



(Constituted in the Republic of Singapore pursuant to
a trust deed dated 8 August 2007 (as amended))

ANNOUNCEMENT

PROPOSED ACQUISITION AND EQUITY FUND RAISING

Unless otherwise indicated in this announcement, all conversions from Rupiah amounts into Singapore Dollar amounts in this announcement are based on an illustrative exchange rate of S\$1.00 to Rp.9,332.96 on 5 September 2014.

1. INTRODUCTION

LMIRT Management Ltd., in its capacity as manager of Lippo Malls Indonesia Retail Trust (“**LMIR Trust**”, and as manager of LMIR Trust, the “**Manager**”), is pleased to announce that LMIR Trust, through KMT1 Holdings Pte. Ltd. (“**KMT1**”), a company incorporated in Singapore and a wholly-owned subsidiary of LMIR Trust, has on 14 September 2014 entered into a conditional sale and purchase agreement (the “**LMK CSPA**”) with PT Almaron Perkasa, a limited liability company incorporated in Indonesia (“**PT AP**”), for the acquisition of “Lippo Mall Kemang”, a five-storey shopping centre (with two basement floors and three mezzanine levels) which is located in South Jakarta, Indonesia (“**LMK**”, and the proposed acquisition of LMK, the “**LMK Acquisition**”).

As Indonesian Agrarian Law does not allow a foreign entity or individual to directly own Indonesian real estate, the LMK CSPA provides that KMT1 has the right to nominate an Indonesian company to enter into a conditional sale and purchase agreement with PT AP on the same terms as that of the LMK CSPA (the “**New LMK CSPA**”), and upon such entry, KMT1 and PT AP will enter into a termination agreement (the “**Termination Agreement**”) to terminate the LMK CSPA.

For the avoidance of doubt, the Indonesian company which KMT1 intends to nominate to enter into the New LMK CSPA will be a new Indonesian limited liability company that has recently been incorporated (“**IndoCo**”) and is wholly-owned by KMT1 and KMT1’s wholly-owned subsidiary, KMT2 Investment Pte. Ltd. (“**KMT2**”), a company incorporated in Singapore. KMT1 and KMT2 respectively own 75.0% and 25.0% of the issued share capital of IndoCo.

The total cost of the LMK Acquisition, comprising (i) the purchase consideration of Rp.3,600.0 billion (S\$385.7 million)¹ (the “**LMK Purchase Consideration**”), (ii) the acquisition fee of S\$3.7 million in relation to the LMK Acquisition which is payable in units of LMIR Trust (“**Units**”) to the Manager pursuant to Clause 15.2.1 of the trust deed of LMIR Trust dated 8 August 2007 (as amended) (the “**Trust Deed**”) (the “**LMK Acquisition**”).

¹ The LMK Purchase Consideration is inclusive of the applicable land and building acquisition tax (*Biaya Perolehan Hak Atas Tanah dan Bangunan*) to be paid to the relevant tax office.

Fee)² as well as (iii) the professional and other fees and expenses of approximately S\$7.6 million in connection with the LMK Acquisition, is estimated to be approximately S\$397.0 million (the “**LMK Acquisition Cost**”).

The Manager proposes to issue new Units to PT AP or a party appointed by PT AP as part satisfaction of the LMK Purchase Consideration (the “**Consideration Units**”), and to issue up to 301,369,000 new Units (“**EFR Units**”) (representing approximately 12.2% of the existing issued Units as at the date of this announcement) under an equity fund raising (the “**Equity Fund Raising**”, and together with the LMK Acquisition and the proposed issuance of the Consideration Units, the “**Transactions**”) to partially fund the LMK Acquisition. Under the LMK CSPA, PT AP will receive Rp.3,180.0 billion (S\$340.7 million) of the LMK Purchase Consideration in cash with the remaining Rp.420.0 billion (S\$45.0 million) to be satisfied by way of the Consideration Units.

In relation to the LMK Acquisition, PT Gelora Raya Semesta (“**PT GRS**”), a limited liability company incorporated in Indonesia which is a wholly-owned subsidiary of PT AP, is the current master lessor of LMK. Prior to the completion of the LMK Acquisition, PT GRS will terminate the existing leases over the car park space of LMK, the casual leasing space³ of LMK and the part of LMK designated as the “Avenue of the Stars”⁴ with the Sponsor Lessees⁵, and upon completion of the LMK Acquisition, IndoCo will enter into:

- (i) a car park lease agreement with PT MSM (as the lessee of the car park space of LMK) (“**Carpark Lease Agreement**”);
- (ii) a casual leasing space lease agreement with PT HIM (as the lessee of the casual leasing space of LMK) (“**Casual Leasing Space Lease Agreement**”); and
- (iii) the lease agreement for the part of LMK designated as the “Avenue of the Stars” with PT VPI (as the lessee of the Avenue of the Stars of LMK) (“**Avenue of the Stars Lease Agreement**”),

(collectively, the “**LMK Lease Agreements**”).

The proposed leases of the car park space of LMK, casual leasing space of LMK and Avenue of the Stars of LMK to the Sponsor Lessees (the “**LMK Leases**”) will be granted for a lease term of 36 months, commencing from the date of completion of the LMK CSPA, with an option by IndoCo to extend the lease term for a period of up to 24 months.

2 As the LMK Acquisition will constitute an Interested Party Transaction (as defined herein) under Appendix 6 of the Code on Collective Investment Schemes (the “**Property Funds Appendix**”) issued by the Monetary Authority of Singapore (the “**MAS**”), the LMK Acquisition Fee payable to the Manager will be in the form of Units (the “**LMK Acquisition Fee Units**”), which shall not be sold within one year from the date of issuance, in accordance with Paragraph 5.6 of the Property Funds Appendix.

3 Casual leasing space refers to the areas of LMK, including its atrium and some of the corridors, which are leased for trading or promotional activities.

4 Avenue of the Stars refers to an area spanning part of the ground floor, upper ground floor, upper ground mezzanine level and the rooftop of LMK which comprises of food and beverage tenants.

5 “**Sponsor Lessees**” refers to PT Multiguna Selaras Maju (“**PT MSM**”), PT Harapan Insan Mandiri (“**PT HIM**”) and PT Violet Pelangi Indah (“**PT VPI**”). The Sponsor Lessees are limited liability companies incorporated in Indonesia and are wholly-owned subsidiaries of the Sponsor. For the avoidance of doubt, PT MSM will be the lessee of the car park of LMK, PT HIM will be the lessee of the casual leasing space of LMK and PT VPI will be the lessee of the Avenue of the Stars of LMK.

2. RATIONALE FOR THE TRANSACTIONS

The Manager believes that the Transactions will bring, among others, the key benefits to unitholders of LMIR Trust (“**Unitholders**”) as set out below.

