

Lippo Malls Indonesia Retail Trust

EGM - Proposed acquisition of Lippo Plaza Jogja and Kediri Town Square
20 December 2017



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.

Proposed Acquisition: Lippo Plaza Jogja



Property Type	Retail Mall (part of an integrated property with hospital)
Purchase Consideration	IDR 570.0 billion (S\$61.1 million @ exchange rate of 9,334)
Valuations	IDR 575.2 billion by W&R¹ IDR 599.3 billion by Rengganis²
Discount to Valuation	2.9% (based on average of 2 valuations)
Financing	Proceeds from the issuance of bonds and/or debt financing facilities from banks
Property Title	HGB title certificate expiring 27 December 2043
Master Leases	1- Parking 2- Casual Leasing 3- Specialty Tenants Total annual rental: IDR42.6 billion Term of Lease: 5 years

Notes:

¹ KJPP Willson dan Rekan (in association with Knight Frank)

² KJPP Rengganis, Hamid & Rekan (in association with CBRE)

Proposed Acquisition: Lippo Plaza Jogja

Description	<ul style="list-style-type: none"> ▪ Strategically located in a densely populated area in Yogyakarta ▪ 10-storey building including a multi-storey parking area and a hospital. Diverse range of tenants including a cinema, food retailers and a hypermarket ▪ Ongoing enhancement works expected to be completed in 2019
Location	Yogyakarta, Java
Year of Commencement	Established in 2005, refurbished between 2013 to 2015, recommenced in 2015
GFA / NLA	66,098 sqm / 23,023 sqm
Key Tenants	Matahari Department Store, Hypermart, Cinemaxx and Celebrity Fitness
Carpark Lots	752
Motorcycle Lots	875
Occupancy Rate	88.1%
NPI Yield	8.0% (with Master Lease and Service Charge arrangement) 1.3% (without Master Lease and Service Charge arrangement)



Competitive Landscape

2 direct competitors:
Ambarukmo Plaza and Galeria Mall



Ambarukmo Plaza



Year commenced	2006
NLA	45,000 sqm
Occupancy	99%
Key Tenants	Centro Lifestyle, Carrefour, Cinema XXI and The Premiere

Galeria Mall



Year commenced	2014
NLA	42,000 sqm
Occupancy	92%
Key Tenants	Hypermart, Matahari Department Store, Cinema XXI and The Premiere

Lippo Plaza Jogja



Year commenced	2005
NLA	23,023 sqm
Occupancy	88.1%
Key Tenants	Matahari, Hypermart, Cinemaxx & Celebrity Fitness

Proposed Acquisition: Lippo Plaza Jogja

Diversified Tenants

LPJ boosts a broad and diversified selection of 57 tenants, comprising of established international and local brands:

Key Tenants



Proposed Acquisition: Lippo Plaza Jogja

Master Leases

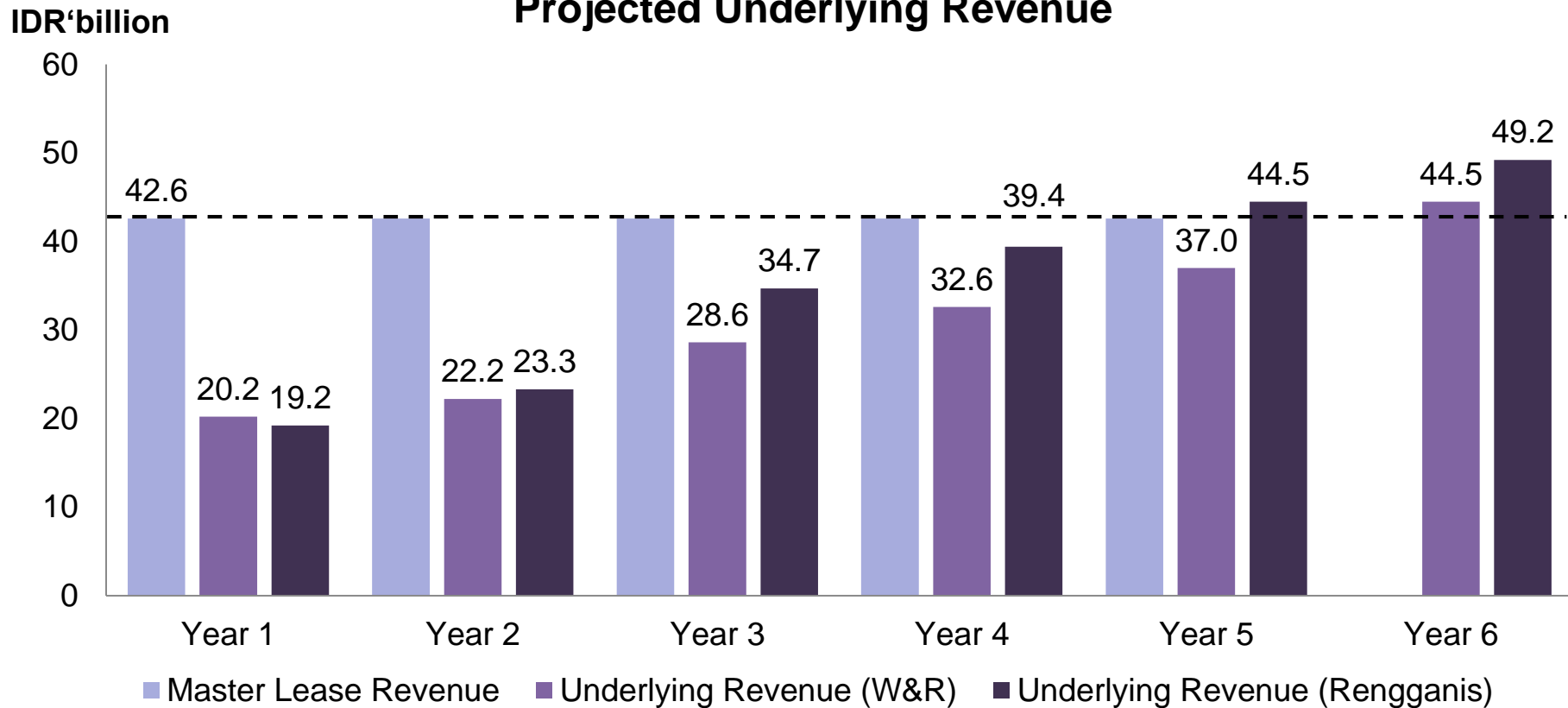
Upon completion of the LPJ Acquisition, LMIRT will enter into 3 master lease agreements:

Master Lease	Area (lots / sq m)	Term (years)	Annual Rental Income (Rp.)		
			Master Lease Revenue	Underlying Revenue (for FY2016)	% of Underlying Revenue over Master Revenue
1. Parking	752 car parking lots 875 motorcycle lots	5	7.0 billion	1.3 billion	18.6
2. Casual Leasing	550 sqm	5	5.4 billion	1.3 billion	24.1
3. Specialty Tenants	Anchor: 4,619 sqm Specialty: 9,552 sqm	5	Anchor: 5.1 billion Specialty: 25.1 billion	Anchor: 4.2 billion Specialty: 6.8 billion	36.4
Total			42.6 billion	13.6 billion	31.2

- Lessees are all indirect wholly-owned subsidiaries of LMIRT's Sponsor
- The Manager believes that the rental rates under the Master Leases are attainable after the expiry of the Master Leases.

