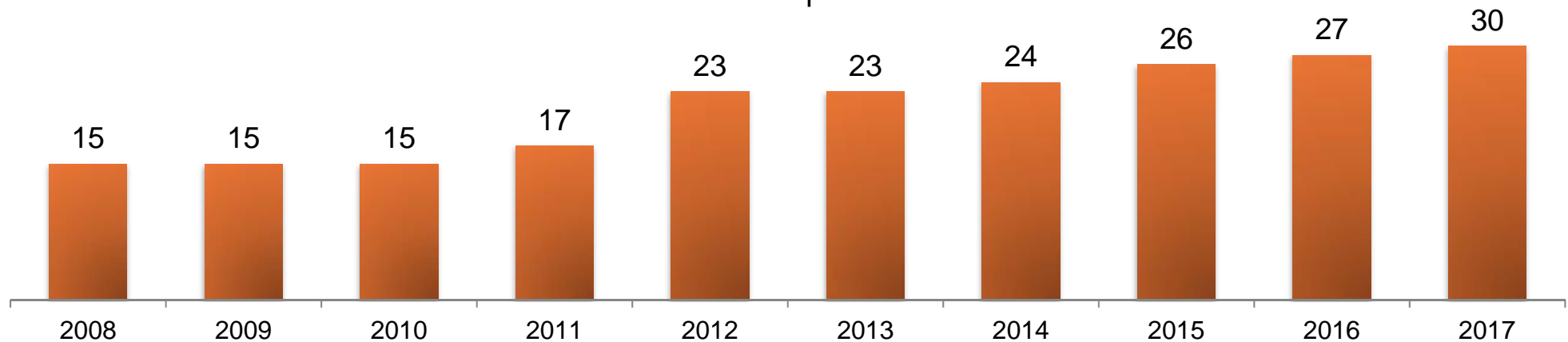


A Growing Portfolio

Portfolio Valuation (Rp'billion)



