

# Lippo Malls Indonesia Retail Trust

Annual General Meeting  
21 April 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.



# Overview of LMIR Trust

Financial Highlights

Growth Outlook

Latest Acquisition

# Who We Are

First Indonesia retail REIT listed on SGX (in November 2007) with over **S\$1 billion market cap**

Diversified portfolio of quality assets – **20 retail malls and 7 retail spaces**

Strategically located in **major Indonesian cities** with large middleclass population catchment areas

Total Net Lettable Area of **851,850 sqm** with a valuation of **S\$1.94 billion**

**PT Lippo Karawaci Tbk**, the Sponsor, is Indonesia's largest listed company by total assets and revenue

**Property tenants** include well-known retailers complemented by popular consumer brands

**High occupancy** rate of **94.3%**, consistently higher than the industry average of 85.4%<sup>1</sup>

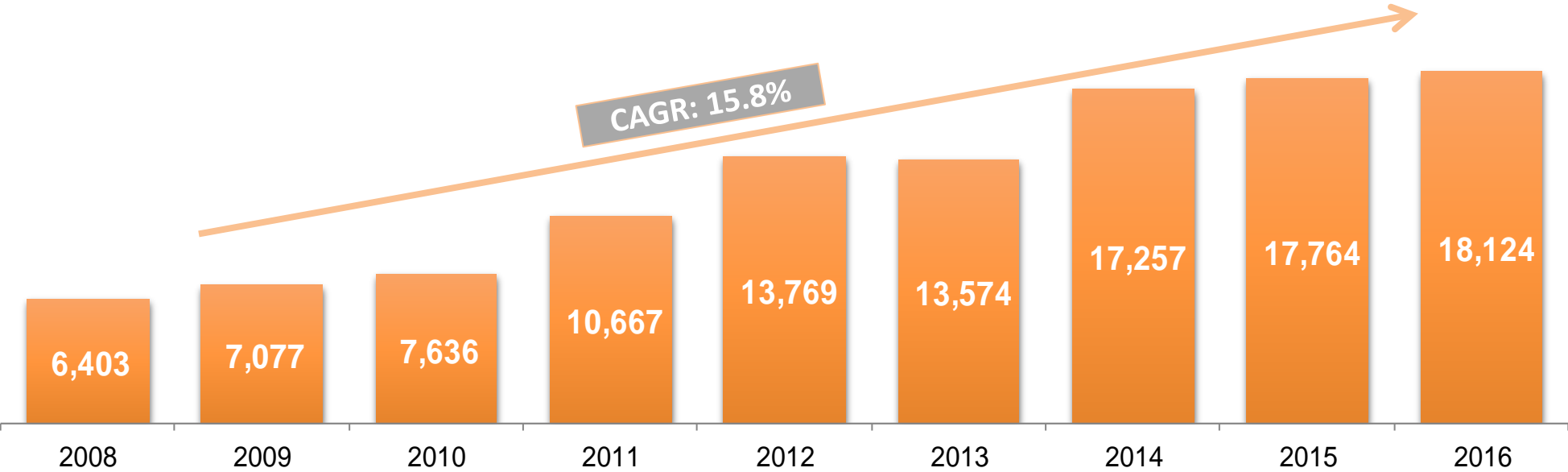
**Staggered lease expiration dates** over several years to ensure a steady earnings base

**Rated Baa3** by Moody's and regulated by the Property Funds Guidelines of Monetary Authority of Singapore (MAS)

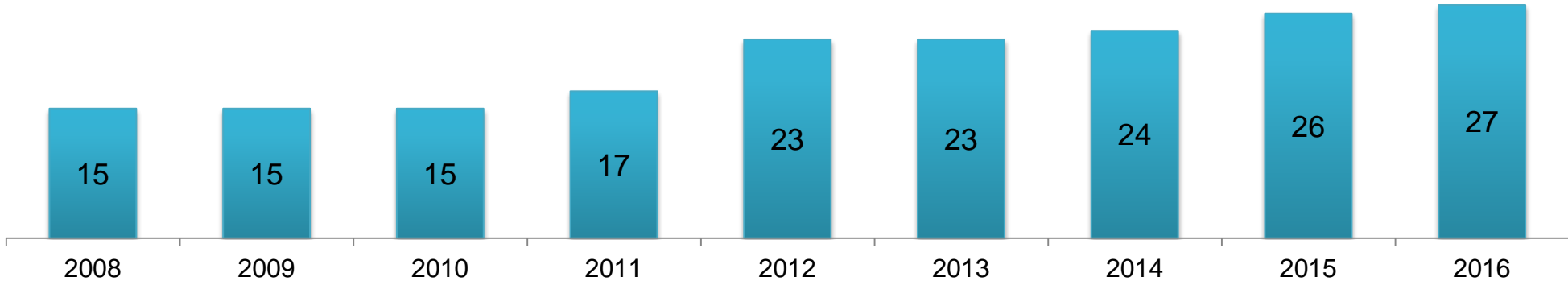
<sup>1</sup> Cushman & Wakefield: Retail Snapshot Q4 2016 – Jakarta