Proposed Acquisition: Lippo Plaza Jogja Sustainable Rentals

Comparison of Master Lease Revenue vs Projected Underlying Revenue



According to projections by W&R and Rengganis, the total revenue from the Master Leases is sustainable by the underlying revenue from Year 6 onwards.

Proposed Acquisition: Lippo Plaza Jogja Holding Structure

Yogyakarta has one of the highest population densities in Java



Integrated development in Yogyakarta consisting of a retail mall (Lippo Plaza Jogja LPJ) and hospital (Siloam Hospitals Yogyakarta SHYG)



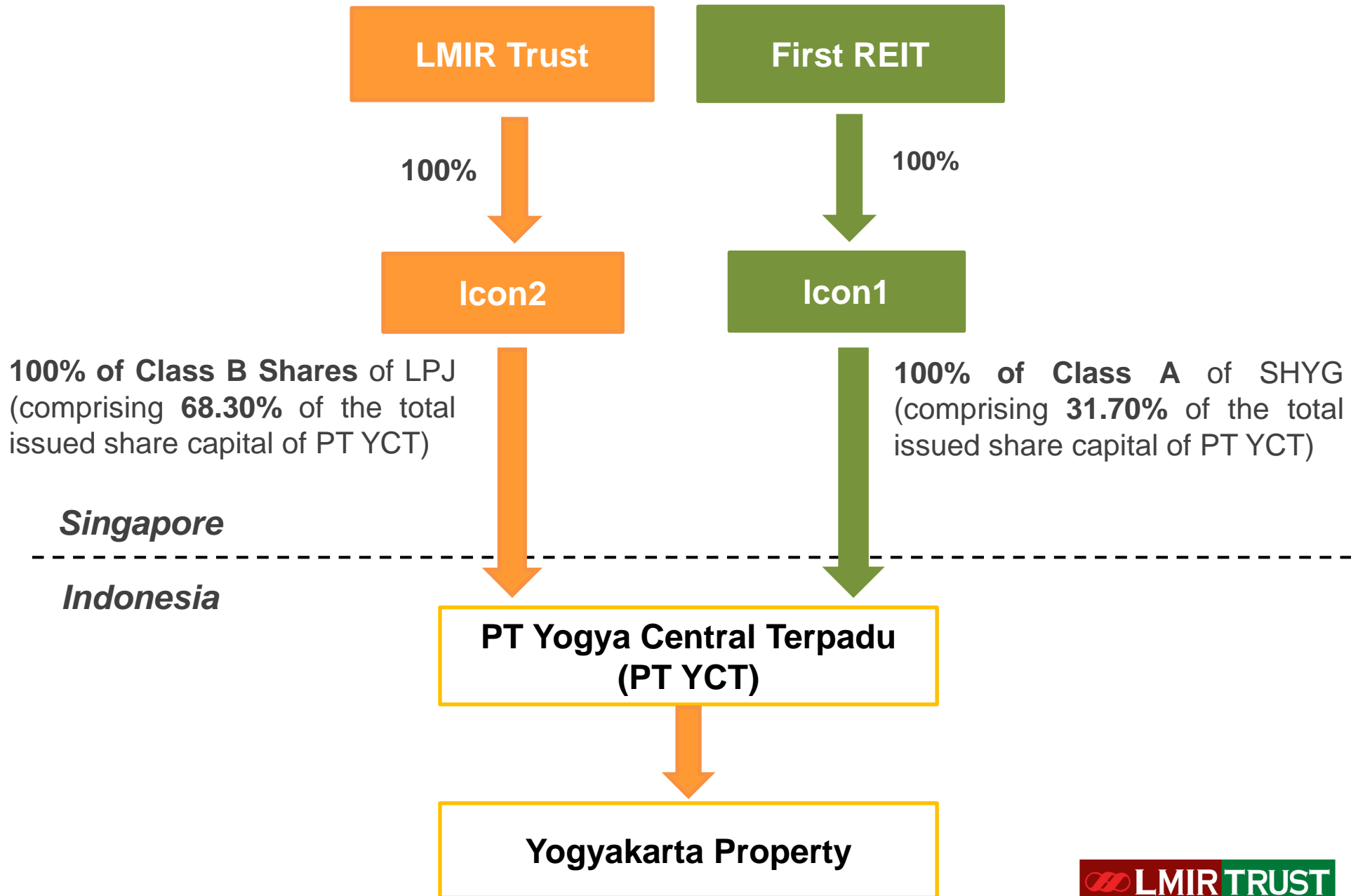
Entitled to all economic benefits, costs and undertakings related to Lippo Plaza Jogja (LPJ)