Number of Properties



Strategically Located Portfolio



Well-diversified Portfolio

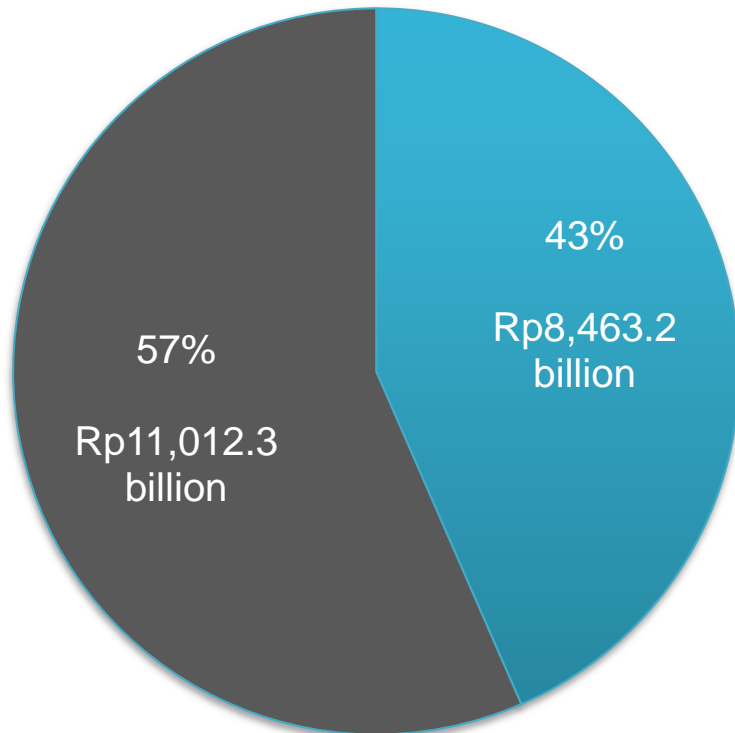
In Jakarta

8 Properties

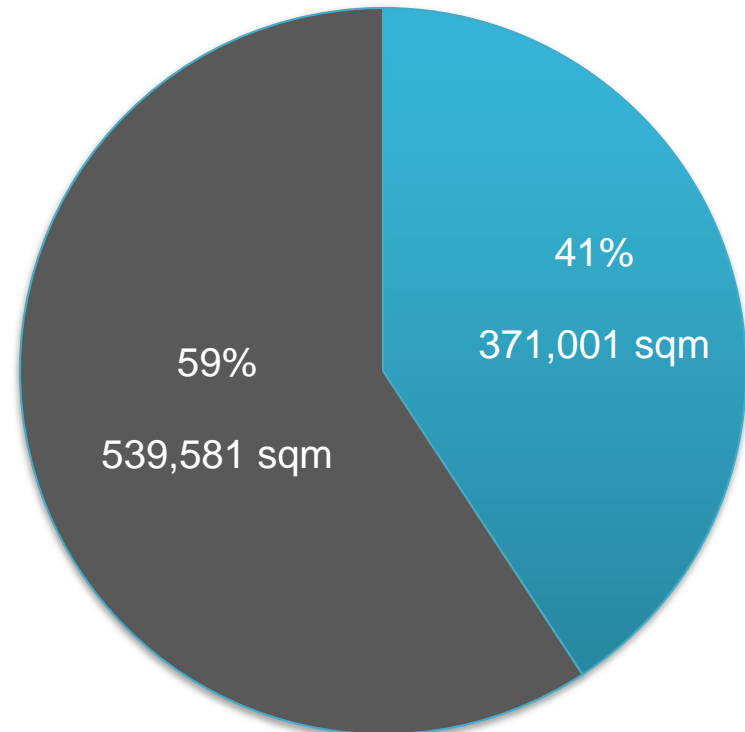
Outside Jakarta

22 Properties

Breakdown by Valuation



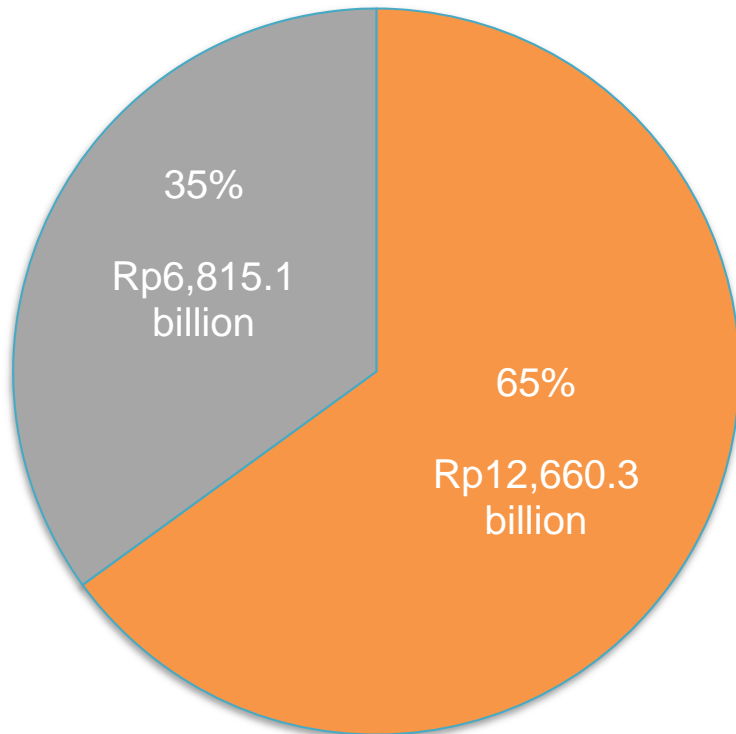
Breakdown by NLA



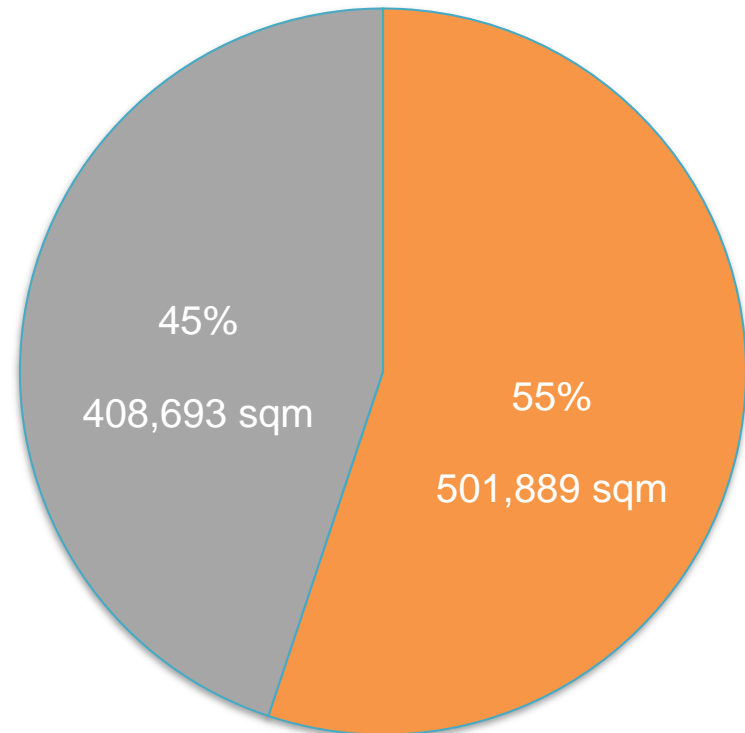
Land Title Profile

HGB/Strata Title	20 Properties
BOT Title	10 Properties

Breakdown by Valuation

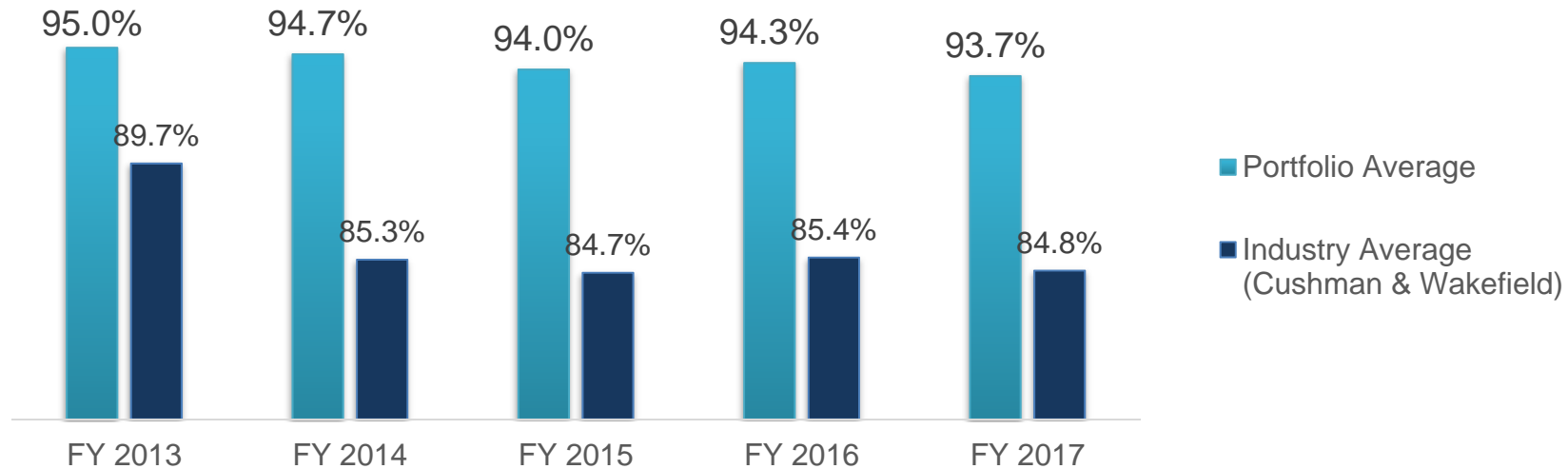


Breakdown by NLA

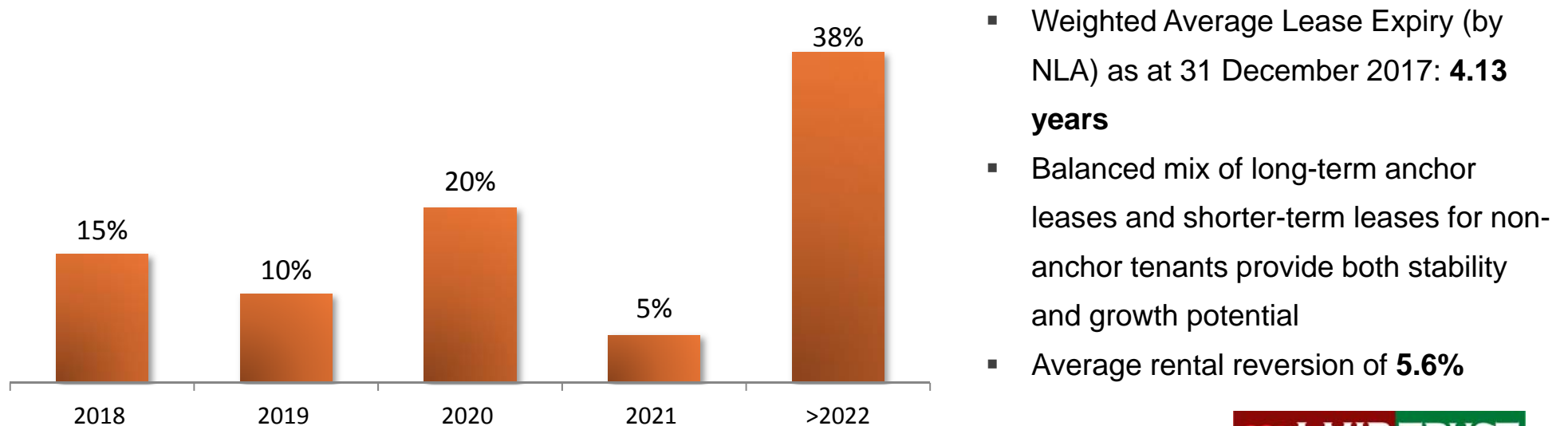


Occupancy Rate and Lease Profile

High Occupancy Rate

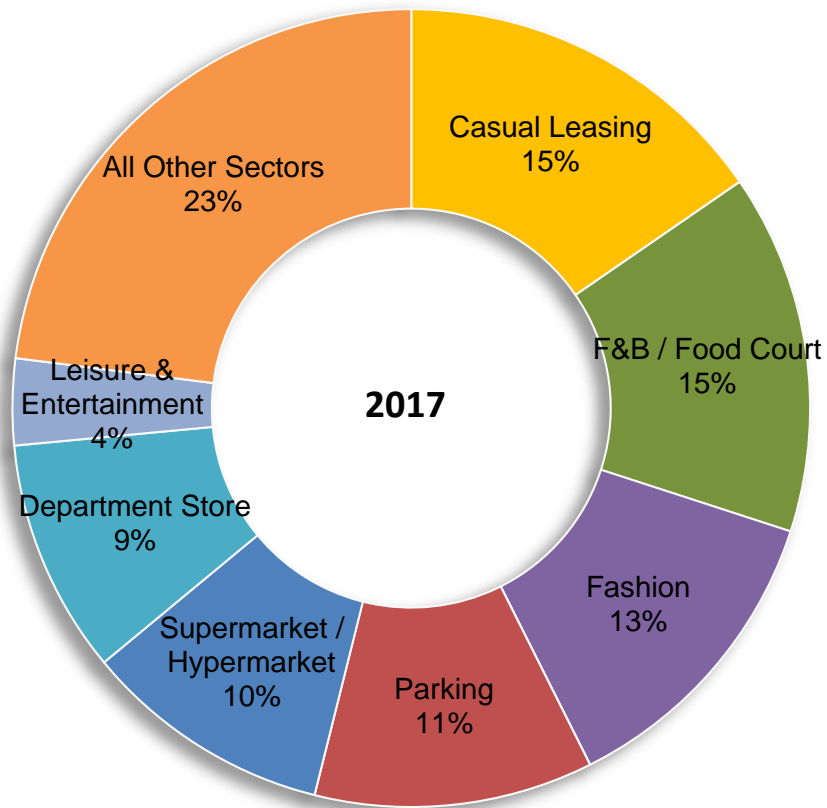


Long Lease Profile

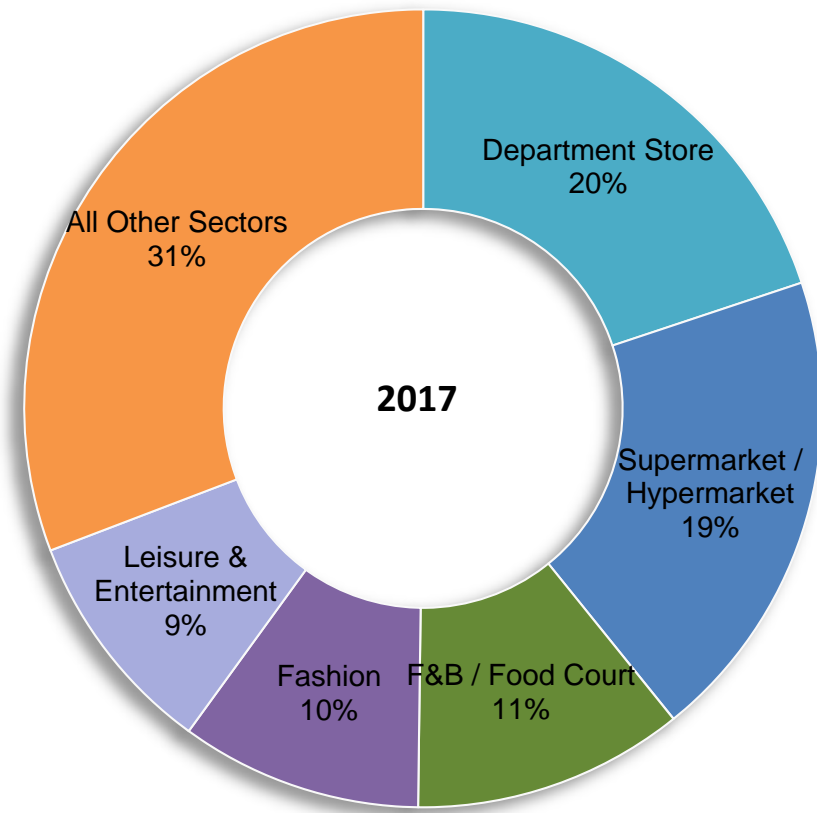


Diversified Quality Tenants

Trade Sector Breakdown by Gross Revenue*



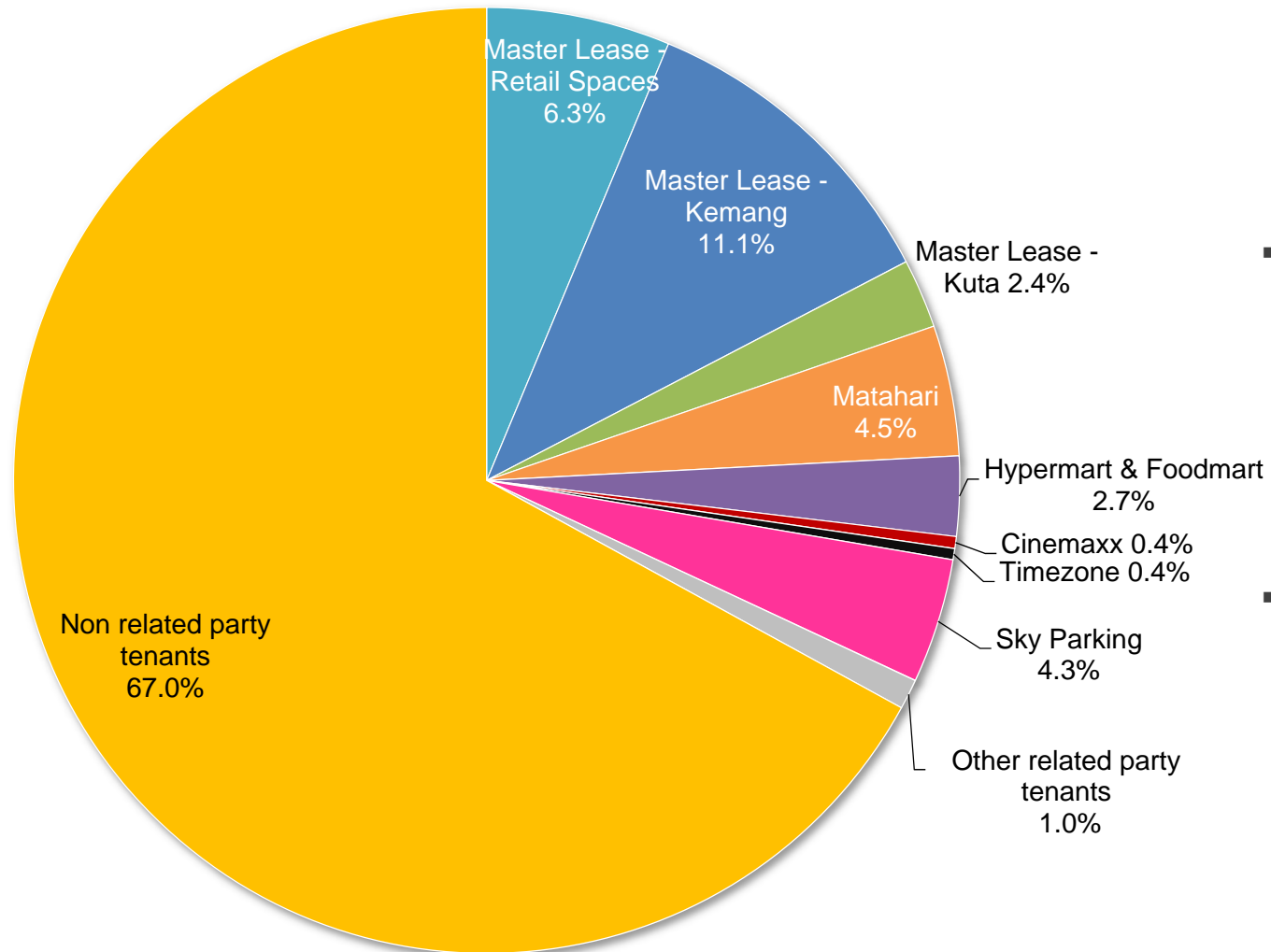
Trade Sector Breakdown by Net Lettable Area