2.1 Strategic Acquisition of a Prominent Retail Mall within an Integrated Development with Sustainable Retail Traffic

LMK is located within the Kemang Village Integrated Development in South Jakarta, Indonesia, in close proximity to several residential apartments, a hotel, a wedding chapel, a school and a country club. In particular, LMK also serves as the podium of the proposed J.W. Marriot Hotel, Pelita Harapan school campus, a planned hospital and three condominium towers. Given its strategic location, LMK is expected to benefit from shoppers who require convenience as well as upper-middle fashion and lifestyle products, thereby ensuring sustainable retail traffic for LMK.

As of 30 June 2014, the occupancy rate of LMK is 92.8%⁶. The high occupancy rate is a reflection of the strong demand for retail space in Jakarta and within the integrated development, where LMK is located. Being the only retail mall located in the integrated development, there will be limited competition to LMK in close vicinity.

Further, LMK is strategically located in South Jakarta, giving the mall access to the integrated development community as well as the dense population located in Jakarta city. Positioned as an “Everyday Mall” which provides necessities (eg. supermarkets and family shopping) to the middle and upper-middle income population in the densely populated city of Jakarta, LMK is in line with LMIR Trust’s targeted market segment comprising Indonesia’s expanding and prospering urban middle class segment.

2.2 Opportunity to Increase the Size and Enhance the Earnings of LMIR Trust

Based on the pro forma financial statements for the year ended 31 December 2013, the Net Property Income⁷ contribution from LMK was S\$33.6 million, which represents, on a historical pro forma basis, a 23% increase in LMIR Trust’s Net Property Income for the year ended 31 December 2013. Upon completion of the acquisition, the size of LMIR Trust’s portfolio is estimated to increase by approximately 27%, from S\$1,418.1 million (as at 30 June 2014) to S\$1,798.1 million.

2.3 Increased Economies of Scale in Operations, Marketing and Financing

The LMK Acquisition will enable LMIR Trust to enlarge its presence in the retail mall sector in Indonesia and to benefit from increased economies of scale as the Manager and the property manager(s) of the Enlarged Portfolio⁸ may be able to spread certain operating costs (e.g. staff and administrative costs) over a larger portfolio, and can potentially obtain cost savings due to its greater bargaining power with suppliers and service providers.

The LMK Acquisition is also expected to deliver economies of scale and benefit the marketing and leasing activities of LMIR Trust by expanding and deepening LMIR Trust’s portfolio of key tenant relationships with tenants of LMK who are currently not tenants of LMIR Trust’s malls. In addition, given that the LMK Acquisition will enlarge LMIR Trust’s

6 The occupancy rate of LMK reflects the occupancy of the existing leases with the current tenants of LMK as at 30 June 2014 which will be novated by PT GRS to IndoCo, including the existing leases with the current tenants of the Avenue of the Stars.

7 “**Net Property Income**” consists of property revenue less property operating expenses.

8 “**Enlarged Portfolio**” consists of LMK and LMIR Trust’s existing portfolio.

asset value and capital base, LMIR Trust can also expect to benefit from increased economies of scale in obtaining debt and equity financing.

2.4 Diversification of Assets within LMIR Trust's Portfolio to Minimise Concentration Risk

The LMK Acquisition will allow LMIR Trust to diversify its portfolio geographically across Indonesia as well as improve the diversification of its tenant base, thereby reducing tenant and asset concentration risks within LMIR Trust's Enlarged Portfolio. The Manager believes that further income diversification potentially results in greater resilience and stability of income for LMIR Trust, thus benefiting its Unitholders.

2.5 The issuance of the Consideration Units would maintain LMIR Trust's Aggregate Leverage⁹ at a prudent level

The issuance of the Consideration Units would avoid a significant increase in LMIR Trust's Aggregate Leverage, and provide an allowance to LMIR Trust to remain below the regulatory gearing limit of 35.0%. Assuming the cash component of the LMK Purchase Consideration of Rp.3,180.0 billion (S\$340.7 million) is funded via a mix of cash, debt and equity, and the remaining Rp.420.0 billion (S\$45.0 million) is funded by debt instead of the issuance of Consideration Units, the Aggregate Leverage ratio of LMIR Trust is expected to increase from 28.3% as at 30 June 2014 to 33.5%.

Assuming S\$45.0 million of the LMK Purchase Consideration is satisfied by way of issuance of Consideration Units at an illustrative issue price of S\$0.405 per Unit, with the balance of the LMK Purchase Consideration funded via a mix of cash, debt and equity, the Aggregate Leverage ratio of LMIR Trust is expected to increase to a lower rate of 31.2% compared to 33.5% if the issuance of Consideration Units is funded by debt.

3. THE LMK ACQUISITION

3.1 Description of LMK

LMK, a five-storey shopping centre (with two basement floors and three mezzanine levels) which is located in South Jakarta, Indonesia, commenced operations in 2012 and is a fashion and lifestyle mall with a gross floor area of 150,932 square metres ("sq m"), a net lettable area of 59,377 sq m, 2,326 car park lots and 1,311 motorcycle lots. LMK is part of the Kemang Village Integrated Development which consists of LMK, seven towers of residential apartments, a hotel, a wedding chapel, a school and a country club. As of 30 April 2014, LMK has 4 anchor tenants, 14 large tenants¹⁰ and 182 specialty tenants, catering to consumers in Kemang and South Jakarta. The anchor tenants include Debenhams, Hypermart, Cinema XXI, and ACE hardware, while the large tenants include Fitness First, Best Denki, Timezone and Eatery Food Court.

LMK also serves as the podium of a proposed J.W. Marriot hotel, Pelita Harapan school campus, a planned hospital and three condominium towers. Being part of the Kemang Village Integrated Development, LMK is expected to capture shoppers from the residential apartments, school, the planned hospital and hotel located in close proximity to the mall.

⁹ "Aggregate Leverage" refers to the total borrowings and deferred payments (if any) for assets of LMIR Trust.

¹⁰ A "large tenant" refers to a tenant who leases a total area of between 400 sq m and 2,000 sq m.

3.2 Structure of the LMK Acquisition

LMIR Trust is seeking to acquire LMK for a purchase consideration of Rp.3,600.0 billion (S\$385.7 million)¹¹ from PT AP, which is a corporation which is indirectly 92% owned by the Sponsor.

In furtherance of the LMK Acquisition, LMIR Trust has on 8 March 2013 acquired a 100.0% interest in KMT1 for a nominal consideration of S\$1.00. KMT1 has on 14 September 2014 entered into the LMK CSPA for the LMK Acquisition. As Indonesian Agrarian Law does not allow a foreign entity or individual to directly own Indonesian real estate, the LMK CSPA provides that KMT1 has the right to nominate an Indonesian company to enter into the New LMK CSPA, and upon such entry, KMT1 and PT AP will enter into the Termination Agreement to terminate the LMK CSPA.

For the avoidance of doubt, the Indonesian company which KMT1 intends to nominate to enter into the New LMK CSPA will be IndoCo, a new Indonesian limited liability company that has recently been incorporated and is wholly-owned by KMT1 and KMT1's wholly-owned subsidiary, KMT2. KMT1 and KMT2 respectively own 75.0% and 25.0% of the issued share capital of IndoCo.