Joint Acquisition

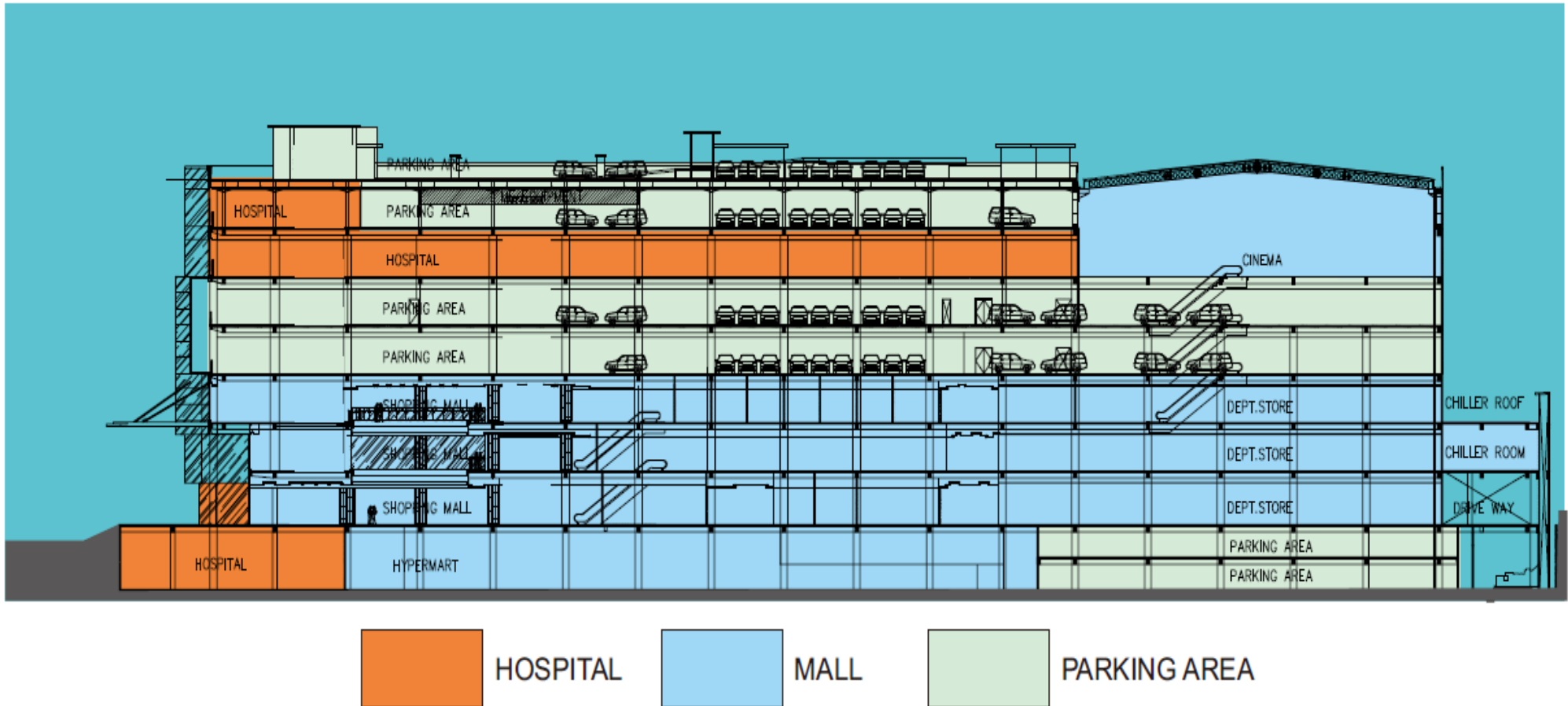


Entitled to all economic benefits, costs and undertakings related to Siloam Hospitals Yogyakarta (SHYG)

Proposed Acquisition: Lippo Plaza Jogja Holding Structure

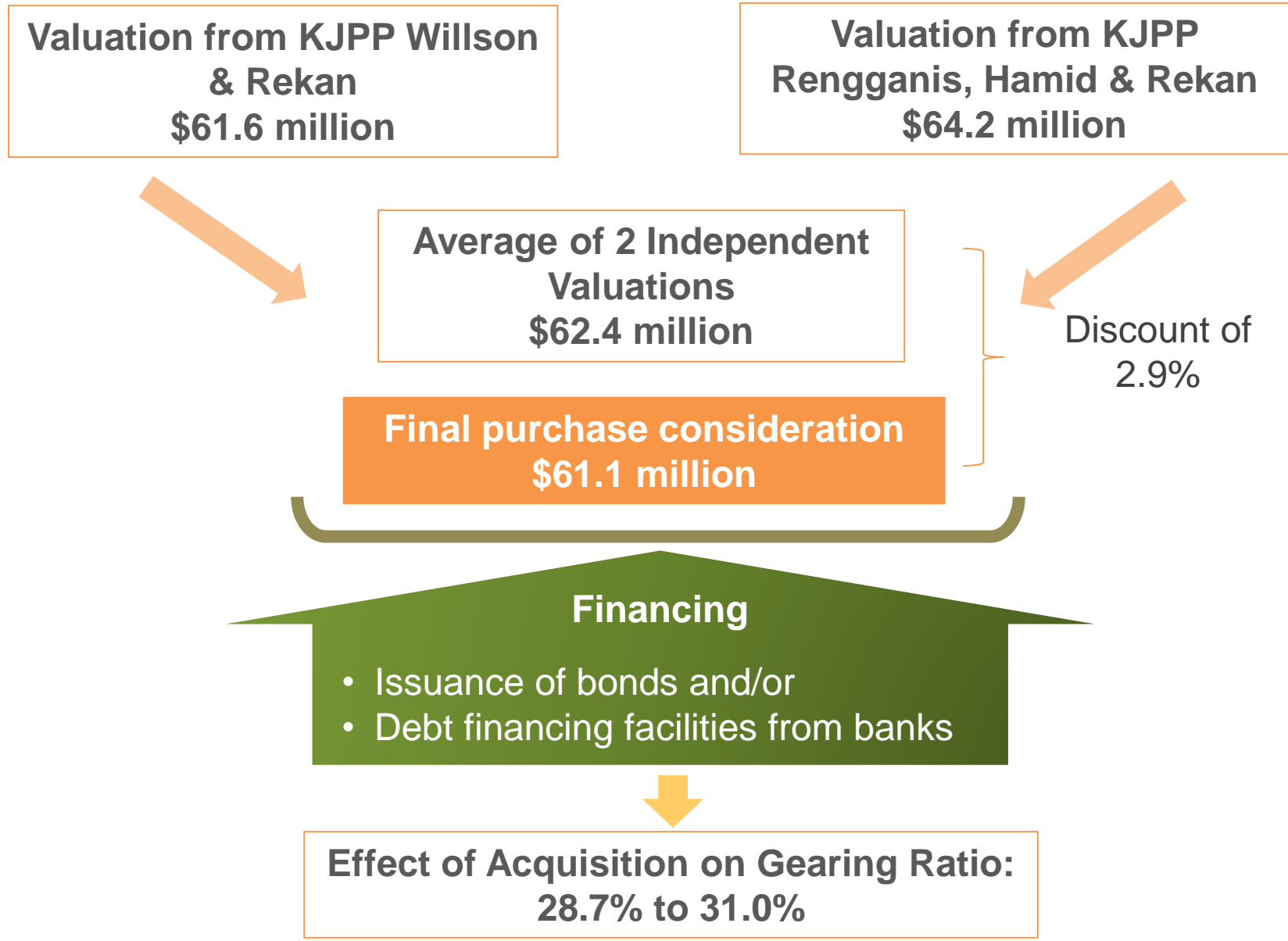


Proposed Acquisition: Lippo Plaza Jogja Mall and Hospital Floor Areas



Proposed Acquisition: Lippo Plaza Jogja

Valuation and Sources Of Funding



• Valuation and consideration are based on the illustrative rupiah exchange rate of S\$1.00 to IDR9,333.57. Final decision regarding the method of financing will depend on market conditions