* Exclude other rental income and income from rental of mechanical, electrical and mall operating equipment

Related-Party Tenants

Contribution of Related-Party Tenants to Gross Revenue



- Income derived from Related Party Tenants contributed approximately 33% of the FY 2017 Gross Revenue
- Other related party tenants include Nobu Bank, 4G Bolt, Maxx Kitchen, UPH, Maxx Coffee, Big TV & Books & Beyond
- Master Lease for Retail Spaces expired in Nov 2017; area is currently leased to multiple tenants with occupancy rate at 88.6%



Portfolio Overview
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Three Acquisitions



Lippo Plaza Kendari

Purchase Price
Rp310.0 billion
\$32.2 million

Valuation
Rp316.0 billion

Net Lettable Area
20,146 sqm

Occupancy
99.4%



Lippo Plaza Jogja

Purchase Price
Rp570.0 billion
\$57.0 million

Valuation
Rp599.0 billion

Net Lettable Area
23,023 sqm

Occupancy
98.6%



Kediri Town Square

Purchase Price
Rp345.0 billion
\$34.4 million

Valuation
Rp364.0 billion

Net Lettable Area
16,840 sqm

Occupancy
99.6%

Key Operational Highlights

Completed enhancement works at Lippo Plaza Ekalokasari Bogor with occupancy improving to 86.9% as at 31 December 2017, compared to 71.3% as at 31 December 2016

Transferred adjoining retail wing extension of Plaza Medan Fair to LMIR Trust, increasing total mall NLA by 16.8% to 64,303 sqm

Completed additions and alterations works at Istana Plaza

Extended strata titles under Java Supermall Units for another 20 years to 24 September 2037

Extended strata titles under Mall WTC Matahari for another 20 years to 8 April 2038

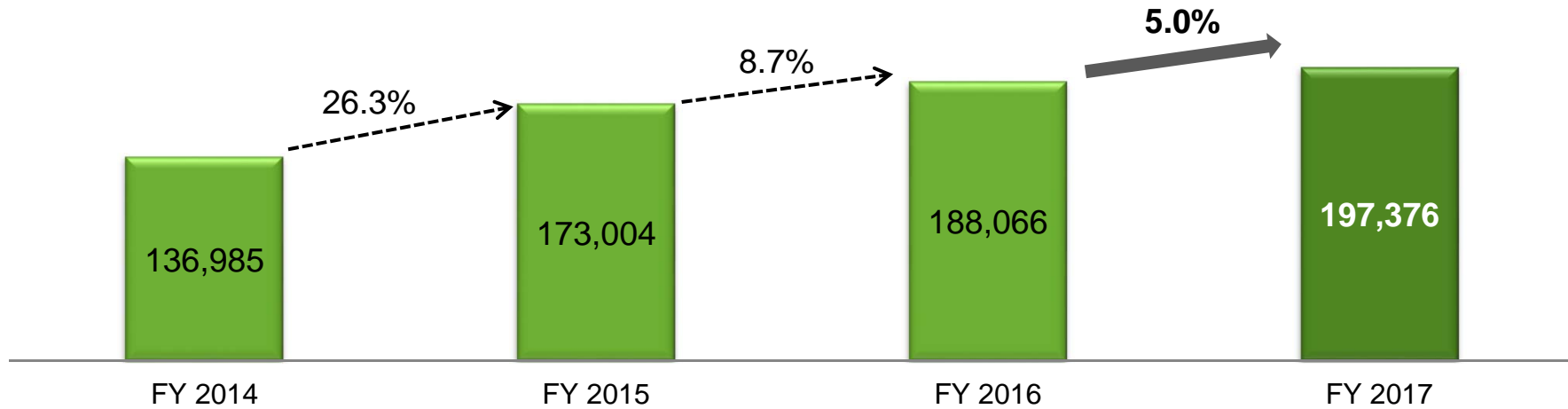
Entered into new lease agreements for the seven retail spaces