Upon completion of the LMK Acquisition and the issuance of the strata title certificates (*Sertifikat Hak Milik Satuan Rumah Susun* or "**Strata Title Certificates**") relating to LMK in the name of IndoCo, LMIR Trust will indirectly hold LMK through IndoCo¹².

Appendix A sets out a chart illustrating the structure under which LMK will be held by LMIR Trust upon completion of the LMK Acquisition.

3.3 Valuation and Purchase Consideration

Two independent property valuers, KJPP Rengganis, Hamid & Rekan in strategic alliance with CBRE Pte. Ltd. ("**Rengganis**") and KJPP Winarta & Rekan ("**W&R**"), were appointed by HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of LMIR Trust) (the "**Trustee**") and the Manager respectively to value LMK.

The LMK Purchase Consideration was arrived at on a willing-buyer willing-seller basis after taking into account the two independent valuations of LMK by Rengganis and W&R, which were commissioned by the Trustee and the Manager respectively. The independent valuations were derived by Rengganis and W&R using the income approach utilising the

11 The LMK Purchase Consideration is inclusive of the applicable land and building acquisition tax (*Biaya Perolehan Hak Atas Tanah dan Bangunan*) to be paid to the relevant tax office.

12 The Kemang Village Integrated Development (which includes LMK) is constructed on one HGB title certificate ((SHGB No. 671 expiring on 2 July 2036) issued under the name of PT AP (the "**KV Land Title**"). The KV Land Title is in the process of being segregated and is pending issuance of separate Strata Title Certificates. Upon the issuance of the Strata Title Certificates under the name of PT AP, PT AP and IndoCo shall execute a deed of sale and purchase before a land deed officer and following the execution of this deed, the name recorded in the Strata Title Certificates relating to LMK will be changed to IndoCo. As of 15 November 2013, PT AP, a corporation which is indirectly 92% owned by the Sponsor, has received a *Sertifikat Laik Fungsi* (or Function and Worthiness Certificate) from the province government of the Special Capital Region of Jakarta which is one of the key documents required for the National Land Office to issue the Strata Title Certificates relating to LMK. As LMIR Trust will be acquiring LMK before the Strata Title Certificates relating to LMK are issued, the Trustee, KMT1, KMT2, PT AP and PT Wisma Jatim Propertindo ("**PT WJP**") (a wholly-owned subsidiary of the Sponsor) have entered into a put option agreement ("**Put Option Agreement**") which provides that if the Strata Title Certificates relating to LMK are not issued in the name of IndoCo on the expiry of 12 months from the date of the LMK CSPA, the Trustee will have the irrevocable and unconditional right (the "**Put Option**") to require PT WJP and/or other entities appointed by PT WJP which are agreeable to the Manager and the Trustee to purchase the entire shareholder's equity of IndoCo.

discounted cash flow method. This approach considers the subject property as an income producing property.

The following table sets out the appraised values, the respective dates of such appraisal and the LMK Purchase Consideration:

Property	Appraised Value				LMK Purchase Consideration	
	By Rengganis as at 30 April 2014		By W&R as at 30 April 2014			
	(Rp. billion)	(S\$ million)	(Rp. billion)	(S\$ million)	(Rp. billion)	(S\$ million)
LMK	3,630.8	389.0	3,700.0	396.4	3,600.0 ⁽¹⁾	385.7 ⁽¹⁾

Note:

(1) For the avoidance of doubt, the LMK Purchase Consideration is inclusive of the applicable land and building acquisition tax (*Biaya Perolehan Hak Atas Tanah dan Bangunan*) to be paid to the relevant tax office.

The LMK Purchase Consideration represents a discount of 2.7% to the higher of the two independent valuations of S\$396.4 million.

3.4 Conditions Precedent for the Completion of the LMK Acquisition

Completion of the sale and purchase of LMK is conditional upon the fulfilment or waiver (as the case may be) of, among others, the following:

- 3.4.1 the approval by Unitholders to be given at an extraordinary general meeting of Unitholders (the “**EGM**”) for the LMK Acquisition and the LMK Leases;
- 3.4.2 the approval by Unitholders to be given at the EGM for the Equity Fund Raising for the purposes of part financing the LMK Acquisition;
- 3.4.3 the approval by Unitholders to be given at the EGM for the proposed issuance of the Consideration Units to PT AP or a party appointed by PT AP as part consideration of the LMK Acquisition;
- 3.4.4 LMIR Trust securing sufficient financing to undertake the LMK Acquisition and the agreements for such financing not having been terminated and being unconditional in all respects;
- 3.4.5 there being no adverse change to the financial condition of PT WJP, a wholly-owned subsidiary of the Sponsor and the other entities appointed by PT WJP which are agreeable to the Manager and the Trustee, of its or their ability to purchase the entire shareholder’s equity of IndoCo under the Put Option Agreement;
- 3.4.6 the entry into of the Put Option Agreement between the Trustee, KMT1, KMT2, PT AP and PT WJP, and the entry into of the Deed of Indemnity (as defined herein) between PT WJP and the Trustee;
- 3.4.7 the entry into by IndoCo of the adherence agreement in relation to the Put Option Agreement;

- 3.4.8 the execution of the confirmation agreement by PT WJP and the Trustee to confirm that the terms and conditions of the Deed of Indemnity will remain effective and in full force and effect upon execution of the New LMK CSPA;
- 3.4.9 the novation from PT GRS to IndoCo of, among others, tenancy agreements representing at least 50% of the total number of tenants at LMK and at least 50% of the total lease revenue of LMK¹³;
- 3.4.10 the entry into of the LMK Lease Agreements by IndoCo and each of PT MSM, PT HIM and PT VP; and
- 3.4.11 the execution of the New LMK CSPA and the Termination Agreement.

In the event that not all (but at least 50% of the leases by total number of tenants at LMK and by total lease revenue of LMK) of the leases in relation to LMK (excluding the LMK Leases) are novated from PT GRS to IndoCo with effect from the date of completion of the LMK Acquisition, PT GRS will have a six months grace period commencing from the date of completion of the LMK Acquisition to novate the remainder of the leases, and during this period, PT GRS shall pay rental fees and service charges in relation to these leases without any deductions to IndoCo, and such rental fees and services charges shall be paid on a monthly basis. If PT GRS fails to fully novate the remainder of the leases at the end of this six months grace period, PT GRS shall pay to IndoCo the total rental fees and service charges (if any) for the remaining term of these leases.

The conditions precedent set out at sub-paragraphs 3.4.1 and 3.4.3 above are subject to the approval of Unitholders other than the Sponsor and its associates at the EGM. On the method of financing to undertake the LMK Acquisition, please see paragraph 3.13 below. The condition precedent set out at sub-paragraph 3.4.5 above is intended for the benefit and protection of LMIR Trust and its minority Unitholders.