Proposed Acquisition: Kediri Town Square



Property Type	Retail Mall
Purchase Consideration	IDR 345 billion (S\$37.0 million @ exchange rate of 9,334)
Valuations	IDR 363.1 billion by W&R¹ IDR 363.7 billion by Rengganis²
Discount to Valuation	4.9% (based on average of 2 valuations)
Financing	Proceeds from the issuance of bonds and/or debt financing facilities from banks
Property Title	HGB title certificate expiring 12 August 2024

¹ KJPP Willson dan Rekan (in association with Knight Frank)

² KJPP Rengganis, Hamid & Rekan (in association with CBRE)

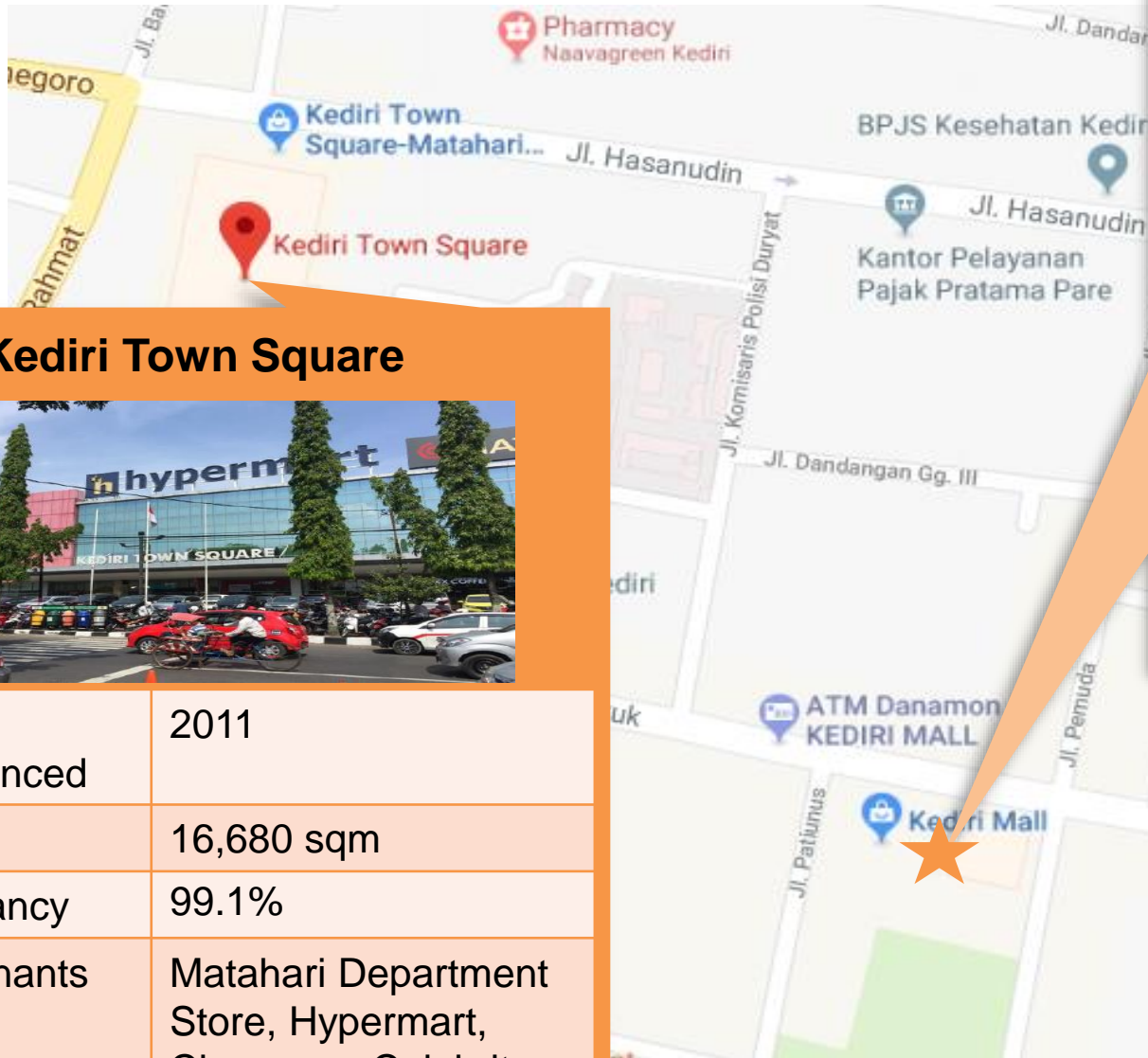
Proposed Acquisition: Kediri Town Square

Description	<ul style="list-style-type: none"> • Two-storey retail mall with a car park area • Provides a wide range of products and services covering daily needs, fashion, entertainment and F&B for families and tourists • Strategically located in Kediri city, which is well-connected to other parts of East Java and has direct trains to major cities such as Surabaya, Yogyakarta or Bandung
Location	Kediri city, East Java
Year of Commencement	Established and commenced operations in 2011
GFA / NLA	28,688 sqm /16,680 sqm
Key Tenants	Matahari Department Store, Hypermart, Game Fantasia, Sport Stations and OPPO
Carpark Lots	169
Motorcycle Lots	736
Occupancy Rate	99.1%
NPI Yield	7.3%



Competitive landscape

Only one direct competitor- Kediri Mall



Kediri Town Square



Year commenced	2011
NLA	16,680 sqm
Occupancy	99.1%
Key Tenants	Matahari Department Store, Hypermart, Cinemaxx, Celebrity Fitness & Time Zone

Kediri Mall



Year commenced	2005
NLA	25,000 sqm
Occupancy	96%
Key Tenants	Transmart, Sri Ratu, Game Fantasia

Proposed Acquisition: Kediri Town Square: Diversified tenants

KTS offers a broad and diversified selection of 57 retailers, comprising of established international and local brands:

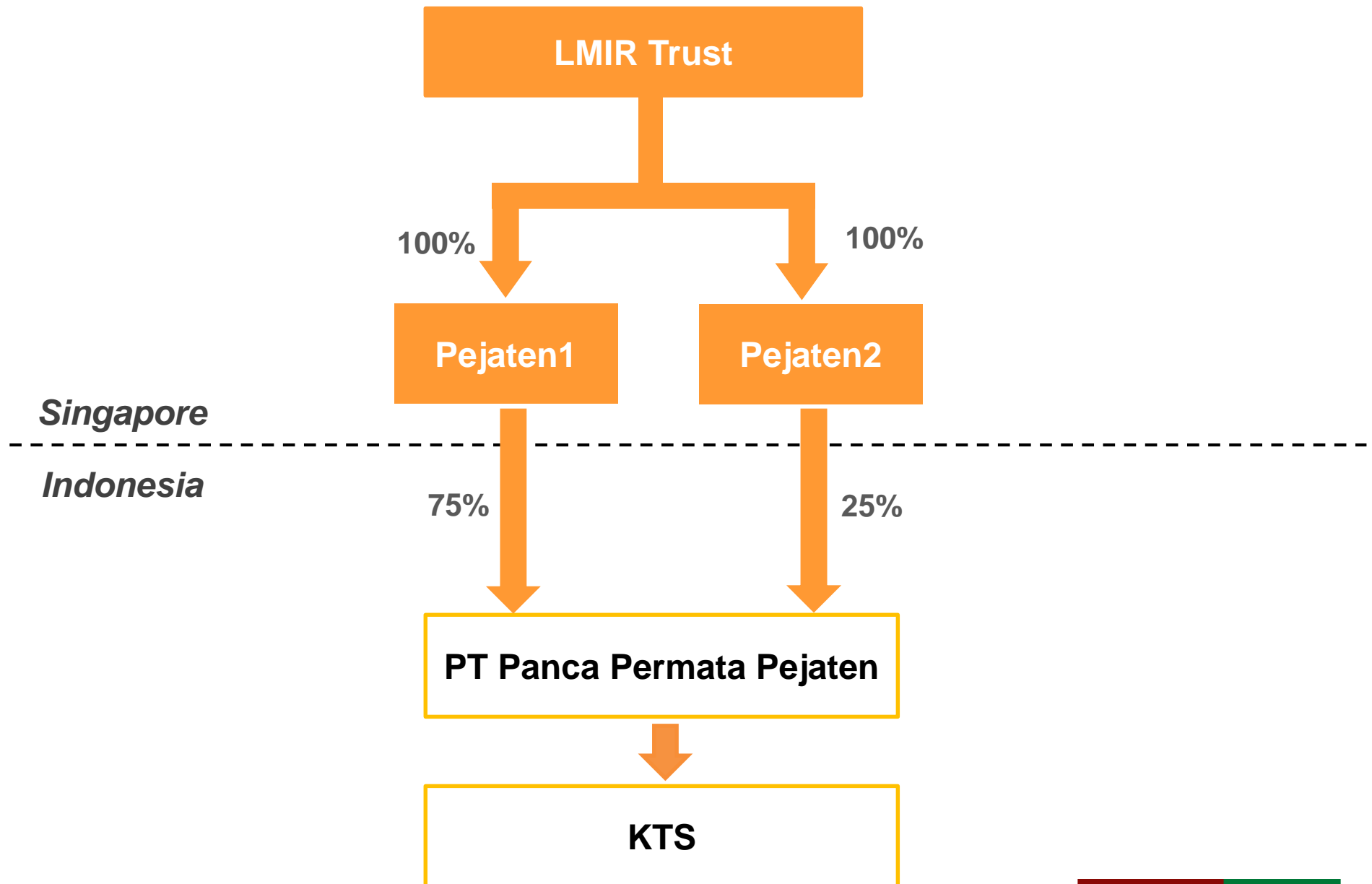
Key Tenants



Rotiboy[®]
Bakeshoppe
one is never enough...
since 1998



Proposed Acquisition: Kediri Town Square: Holding Structure



Proposed Acquisition: Kediri Town Square: Valuation and Sources Of Funding

Valuation from KJPP Willson
& Rekan
\$38.9 million

Valuation from KJPP
Rengganis, Hamid & Rekan
\$39.0 million

Average of 2 Independent
Valuations
\$38.9 million

Discount of
4.9%

Final purchase consideration
\$37.0million

Financing

- Issuance of bonds and/or
- Debt financing facilities from banks

Effect of Acquisition on Gearing Ratio:
28.7% to 29.9%

- Valuation and consideration are based on the illustrative rupiah exchange rate of S\$1.00 to IDR9,333.57
- Final decision regarding the method of financing will depend on market conditions

Rationale for Acquisitions



Strategically Located Property with Organic Growth Potential

- LPJ located in Yogyakarta, a tourist hotspot with a large student population
- KTS located in Kediri city, a vibrant trading hub with a growing tourism industry from its cultural heritage



Opportunity to Increase the Size and Enhance Earnings

- Increase in NPI by 4.4% (2.8% from LPJ and 1.6% from KTS)
- Increase in asset size by 5.3% (3.3% from LPJ and 2.0% from KTS)



Increased Economies of Scale

- Cost savings with suppliers & service providers due to greater bargaining power
- Economics of scale in operations, marketing and financing activities