# A Growing Portfolio

Portfolio Valuation (IDR'billion)

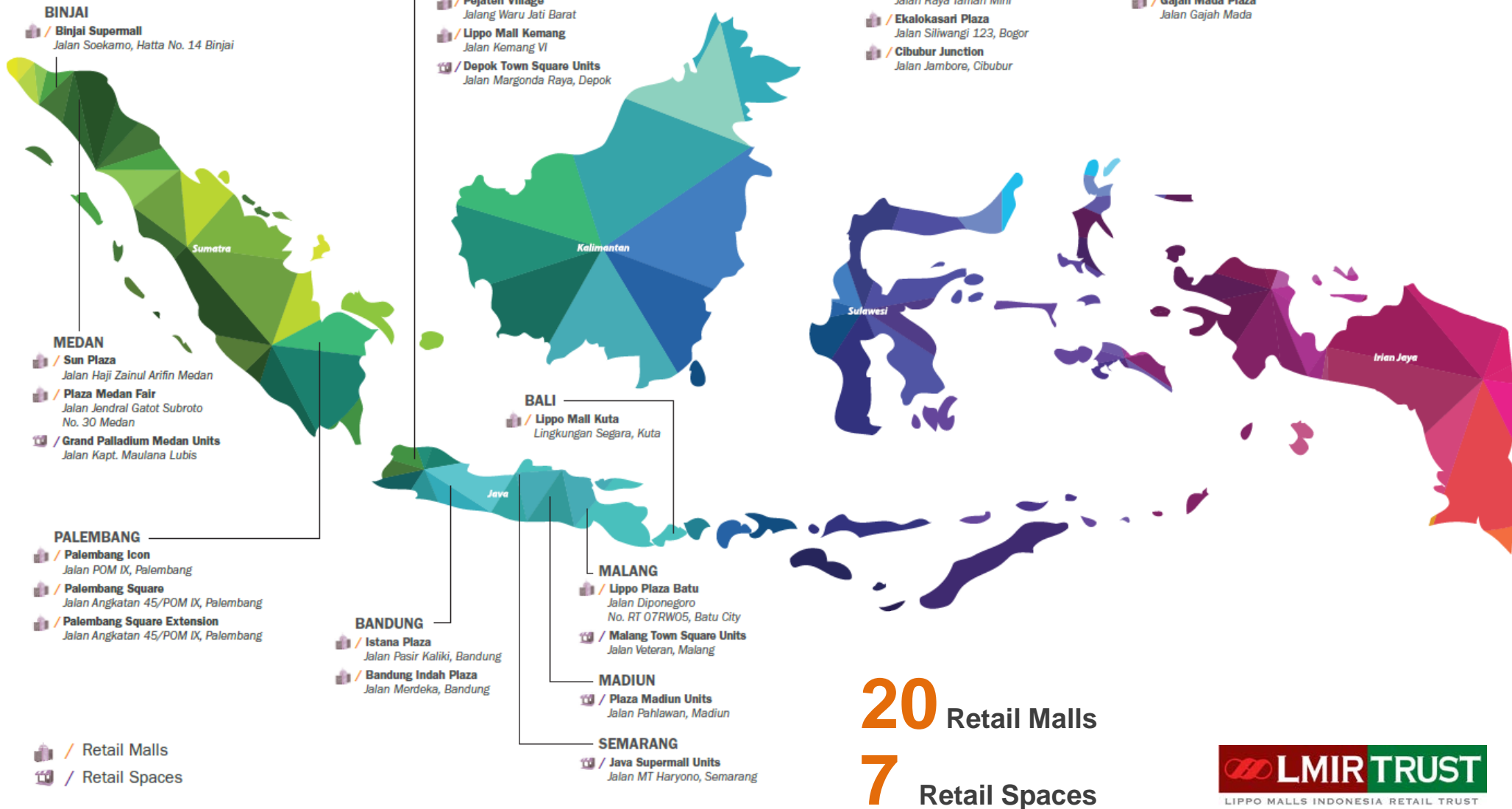


Number of Properties



# Strategically Located Portfolio

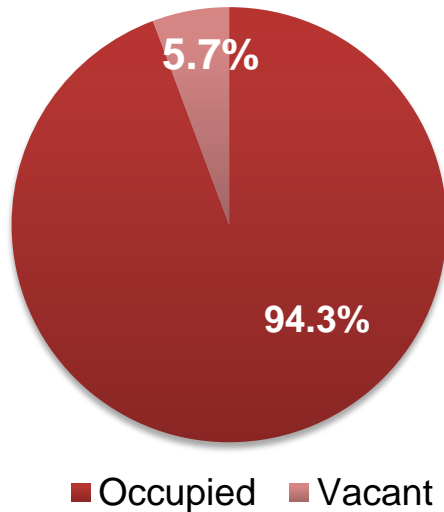
LMIR Trust continues to strategically expand its pan-Indonesia footprint, focusing on increasingly urbanised areas where higher disposable income and emerging lifestyle trends are fuelling the demand for quality retail real estate.