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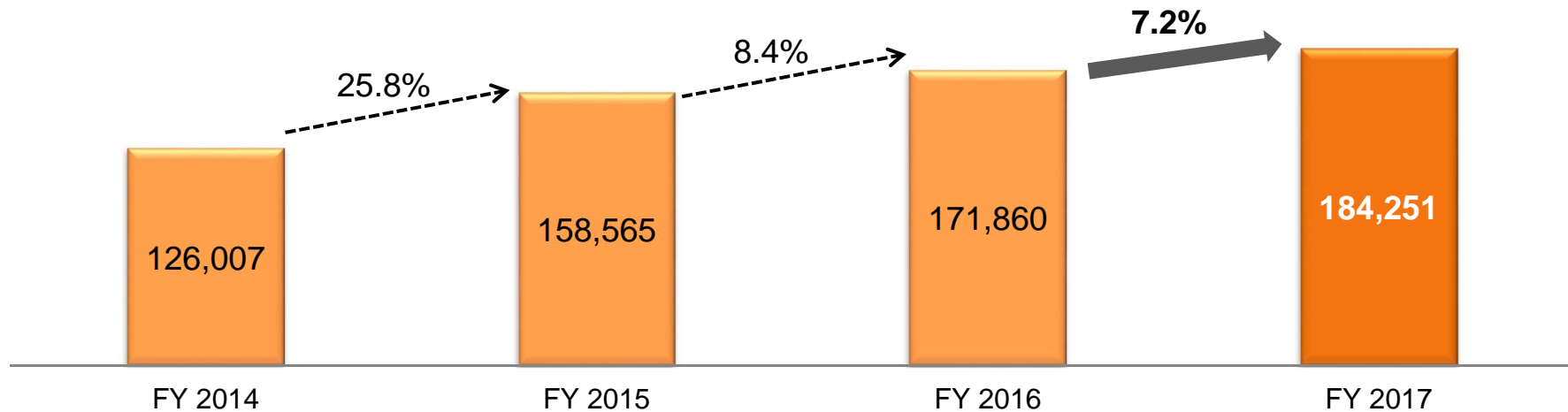


Continued Growth in Revenue and NPI

Gross Revenue (S\$'000)

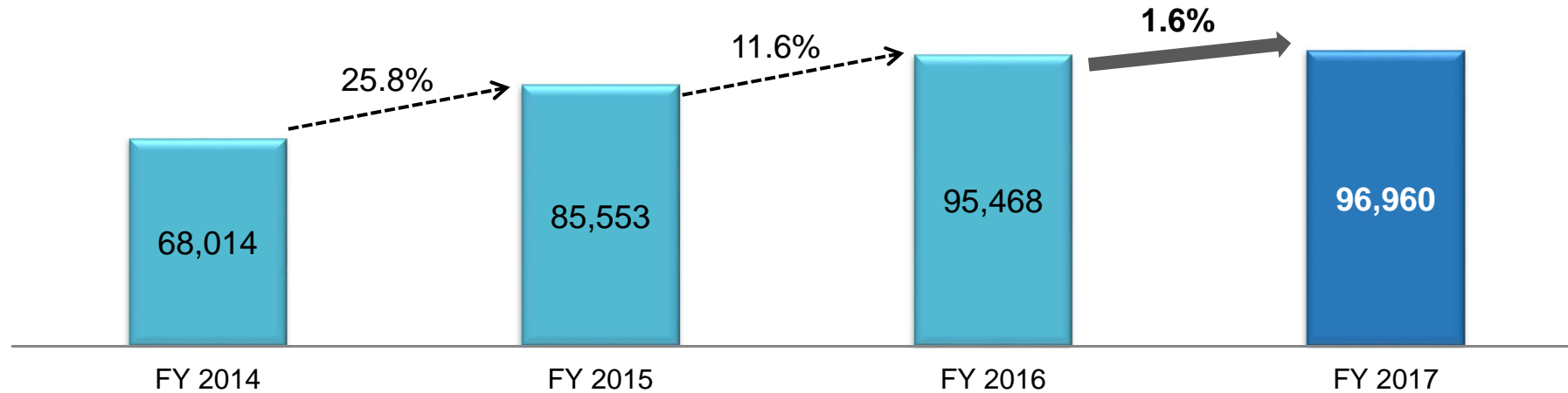


Net Property Income (S\$'000)

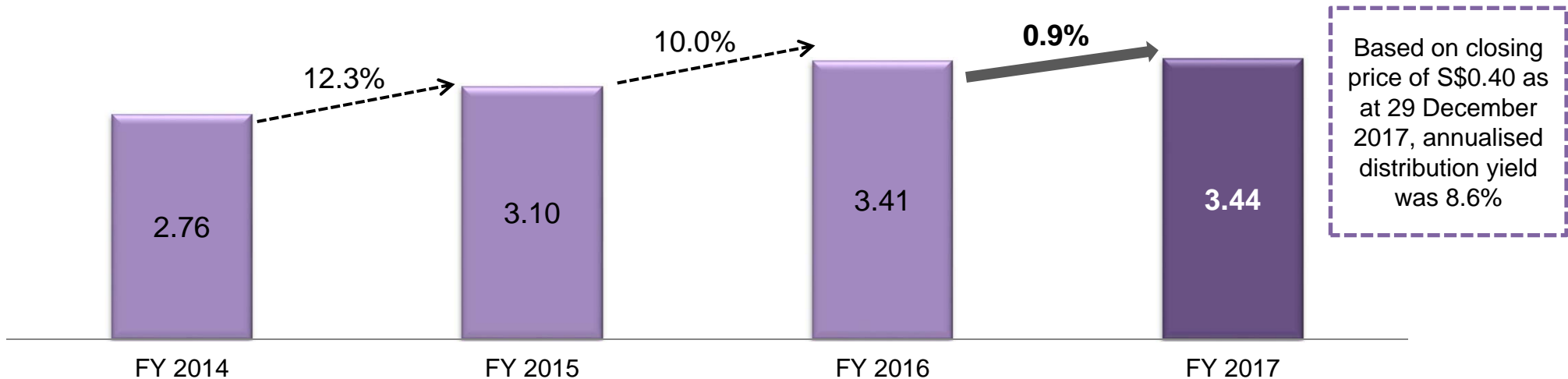


Steady Growth in Distribution

Distributable Income to Unitholders (S\$'000)