Diversification of Asset Portfolio to Minimise Concentration Risk

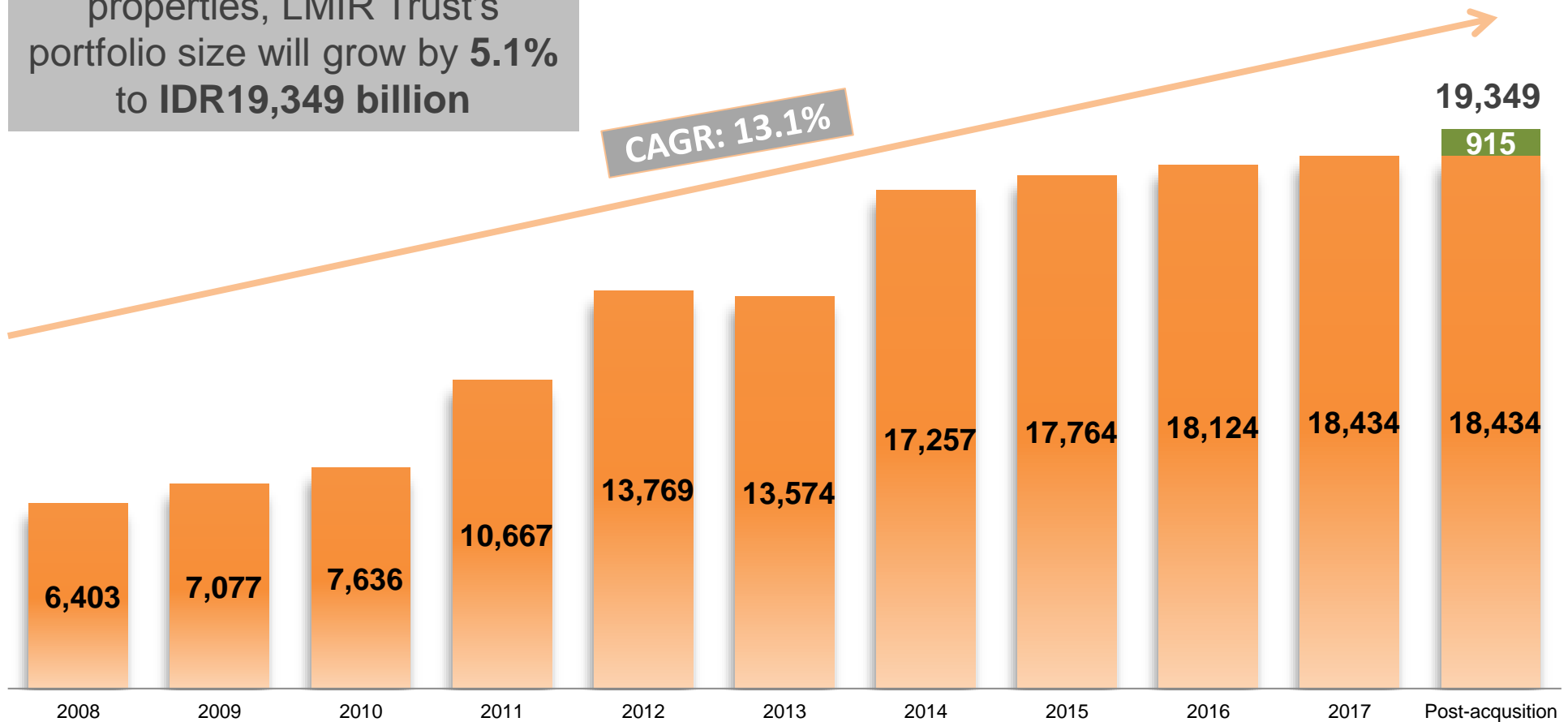
- Diversify geographically across Indonesia and improve diversification of tenants
- Leads to greater resilience and stability of income for the Trust

Portfolio Post-Acquisitions

Portfolio Valuation (IDR'billion)

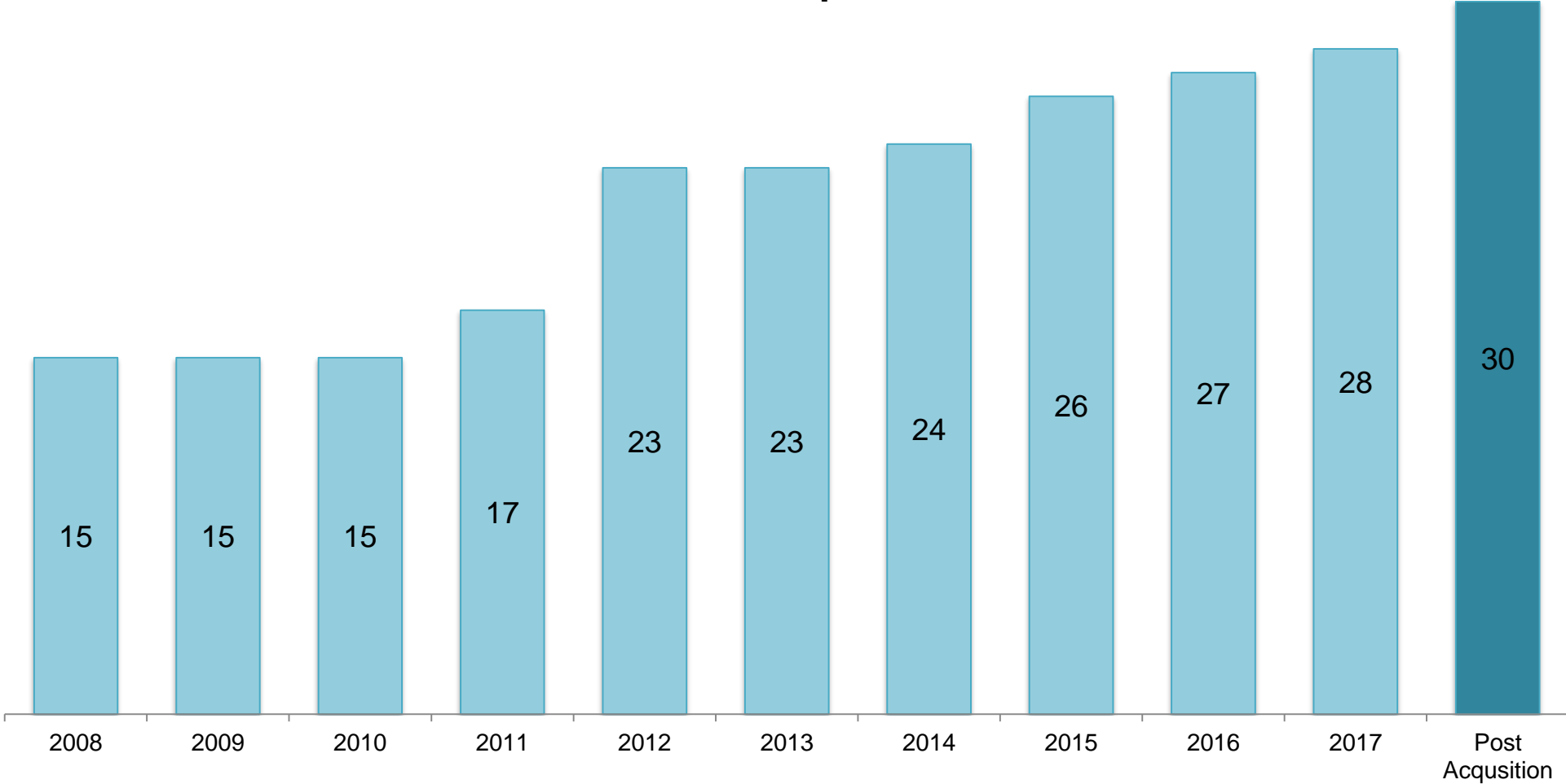
Post-acquisition of the 2 properties, LMIR Trust's portfolio size will grow by 5.1% to **IDR19,349 billion**