3.5 Put Option Agreement in relation to the Proposed LMK Acquisition

As LMIR Trust will be acquiring LMK before the Strata Title Certificates relating to LMK are issued, the Trustee, KMT1, KMT2, PT AP and PT WJP have entered into a Put Option Agreement on 14 September 2014 which provides that if the Strata Title Certificates relating to LMK are not issued in the name of IndoCo on the expiry of 12 months from the date of the LMK CSPA, the Trustee will have the unconditional option to require PT WJP and/or other entities appointed by PT WJP which are agreeable to the Manager and the Trustee, to purchase the entire shareholder's equity of IndoCo, evaluated at:

- (i) the higher of:
 - (a) the LMK Purchase Consideration; and
 - (b) the market value of the strata title units of LMK as determined by two independent valuers appointed in accordance with the Property Funds Appendix;
- (ii) adjusting for other net assets and liabilities of IndoCo as at the date of completion of the exercise of the Put Option; and

13 "Total lease revenue of LMK" means the total amount of rental fees and other amounts payable to PT AP and/or PT GRS by all tenants at LMK under all tenancy agreements in relation to LMK for the 12-month period commencing from the date of completion of the LMK Acquisition.

- (iii) taking into account all transaction costs incurred directly or indirectly, by LMIR Trust for the acquisition of the strata title units of LMK and the exercise of the Put Option (including, but not limited to brokerage, stamp duties, acquisition fees, conveyancing fees, legal fees, tax advisory fees and other professional fees).

Such purchase consideration payable by PT WJP shall be offset by net income generated from the strata title units of LMK for the period commencing from the date of the completion of the LMK Acquisition until the date of completion of the exercise of the Put Option. The net income refers to rental income and other income in relation to the strata title units of LMK, offset by expenses incurred for:

- (1) leasing and operation of the strata title units of LMK, which includes, but is not limited to, property management fees, land rental, property operating and maintenance expenses and taxes;
- (2) withholding taxes and other expenses incurred for distribution of cash flow from IndoCo to its parent companies;
- (3) cost of funding and finance expenses for both equity and debt financing incurred by LMIR Trust or any of its subsidiaries in relation to the acquisition and operation of LMK, where the cost of equity financing refers to cash dividends, interest on shareholder's loans and repayment of shareholder's loans from IndoCo to its parent companies; and
- (4) other additional costs and expenses incurred by the parent companies of IndoCo, LMIR Trust or any of LMIR Trust's subsidiaries as a result of the LMK Acquisition.

The Manager will make an announcement via the SGXNET upon issuance of the Strata Title Certificates in the name of IndoCo or, in the event that the Strata Title Certificates are not segregated and issued on the expiry of 12 months from the date of the LMK CSPA to IndoCo, upon the exercise of the Put Option, as the case may be.

PT WJP is incorporated in Indonesia, and its main business activities are development and real estate. As at 31 December 2013, the net equity of PT WJP is approximately Rp.2,853.6 billion (S\$305.8 million), and its paid-up capital is Rp.384.0 billion (S\$41.1 million). As at 31 December 2013, PT WJP has total assets of Rp.5,624.0 billion (S\$602.6 million). The Sponsor (directly and/or through its subsidiaries) wholly-owns PT WJP. Therefore, PT AP and PT WJP are related corporations.

3.6 Indemnity in relation to the LMK Acquisition

The Trustee has also entered into a deed of indemnity (the "**Deed of Indemnity**") with PT WJP on 14 September 2014 pursuant to which PT WJP will, subject to certain conditions, indemnify the Trustee against liabilities or damages suffered by the Trustee arising from the LMK Acquisition.

3.7 The LMK Lease Agreements

Upon the completion of the LMK Acquisition, IndoCo will enter into:

- (i) the Carpark Lease Agreement with PT MSM (as the lessee of the car park space of LMK);
- (ii) the Casual Leasing Space Lease Agreement with PT HIM (as the lessee of the casual leasing space of LMK); and

- (iii) Avenue of the Stars Lease Agreement with PT VPI (as the lessee of the Avenue of the Stars).

The Sponsor Lessees are limited liability companies incorporated in Indonesia and are wholly-owned subsidiaries of the Sponsor.

The LMK Leases will be granted to the Sponsor Lessees for a lease term of 36 months, commencing from the date of completion of the LMK CSPA, with an option by IndoCo to extend the lease term for a period of up to 24 months. Some of the key terms of the LMK Lease Agreements are set out in paragraphs 3.8 to 3.10 below.

3.8 Car Park Lease Agreement

The Car Park Lease Agreement will be entered into between IndoCo and PT MSM (as the lessee of the car park space of LMK). The lease over the car park of LMK will be granted at a monthly rent of Rp.7.7 billion for a period of 36 months, an amount which was arrived at after negotiations with the Sponsor on an arms' length basis. At the end of the lease term, IndoCo has the right to extend the lease term for a period of up to 24 months.

3.9 Casual Leasing Space Lease Agreement

The Casual Leasing Space Lease Agreement will be entered into between IndoCo and PT HIM (as the lessee of the casual leasing space of LMK). The lease over the casual leasing space of LMK will be granted at a monthly rent of Rp.6.0 billion for a period of 36 months, an amount which was arrived at after negotiations with the Sponsor on an arms' length basis. At the end of the lease term, IndoCo has the right to extend the lease term for a period of up to 24 months.

3.10 Avenue of the Stars Lease Agreement

The Avenue of the Stars Lease Agreement will be entered into between IndoCo and PT VPI (as the lessee of the Avenue of the Stars). The lease over the Avenue of the Stars of LMK will be granted at a monthly rent of Rp.3.7 billion for a period of 36 months, an amount which was arrived at after negotiations with the Sponsor on an arms' length basis. At the end of the lease term, IndoCo has the right to extend the lease term for a period of up to 24 months.

3.11 Related Tenancy Agreements relating to the LMK Acquisition

Upon completion of the LMK Acquisition and the entry into of the LMK Leases, and assuming that all of the leases of LMK (save for the LMK Leases) are novated to IndoCo upon completion, LMIR Trust will, through IndoCo, take over all of the tenancy agreements with respect to LMK, including various tenancy agreements entered into by certain associates and subsidiaries of the Sponsor (the "**Related Tenancy Agreements**"). The aggregate rental fees derived or to be derived from the Related Tenancy Agreements is estimated at Rp.67.5 billion (S\$7.2 million).

Based on the Manager's experience in relation to the existing portfolio of LMIR Trust, the Manager is of the view that the Related Tenancy Agreements are made on normal commercial terms and are not prejudicial to the interests of LMIR Trust and its minority Unitholders.

3.12 LMK Acquisition Cost

The LMK Acquisition Cost is currently estimated to be approximately S\$397.0 million, comprising the following:

- 3.12.1 the LMK Purchase Consideration of S\$385.7 million;
- 3.12.2 the LMK Acquisition Fee¹⁴ of S\$3.7 million payable to the Manager pursuant to Clause 15.2.1 of the Trust Deed which shall be payable in the form of LMK Acquisition Fee Units¹⁵;
- 3.12.3 the estimated arrangement fee, underwriting fee, professional and other fees and expenses of approximately S\$6.1 million to be incurred by LMIR Trust in connection with the Equity Fund Raising and the drawdown of the term loan to be taken out to partially fund the LMK Acquisition; and
- 3.12.4 the estimated professional and other fees and expenses of approximately S\$1.5 million to be incurred by LMIR Trust in connection with the LMK Acquisition.