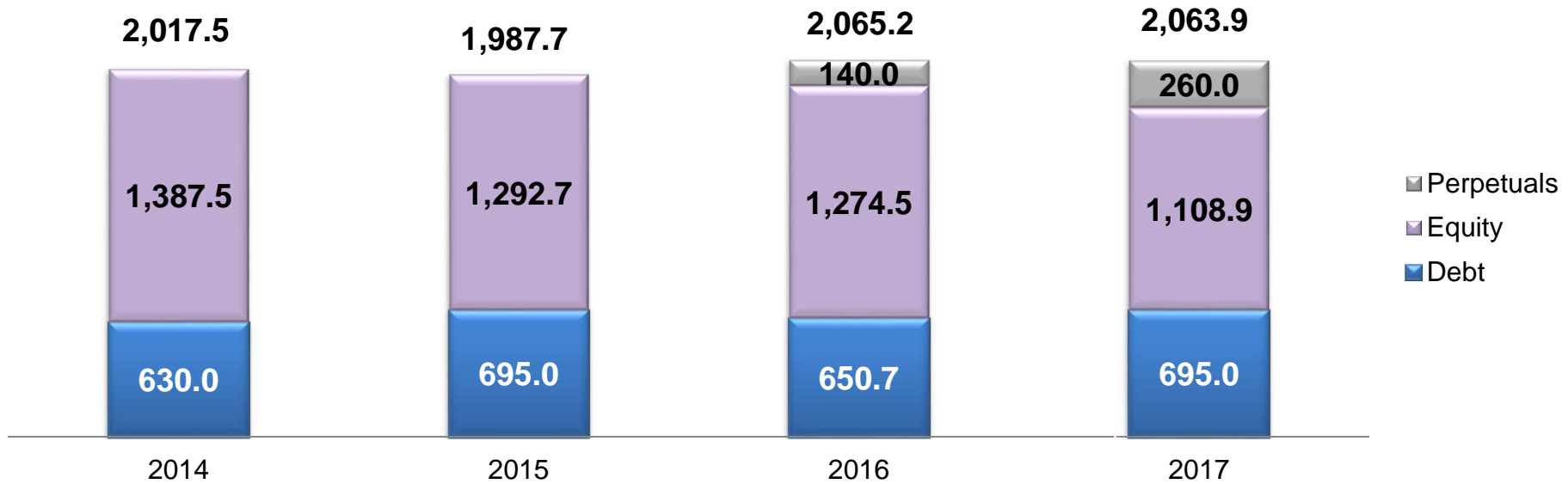


DPU (Singapore Cents)

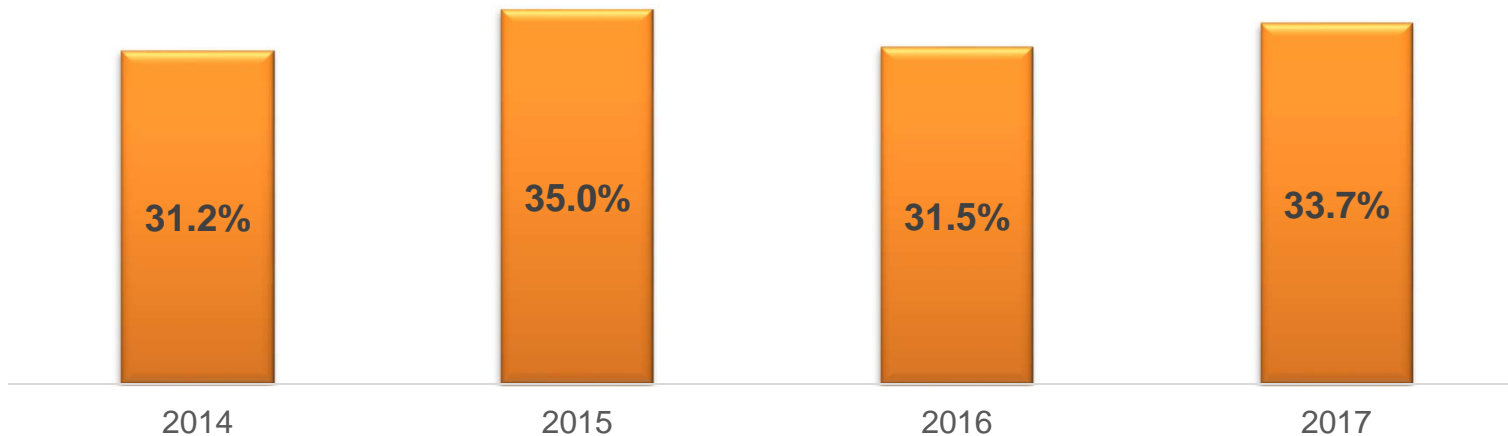


Healthy Balance Sheet and Gearing

Balance Sheet (S\$'million)



Gearing

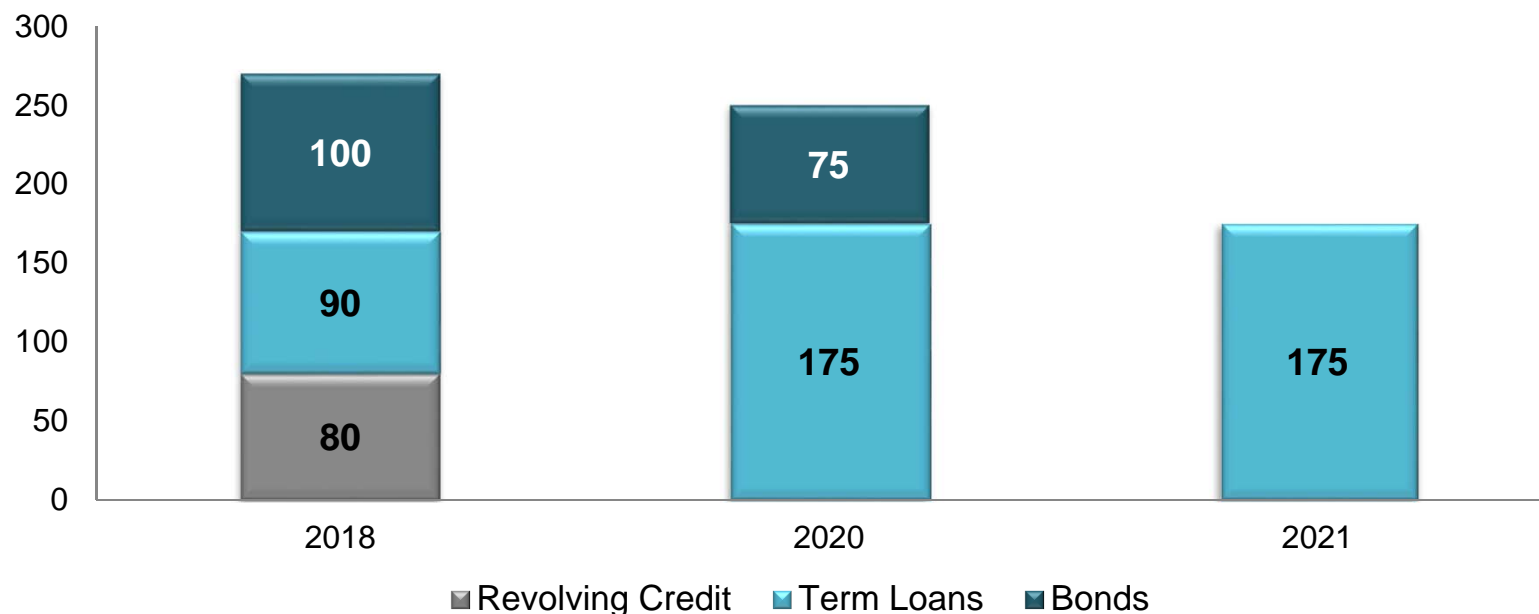


Gearing is well below the regulatory gearing limit of 45%

Debt Maturity Profile

Fixed Rate Debt Ratio	Weighted Average Maturity of Debt	Weighted Average Interest Rate Per Annum	Interest Cover
47.5%	2.13 years	4.7%	6.0 times