CAGR: 13.1%

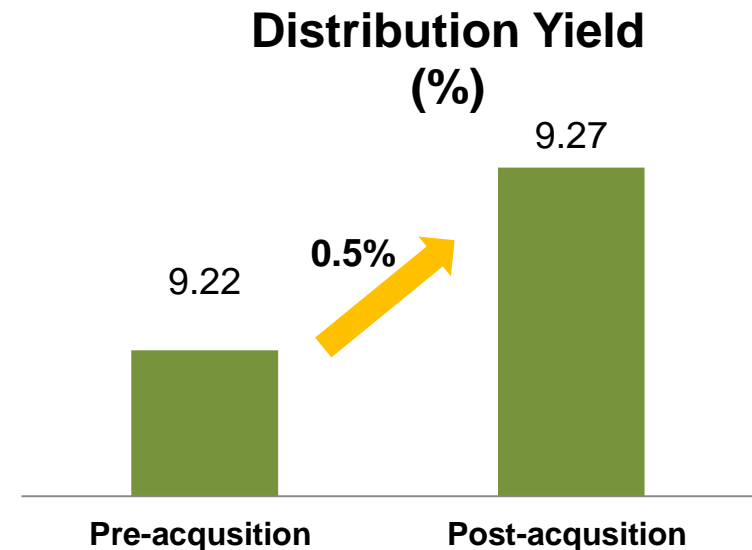
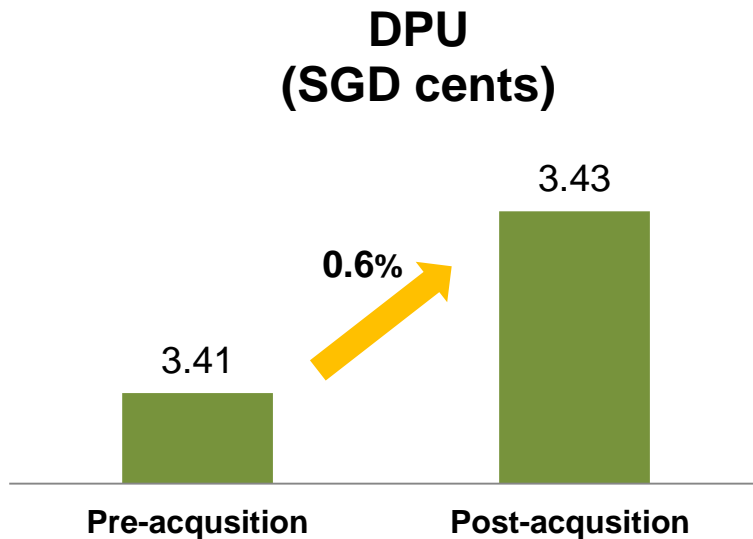
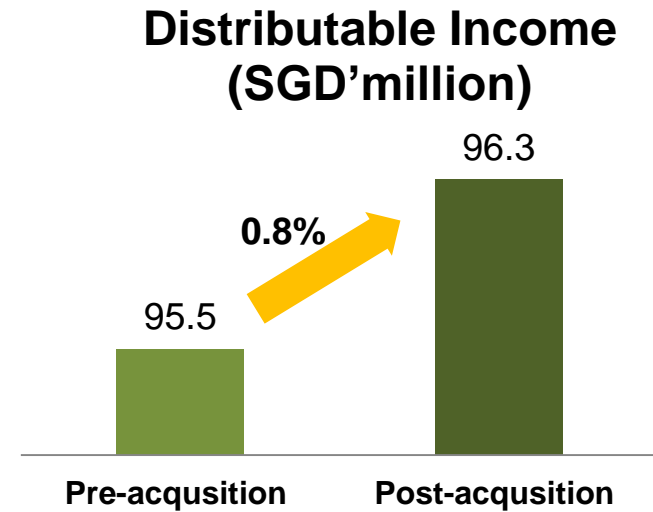
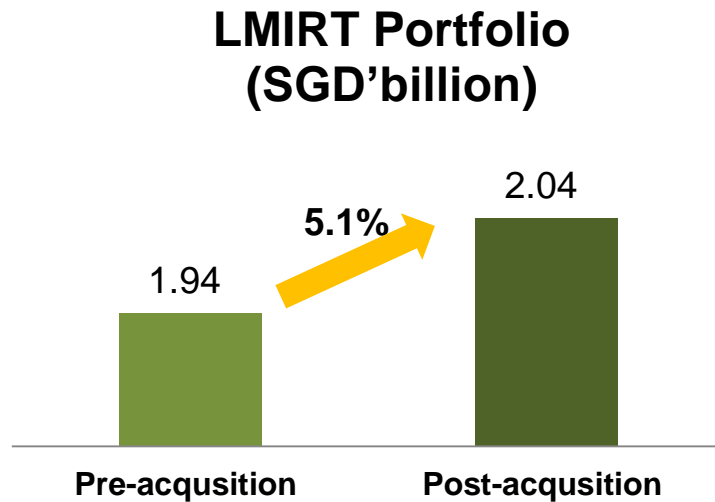


Portfolio Post-Acquisitions

Number of Properties



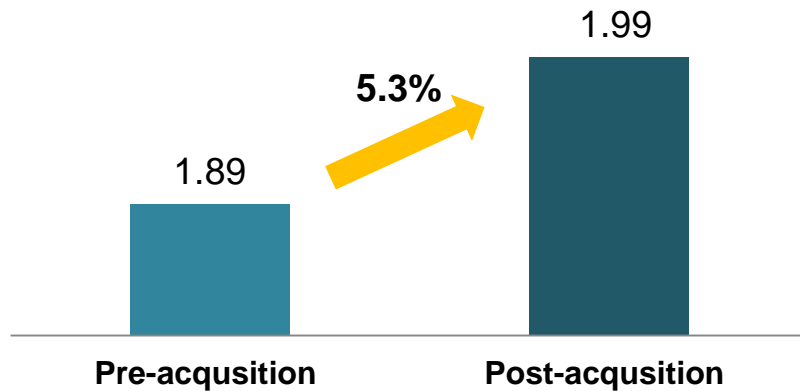
Combined Pro-Forma Effects (FY2016)