3.13 Method of Financing the LMK Acquisition

Rp.3,180.0 billion (S\$340.7 million) of the LMK Purchase Consideration will be paid in cash and the remaining Rp.420.0 billion (S\$45.0 million) will be satisfied by way of the Consideration Units.

The cash portion of the LMK Acquisition Cost is expected to be financed via a mixture of internal cash, debt and the net proceeds from the Equity Fund Raising.

3.14 Interested Person Transaction

As at 5 September 2014, the Manager has a direct interest in 94,907,522 Units (comprising 3.9% of the total number of issued Units). The Manager is wholly-owned by Peninsula Investment Limited ("**Peninsula**"), a wholly-owned subsidiary of Jesselton Investment Ltd which is in turn a wholly-owned subsidiary of the Sponsor. The Sponsor directly and/or through its subsidiaries and through its interest in the Manager, has deemed interests of (i) 27.9% in LMIR Trust and (ii) 100% in the Manager, and is therefore regarded as a "**Controlling Unitholder**"¹⁶ of LMIR Trust and a "**Controlling Shareholder**"¹⁷ of the Manager respectively under both the Listing Manual and the Property Funds Appendix.

For the purpose of Chapter 9 of the Listing Manual and the Property Funds Appendix, PT AP, being a corporation which is indirectly 92% owned by the Sponsor, PT GRS, being a wholly-owned subsidiary of PT AP which is in turn indirectly 92% owned by the Sponsor (which in turn is a Controlling Unitholder of LMIR Trust and a Controlling Shareholder of

14 Being 1.0% of the LMK Purchase Consideration excluding the applicable land and building acquisition tax (*Biaya Perolehan Hak Atas Tanah dan Bangunan*) to be paid to the relevant tax office.

15 As the LMK Acquisition will constitute an Interested Party Transaction under the Property Funds Appendix, the LMK Acquisition Fee payable to the Manager will be in the form of the LMK Acquisition Fee Units, which shall not be sold within one year from the date of issuance, in accordance with Paragraph 5.6 of the Property Funds Appendix.

16 "**Controlling Unitholder**" means a person who:

- (a) holds directly or indirectly 15.0% or more of the nominal amount of all voting units in the property fund. The MAS may determine that such a person is not a controlling unitholder; or
- (b) in fact exercises control over the property fund.

17 "**Controlling Shareholder**" means a person who:

- (a) holds directly or indirectly 15.0% or more of the total number of issued shares excluding treasury shares in the company; or
- (b) in fact exercises control over a company.

the Manager) and the Sponsor Lessees, being wholly-owned subsidiaries of the Sponsor, are Interested Persons¹⁸ and Interested Parties¹⁹ of LMIR Trust.

As such, the LMK Acquisition and the LMK Leases will constitute Interested Person Transactions under Chapter 9 of the Listing Manual and also Interested Party Transactions under paragraph 5 of the Property Funds Appendix for which Unitholders' approval is required. Accordingly, the approval of Unitholders is sought for the LMK Acquisition and the LMK Leases.

4. THE PROPOSED ISSUANCE OF THE CONSIDERATION UNITS

As described above, the Manager will make partial payment for the LMK Acquisition by issuing Consideration Units in the value of S\$45.0 million. Based on an illustrative issue price of S\$0.405 per Consideration Unit, the total number of the Consideration Units will be approximately 111,111,111 Units, representing 4.5% of the total number of Units in issue as at the date of this announcement. The final issue price of the Consideration Units will be determined based on the 10-Day Volume Weighted Average Price²⁰ of the Units immediately preceding the date of completion of the LMK Acquisition, in accordance with the provisions of the Trust Deed.

5. THE PROPOSED EQUITY FUND RAISING

5.1 Overview of the Equity Fund Raising

The Manager intends to issue up to 301,369,000 EFR Units (representing approximately 12.2% of the existing issued Units as at the date of this announcement) to partially fund the LMK Acquisition.

In determining the funding structure for the LMK Acquisition, the Manager will take into account the prevailing market conditions as well as the impact on LMIR Trust's capital structure and distribution per Unit ("DPU"), among other things, so that the LMK Acquisition will be in the overall interests of LMIR Trust and Unitholders.

In the event that the LMK Acquisition, the proposed issuance of the Consideration Units and the Equity Fund Raising are approved by Unitholders, but market conditions are not conducive to carry out the Equity Fund Raising or the Equity Fund Raising cannot be effected on acceptable terms, the Manager may decide not to proceed with the LMK Acquisition and the Equity Fund Raising.

18 As defined in the Listing Manual, means:

- (a) a director, chief executive officer or Controlling Shareholder of the manager, or the manager, the trustee, or controlling unitholder of LMIR Trust; or
- (b) an associate of any director, chief executive officer or Controlling Shareholder of the manager, or an associate of the manager, the trustee or any controlling unitholder of LMIR Trust.

19 As defined in the Property Funds Appendix, means:

- (a) a director, chief executive officer or Controlling Shareholder of the manager, or the manager, the trustee, or controlling unitholder of LMIR Trust; or
- (b) an associate of any director, chief executive officer or Controlling Shareholder of the manager, or an associate of the manager, the trustee or any controlling unitholder of LMIR Trust.

20 "10-Day Volume Weighted Average Price" refers to the volume weighted average traded price for a Unit for all trades on the SGX-ST in the ordinary course of trading on Singapore Exchange Securities Trading Limited (the "SGX-ST") for the period of 10 business days immediately preceding the relevant business day.

The mode of the Equity Fund Raising will be determined by the Manager in accordance with, and subject to, the provisions of the Trust Deed. The Manager will work with Standard Chartered Securities (Singapore) Pte. Limited, which has been appointed as the Financial Adviser to the proposed Equity Fund Raising (the “**Financial Adviser**”) and any one or more underwriters (the “**Underwriters**”) which may be appointed by the Manager to underwrite the Equity Fund Raising to determine the structure of the Equity Fund Raising, the time schedule for the Equity Fund Raising and the issue price of the EFR Units, taking into account market conditions and other factors that the Manager, the Financial Adviser and the Underwriter(s) (if any) may consider relevant. The Manager will announce details of the Equity Fund Raising at the appropriate time. The Manager currently intends to carry out the Equity Fund Raising in the form of a private placement, which will be subject to the Listing Manual. In the event that the Manager considers it inappropriate to carry out the Equity Fund Raising in the form of a private placement due to market conditions or otherwise, the Manager may, in accordance with, and subject to, the provisions of the Trust Deed, decide to carry out the Equity Fund Raising in other forms.