As at 31 December 2017



Notes:

- 1 S\$80 million 1.80% + SOR revolving credit facility
- 2 S\$100 million 4.50% bond due 23 November 2018
- 3 S\$90 million 3.00% + SOR term loan due 15 December 2018
- 4 S\$75 million 4.10% bond due 22 June 2020
- 5 S\$175 million 2.95% + SOR term loan due 25 August 2020
- 6 S\$175 million 3.15% + SOR term loan due 25 August 2021

Perpetual: S\$140 million 7.0% Subordinated Perpetual Securities was issued on 27 September 2016

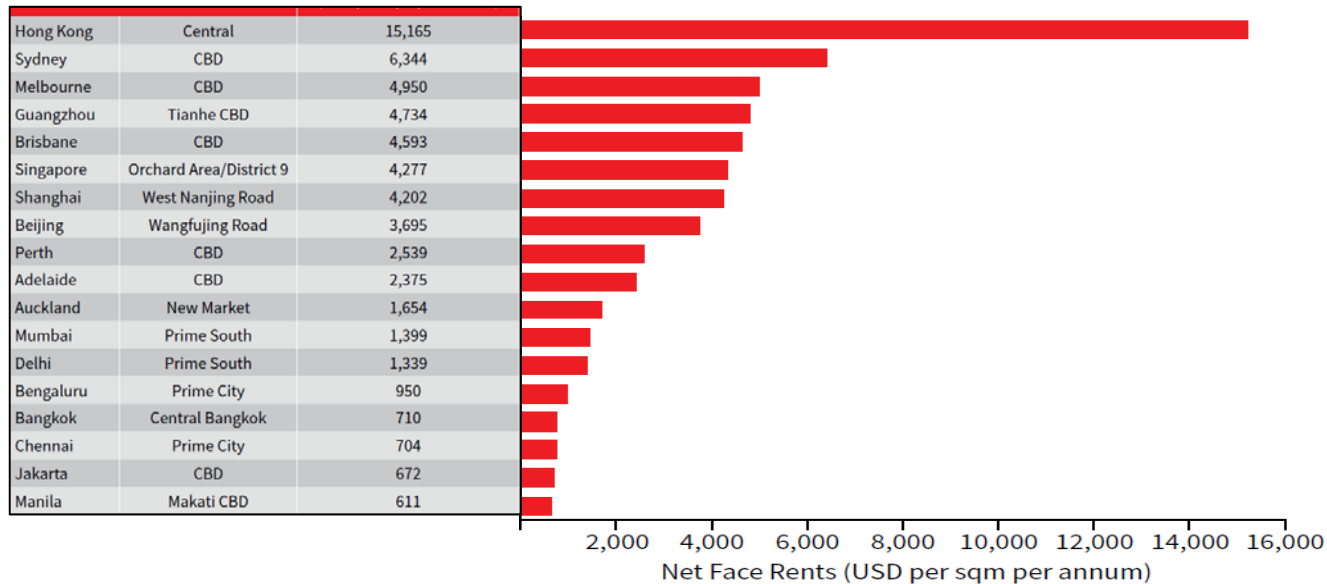
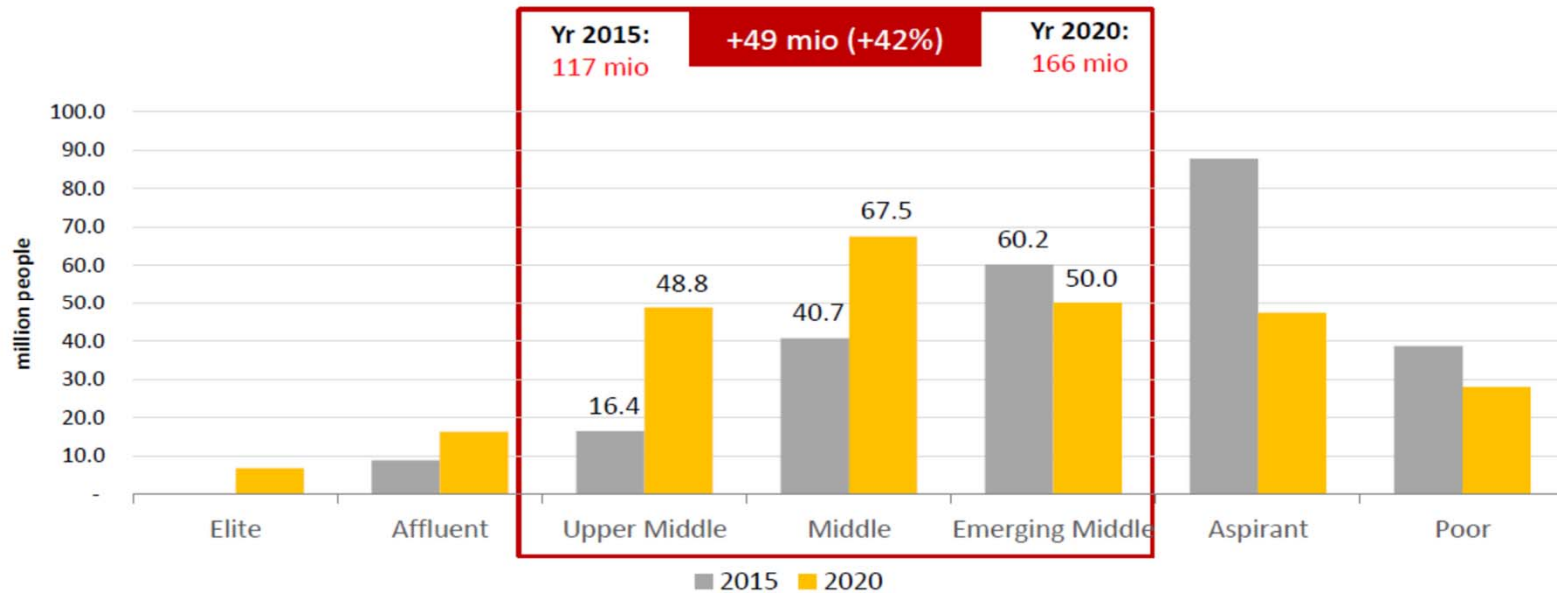
Perpetual: S\$120 million 6.6% Subordinated Perpetual Securities was issued on 19 June 2017