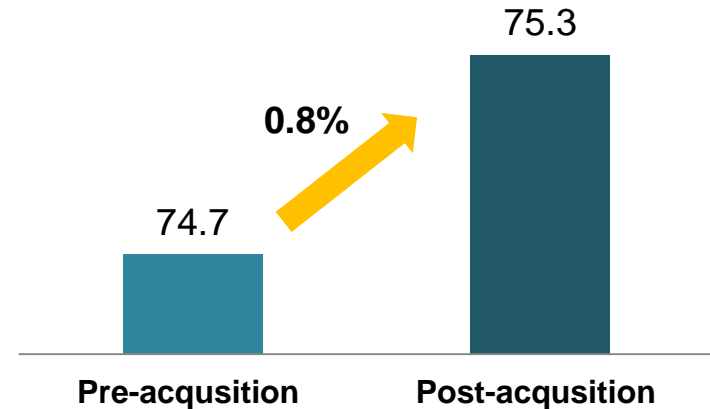
Combined Pro-Forma Effects (9M2017)



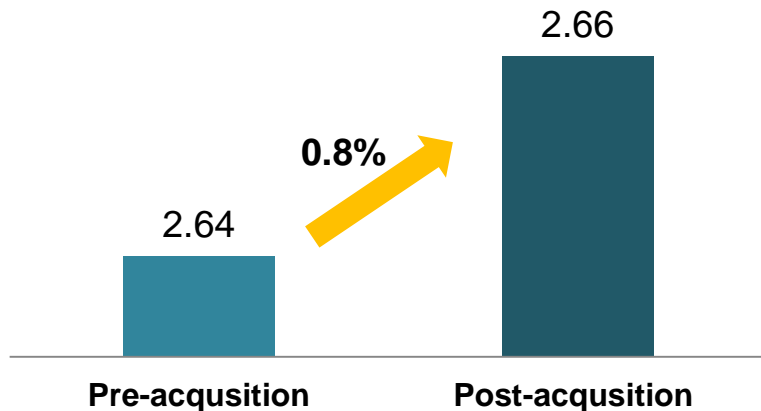
LMIRT Portfolio (SGD'billion)



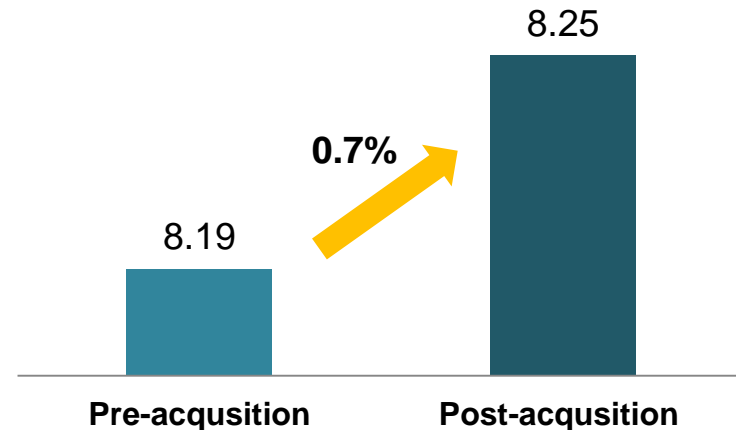
Distributable Income (SGD'Million)



DPU (SGD cents)



Distribution Yield (%)



Approval Sought from Unitholders



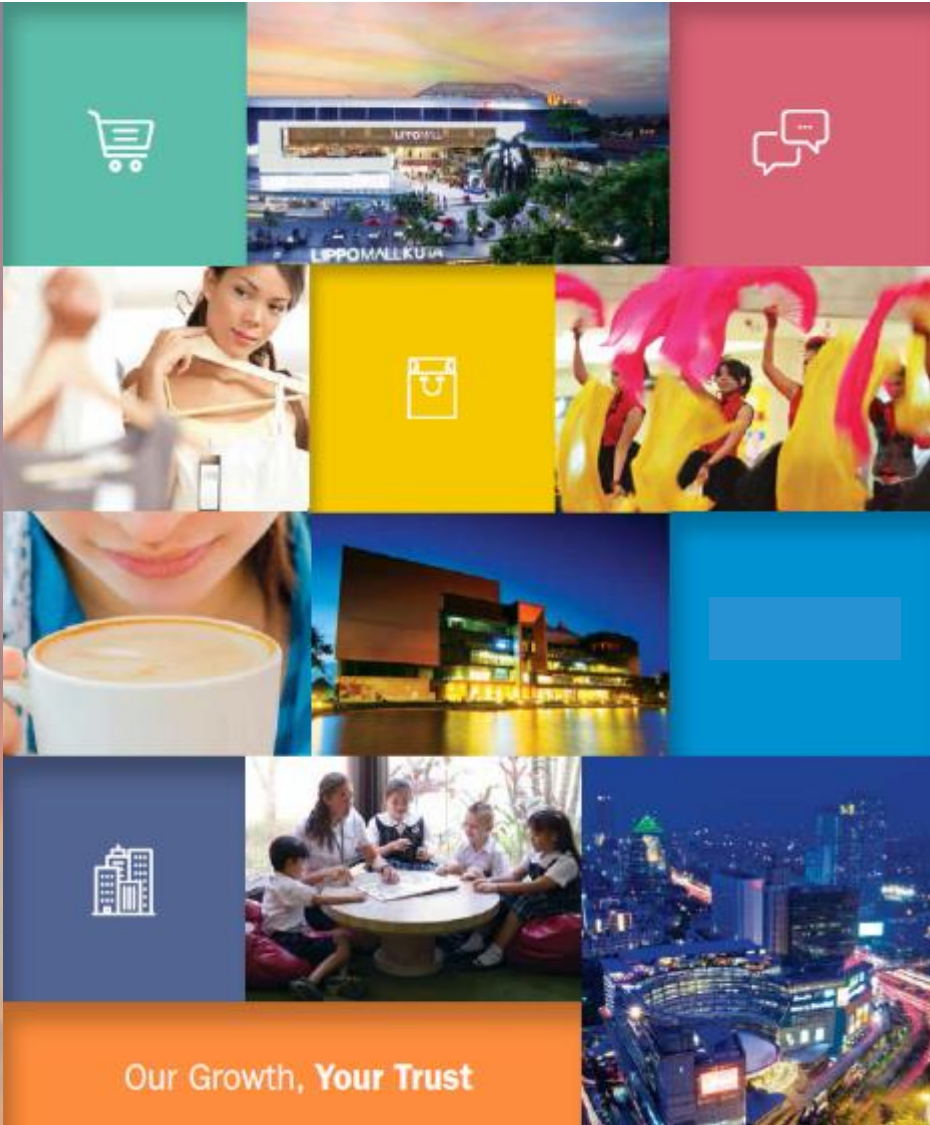
Ordinary Resolutions:

Resolution 1

- The Yogyakarta Transaction with an Interested Person

Resolution 2

- The Proposed Acquisition of Kediri Town Square from an Interested person



Thank You