5.2 Rationale for the Equity Fund Raising

Keeping in mind the Aggregate Leverage limit of 35.0% (without a credit rating) as set out in the Property Funds Appendix, the Manager is of the view that the Equity Fund Raising is required to ensure that LMIR Trust maintains a prudent capital structure and gearing level. Furthermore, the Equity Fund Raising is expected to increase the free float of LMIR Trust, potentially enhancing the trading liquidity of the Units and raising LMIR Trust's profile among investors.

6. MAJOR TRANSACTION

6.1 Major Transaction – Chapter 10 of the Listing Manual

6.1.1 A proposed acquisition by LMIR Trust may fall into any of the categories set out in Rule 1004 of the Listing Manual depending on the size of the relative figures computed on the following bases of comparison:

- (i) the net profits attributable to the assets acquired, compared with LMIR Trust's net profits;
- (ii) the aggregate value of the consideration given, compared with LMIR Trust's market capitalisation; and
- (iii) the number of Units issued by LMIR Trust as consideration for the acquisition, compared with the number of Units previously in issue.

Where any of the relative figures computed on the bases set out above is 20.0% or more, the transaction is classified as a “major transaction” under Rule 1014 of the Listing Manual which would be subject to the approval of Unitholders, unless (i) such transaction is in the ordinary course of LMIR Trust's business or (ii) in the case of an acquisition of profitable assets, the only limit breached is the profit test set out in sub-paragraph 6.1.1(i) above.

6.1.2 The relative figures for the LMK Acquisition using the applicable bases of comparison described in sub-paragraphs 6.1.1(i) to 6.1.1(iii) are set out in the table below.

Comparison of:	LMK	LMIR Trust	Relative Figure
Net Property Income ⁽¹⁾	S\$33.6 million ⁽²⁾	S\$143.4 million	23.4%
Purchase Consideration against LMIR Trust's market capitalisation	S\$385.7 million ⁽³⁾	LMIR Trust's market capitalisation: S\$997.4 million ^{(4),(5)}	38.7%
Units issued as consideration against the Units previously in issue	111,111,111 ⁽⁶⁾	2,462,648,552	4.5%

Notes:

- (1) In the case of a real estate investment trust, the Net Property Income is a close proxy to the net profits before tax attributable to its assets. Net Property Income refers to property revenue less property operating expenses.
- (2) Based on the audited consolidated financial statements of LMIR Trust and its subsidiaries for the financial year of 2013 (the "**FY2013 Audited Consolidated Financial Statements**"), and taking into account the revenue that LMIR Trust would receive from the LMK Leases.
- (3) Does not include transaction costs.
- (4) Based on the closing price of S\$0.405 per Unit on the SGX-ST on the date preceding this announcement.
- (5) Based on Units in issue as at the date preceding this announcement.
- (6) Based on an illustrative issue price of S\$0.405 per Consideration Unit.

7. PRO FORMA FINANCIAL EFFECTS OF THE LMK ACQUISITION

7.1 Pro Forma Financial Effects of the LMK Acquisition

The pro forma financial effects of the Transactions presented below are strictly for illustrative purposes only and were prepared based on:

- (i) the FY2013 Audited Consolidated Financial Statements;
- (ii) the unaudited financial statements of LMIR Trust and its subsidiaries for the six months ended 30 June 2014 (the "**6M2014 Unaudited Financial Statements**");
- (iii) the audited financial statements for KMT1 and KMT2 for the year ended 31 December 2013;
- (iv) the audited financial statements for PT GRS for the year ended 31 December 2013,

and assuming:

- (a) the LMK Acquisition Cost, excluding the LMK Acquisition Fee (which is payable in Units to the Manager), is S\$393.3 million, of which S\$348.3 million will be paid in cash and S\$45.0 million will be paid via the issuance of Consideration Units;
- (b) the Equity Fund Raising is in the form of a private placement and net proceeds of S\$106.6 million are raised in the Equity Fund Raising after taking into account the illustrative costs of the Equity Fund Raising of S\$3.4 million;
- (c) S\$98.3 million of the cash component of the LMK Acquisition Cost is funded by internal cash and working capital;
- (d) S\$140.0 million will be drawn down from a new S\$180.0 million four-year term loan facility²¹ to part finance the cash component of the LMK Acquisition Cost and will be repaid on maturity of the loan;
- (e) upfront borrowing costs of S\$2.7 million are amortised over the term of the loan; and
- (f) S\$45.0 million of the purchase consideration will be paid to PT AP or a party appointed by PT AP via the issuance of Consideration Units,

and taking into account the revenue that LMIR Trust would receive from the LMK Leases.

7.2 Financial Year ended 31 December 2013

Pro Forma DPU and Distribution Yield

The pro forma financial effects of the LMK Acquisition on the DPU and distribution yield for the financial year ended 31 December 2013 (“FY2013”), as if LMIR Trust had purchased LMK, entered into the LMK Leases and completed the Equity Fund Raising on 1 January 2013, and held and operated LMK through to 31 December 2013, are as follows:

	FY2013	
	Before the LMK Acquisition ⁽¹⁾	After the LMK Acquisition
Distributable Income (S\$'000)	73,023	92,193
Units in issue and to be issued	2,453,307,080	2,766,302,726 ⁽²⁾
DPU (cents)	3.25	3.34
Distribution yield	7.83% ⁽³⁾	8.05% ⁽³⁾

Notes:

- (1) Based on the FY2013 Audited Consolidated Financial Statements.
- (2) The number of Units is arrived at after taking into account the issuance of (i) the EFR Units, (ii) new Units in payment of the LMK Acquisition Fee, (iii) new Units in payment of the performance fee as a result of additional Net Property Income after the LMK Acquisition and (iv) Consideration Units to PT AP or a party appointed by PT AP.
- (3) Based on the DPU divided by the closing price on 31 December 2013 of S\$0.415.

²¹ LMIR Trust received a committed letter of offer for a S\$180.0 million four-year term loan facility on 11 September 2014 from Standard Chartered Bank, CIMB Bank Bhd., and BNP Paribas.

Pro Forma Net Asset Value (“NAV”) per Unit

The pro forma financial effects of the LMK Acquisition on the NAV per Unit as at 31 December 2013, as if LMIR Trust had purchased LMK, entered into the LMK Leases and completed the Equity Fund Raising on 31 December 2013, are as follows:

	As at 31 December 2013	
	Before the LMK Acquisition ⁽¹⁾	After the LMK Acquisition
NAV (S\$'000)	1,009,551	1,164,668
Units in issue and to be issued	2,453,307,080	2,855,347,212 ⁽²⁾
NAV per Unit (cents)	41.15	40.79

Note:

- (1) Based on the FY2013 Audited Consolidated Financial Statements.
(2) The number of Units is arrived at after taking into account the issuance of (i) the EFR Units, (ii) new Units in payment of the LMK Acquisition Fee and (iii) Consideration Units to PT AP or a party appointed by PT AP.