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Attractive Indonesian Retail Outlook

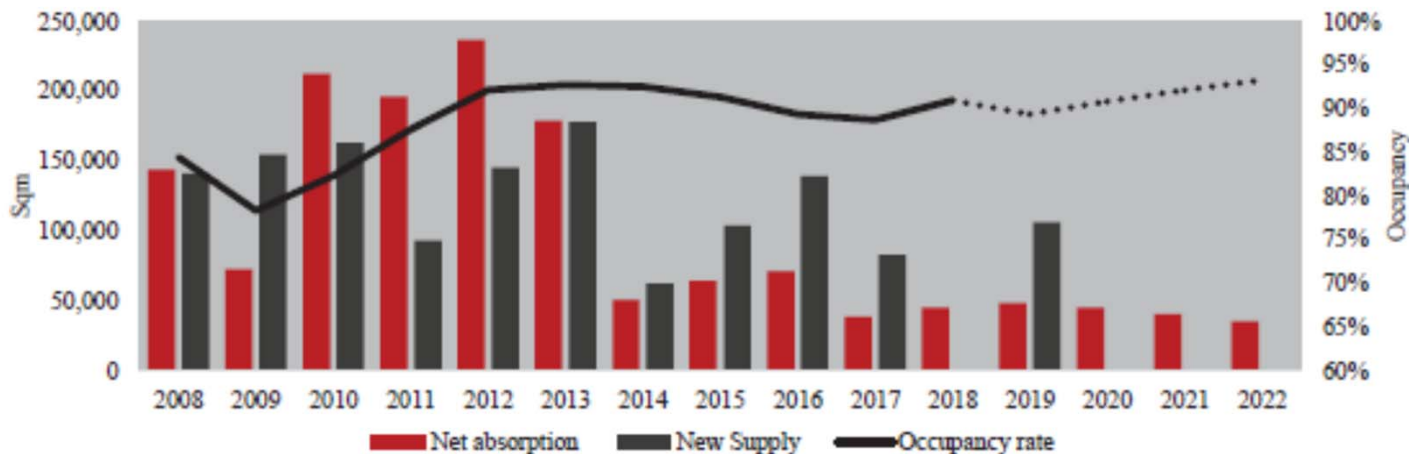
Strong Middle-Income Growth



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

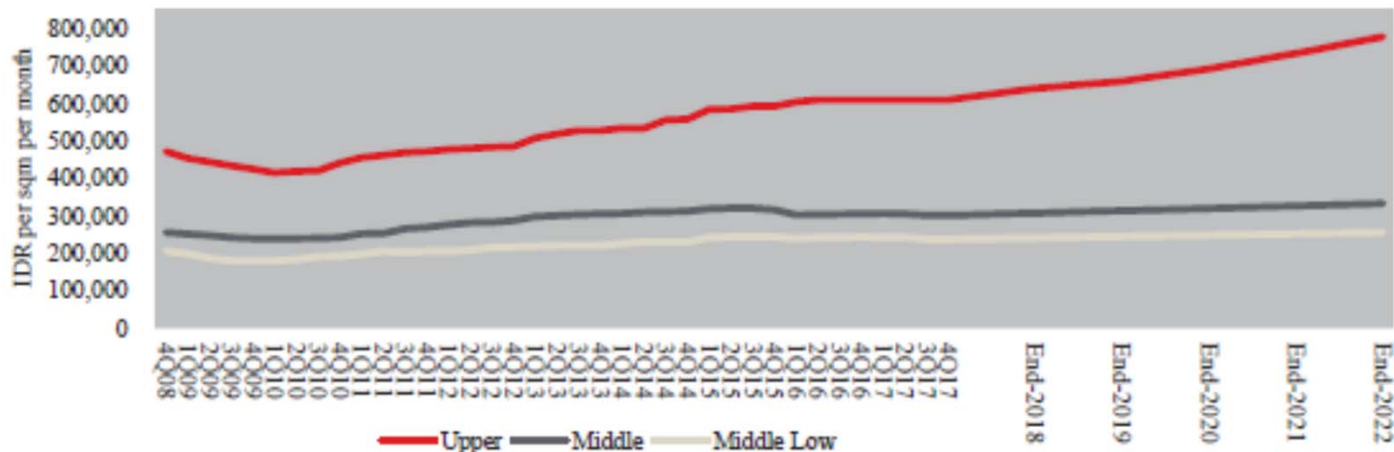
Retail Property Market Trends

Supply, Demand and Occupancy *



* Occupancy for prime malls only

Retail Rents



Demand

- Footfall remained strong in prime malls
- Extremely limited supply and low vacancy rates
- Net absorption low

Supply

- Moratorium on standalone shopping mall development in Jakarta in place since 2011; supply pipeline extremely thin
- Moratorium does not affect locations outside of Jakarta city, offer expansion opportunities

Rents

- Vacancy rates remained low with strongest demand from F&B and entertainment tenants
- Average rents across prime retail market in Jakarta remained flat q-o-q, while whole year growth was 3.3%
- Annual rental growth projected at 5% in prime retail market

Source: Jones Lang LaSalle, Jakarta Property Market Review 4Q2017

Retail Market Drivers

- Retail sector is still growing though at a slower pace

Positive Influences

- Stable GDP Growth (about 5%)
- Consumer Confidence Index level still high especially based on expectation on future economy



Negative Influences

- Price increase (CPI) nearly 4% every year
- Lower real income growth (minimum wage 8% increase, lower compared to previous years)

Other Influencing Factors

- Consumers are more selective on spending due to price pressure and slowing economy (among upper consumer)
- While purchasing power is increasing, consumption is slowing down as households are more cautious and are saving a greater portion of their income

Committed Sponsor



Sponsor, **PT Lippo Karawaci Tbk**, Indonesia's largest listed company by total assets and revenue, with a market capitalisation of US\$829.8 million¹ as at 31 December 2017



Owns and/or manages 47 malls throughout Indonesia and has another 38 malls in the pipeline



Focused on developing and managing community malls located in cities with dense population



Malls have an average occupancy rate of over 88% and cater to more than 300 million visitors per year



LMIRT has the right-of-first-refusal to acquire Sponsor's properties

¹ Based on Bloomberg's data: Rp11.2619 trillion and exchange rate of US\$1 = Rp13,571.9