Pro Forma Capitalisation

The following table sets forth the pro forma capitalisation of LMIR Trust as at 31 December 2013, as if LMIR Trust had purchased LMK, entered into the LMK Leases and completed the Equity Fund Raising on 31 December 2013.

	As at 31 December 2013	
	Actual ⁽¹⁾	As adjusted for the LMK Acquisition
	(S\$'000)	(S\$'000)
Short-term debt:		
Unsecured	-	-
Secured	147,500	147,500
Total short-term debt	147,500	147,500
Long-term debt:		
Unsecured	475,000	475,000
Secured	-	140,000
Total long-term debt	475,000	615,000
Total Debt	622,500	762,500
Unitholders funds	1,009,551	1,164,668
Total Capitalisation	1,632,051	1,927,168

Note:

- (1) Based on the FY2013 Audited Consolidated Financial Statements.

7.3 Six months ended 30 June 2014

Pro Forma DPU and Distribution Yield

The pro forma financial effects of the LMK Acquisition on the DPU and distribution yield for the six months ended 30 June 2014, as if LMIR Trust had purchased LMK, entered into the LMK Leases and completed the Equity Fund Raising on 1 January 2014, and held and operated LMK through to 30 June 2014, are as follows:

	As at 30 June 2014	
	Before the LMK Acquisition ⁽¹⁾	After the LMK Acquisition
Distributable Income (S\$'000)	33,349	41,749
Units in issue and to be issued	2,459,571,726	2,863,085,809 ⁽²⁾
DPU (cents)	1.36	1.46
Distribution yield (annualised)	6.80% ⁽³⁾	7.30% ⁽³⁾

Notes:

- (1) Based on the 6M2014 Unaudited Financial Statements.
- (2) The number of Units is arrived at after taking into account the issuance of (i) the EFR Units, (ii) new Units in payment of the LMK Acquisition Fee, (iii) new Units in payment of the performance fee as a result of additional Net Property Income after the LMK Acquisition and (iv) Consideration Units to PT AP or a party appointed by PT AP.
- (3) Based on the DPU divided by the closing price on 30 June 2014 of S\$0.40.

Pro Forma NAV per Unit

The pro forma financial effects of the LMK Acquisition on the NAV per Unit as at 30 June 2014, as if LMIR Trust had purchased LMK, entered into the LMK Leases and completed the Equity Fund Raising on 30 June 2014, are as follows:

	As at 30 June 2014	
	Before the LMK Acquisition ⁽¹⁾	After the LMK Acquisition
NAV (S\$'000)	1,015,594	1,170,723
Units in issue and to be issued	2,459,571,726	2,876,711,460 ⁽²⁾
NAV per Unit (cents)	41.29	40.70

Notes:

- (1) Based on the 6M2014 Unaudited Financial Statements.
- (2) The number of Units is arrived at after taking into account the issuance of (i) the EFR Units, (ii) new Units in payment of the LMK Acquisition Fee and (iii) Consideration Units to PT AP or a party appointed by PT AP.

Pro Forma Capitalisation

The following table sets forth the pro forma capitalisation of LMIR Trust as at 30 June 2014, as if LMIR Trust had purchased LMK, entered into the LMK Leases and completed the Equity Fund Raising on 30 June 2014.

	As at 30 June 2014	
	Actual ⁽¹⁾	As adjusted for the LMK Acquisition
	(S\$'000)	(S\$'000)
Short-term debt:		
Unsecured	-	-
Secured	-	-
Total short-term debt	-	-
Long-term debt:		
Unsecured	475,000	475,000
Secured	-	140,000
Total long-term debt	475,000	615,000
Total Debt	475,000	615,000
Unitholders funds	1,015,594	1,170,723
Total Capitalisation	1,490,594	1,785,723

Notes:

(1) Based on the 6M2014 Unaudited Financial Statements.

8. OTHER INFORMATION

8.1 Interests of Directors and Substantial Unitholders²²

8.1.1 Interests of Directors of the Manager

As at the date of this announcement, the details of the unitholdings of the directors of the Manager (“**Directors**”) are as follows:

Name of Directors	Direct Interest		Deemed Interest		Total no. of Units held	% ⁽¹⁾
	No. of Units	% ⁽¹⁾	No. of Units	% ⁽¹⁾		
Mr Albert Saychuan Cheok	400,000	0.02	-	-	400,000	0.02

²² “**Substantial Unitholders**” refers to Unitholders with an interest in more than 5.0% of all Units in issue.

Name of Directors	Direct Interest		Deemed Interest		Total no. of Units held	% ⁽¹⁾
	No. of Units	% ⁽¹⁾	No. of Units	% ⁽¹⁾		
Mr Lee Soo Hoon, Phillip	-	-	-	-	-	-
Mr Goh Tiam Lock	-	-	-	-	-	-
Mr Douglas Chew	-	-	-	-	-	-
Ms Viven Gouw Sitiabudi	-	-	-	-	-	-
Mr Alvin Cheng Yu Dong	-	-	-	-	-	-

Note:

(1) Percentage interest is based on 2,462,648,552 Units in issue as at the date of this announcement.

Save as disclosed above and based on information available to the Manager, none of the directors has an interest, direct or indirect, in the LMK Acquisition, the LMK Leases and the issuance of Consideration Units.

8.1.2 Interests of the Substantial Unitholders

Based on the Register of Substantial Unitholders as at the date of this announcement, the details of the unitholdings of the Substantial Unitholders are as follows:

Name of Substantial Unitholders	Direct Interest		Deemed Interest		Total no. of Units held	% ⁽¹⁾
	No. of Units	% ⁽¹⁾	No. of Units	% ⁽¹⁾		
Bridgewater International Ltd ("BIL")	591,023,888	24.0	-	-	591,023,888	24.0
PT Sentra Dwimandiri ("PTSD") ⁽²⁾	-	-	591,023,888	24.0	591,023,888	24.0
The Sponsor ⁽³⁾	-	-	685,931,440	27.9	685,931,440	27.9
Wealthy Fountain Holdings Inc	198,195,000	8.0	-	-	198,195,000	8.0
Shanghai Summit Pte Ltd ⁽⁴⁾	-	-	198,195,000	8.0	198,195,000	8.0
Tong Jinquan ⁽⁵⁾	-	-	198,195,000	8.0	198,195,000	8.0

Notes:

(1) Percentage interest is based on 2,462,648,552 Units in issue as at the date of this announcement.

- (2) BIL is controlled by PTSD. PTSD is therefore deemed to be interested in 591,023,888 Units in which BIL has an interest.
- (3) BIL is controlled by PTSD, which is in turn controlled by the Sponsor. The Sponsor is therefore deemed to have an interest in 591,023,888 Units in which BIL has an interest. The Manager is controlled by Peninsula, which in turn is controlled by the Sponsor. The Sponsor is therefore also deemed to be interested in 94,907,552 Units held by the Manager.
- (4) Shanghai Summit Pte Ltd is the sole shareholder of Wealthy Fountain Holdings Inc and is therefore deemed to be interested in 198,195,000 Units which Wealthy Fountain Holdings Inc holds.
- (5) Tong Jinquan is the sole shareholder of Shanghai Summit Pte Ltd which is the sole shareholder of Wealthy Fountain Holdings Inc and accordingly deemed to be interested in 198,195,000 Units which Wealthy Fountain Holdings Inc holds.

As at the date of this announcement, the Sponsor, through its indirect wholly-owned subsidiaries BIL and through its 100% interest in the Manager, holds an aggregate indirect interest of 27.9% in LMIR Trust and is deemed to be a Controlling Unitholder of LMIR Trust.

8.2 Directors' Service Contracts

No person is proposed to be appointed as a Director in relation to the LMK Acquisition or any other transactions contemplated in relation to the LMK Acquisition.

8.3 Existing Interested Person Transactions

Prior to the date of this announcement, LMIR Trust had entered into several interested person transactions with associates of the Sponsor during the course of the current financial year (the "**Existing Interested Person Transactions**"). The aggregate value of the Existing Interested Person Transactions amounts to Rp.431.9 billion (approximately S\$46.3 million), which comprises 4.6% of the audited net tangible assets of LMIR Trust as at 31 December 2013.

8.4 Opinion of the Audit Committee and Independent Financial Adviser

Pursuant to Rule 917(4)(a)(ii) of the Listing Manual, the audit committee of the Manager, comprising Mr Lee Soo Hoon, Phillip, Mr Albert Saychuan Cheok and Mr Goh Tiam Lock (the "**Audit Committee**"), will obtain an opinion from KPMG Corporate Finance Pte Ltd, the independent financial adviser (the "**IFA**"), on whether or not the LMK Acquisition, the LMK Leases and the proposed issuance of the Consideration Units are (a) on normal commercial terms and (b) prejudicial to the interests of LMIR Trust and its minority Unitholders.

The Audit Committee will form its views on the LMK Acquisition, the LMK Leases and the proposed issuance of the Consideration Units after taking into account the opinion of the IFA.

9. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the registered office of the Manager at 50 Collyer Quay, #06-07, OUE Bayfront, Singapore 049321 from the date of this announcement up to and including the date falling three months after the date of the Unitholders' Circular seeking approval of Unitholders for the Transactions²³:

- (i) the LMK CSPA (which contains the forms of the LMK Lease Agreements);
- (ii) the Deed of Indemnity;
- (iii) the Put Option Agreement;
- (iv) the full valuation report on LMK issued by Rengganis;
- (v) the full valuation report on LMK issued by W&R;
- (vi) the FY2013 Audited Consolidated Financial Statements; and
- (vii) the 6M2014 Unaudited Financial Statements.

The Trust Deed will also be available for inspection at the registered office of the Manager for so long as LMIR Trust continues to be in existence.

10. FURTHER DETAILS

The Unitholders' Circular in relation to the Transactions, together with a notice of the EGM to be convened, will be despatched to Unitholders in due course after approval has been received from the SGX-ST in relation to the Unitholders' Circular.

By Order of the Board

LMIRT MANAGEMENT LTD.

(as manager of Lippo Malls Indonesia Retail Trust)

(Company registration number: 200707703M)

Mr Alvin Cheng Yu Dong

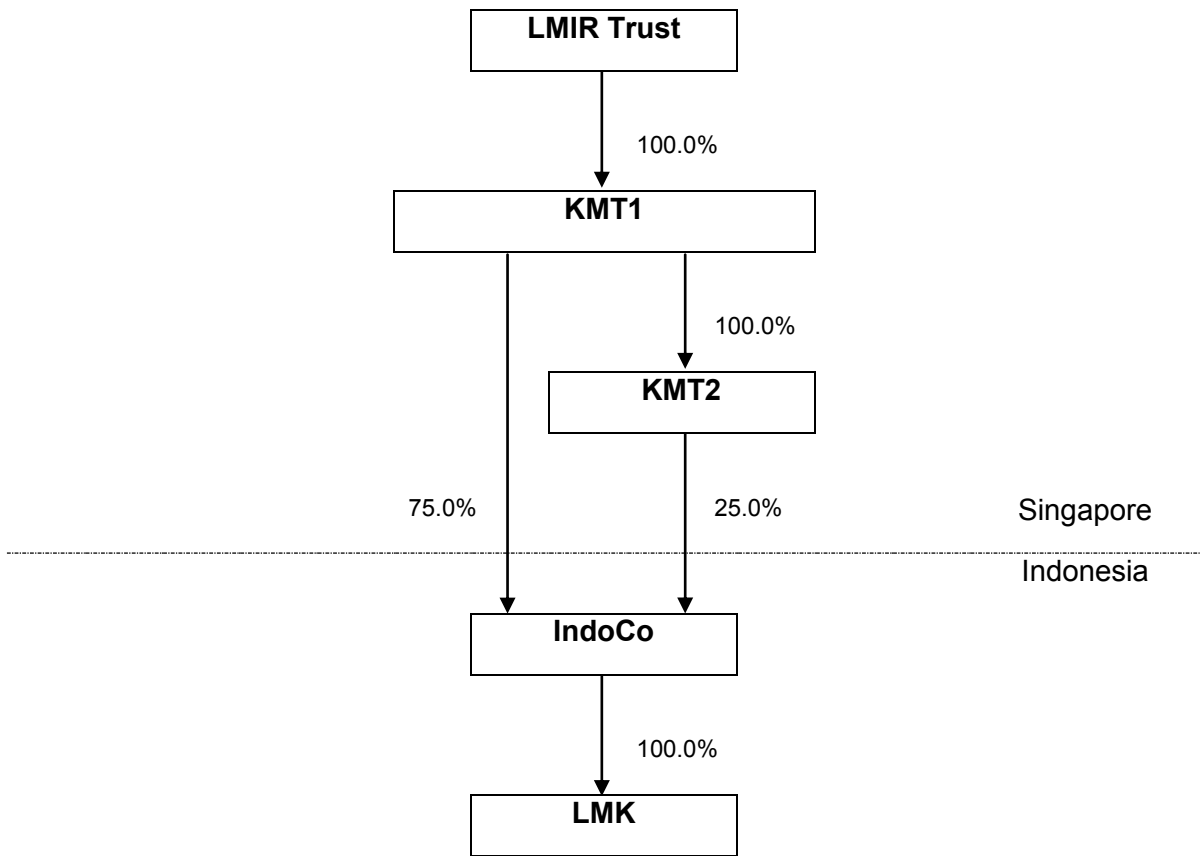
Executive Director and Chief Executive Officer

15 September 2014

²³ Prior appointment with the Manager will be appreciated.

APPENDIX A

Chart illustrating the structure under which LMK is proposed to be held by LMIR Trust upon completion of the LMK Acquisition



Important Notice

The value of Units and the income derived from them may fall as well as rise. The 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.

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

This document may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses (including employee wages, benefits and training costs), property expenses and governmental and public policy changes. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's view of future events.