# High Occupancy Rate and Long Lease Profile

## Long Lease Profile

### Occupancy Rate



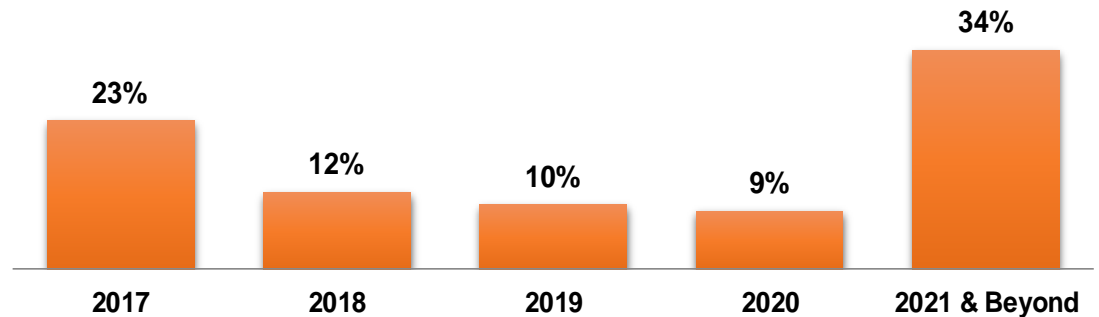
### Net Lettable Area

851,850 sqm

### Total Valuation

S\$1,941.9 million

### Lease Expiry Profile by NLA as at December 2016

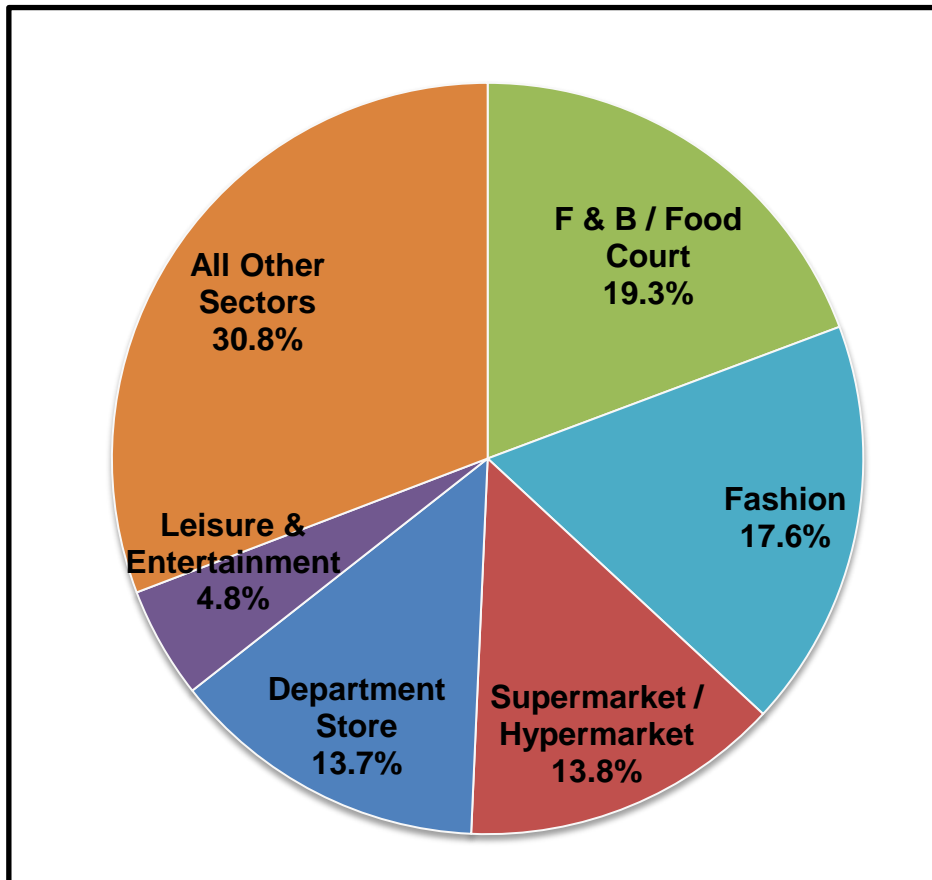


- Weighted Average Lease Expiry (by NLA) as at 31 December 2016: **4.51 years**
- **10 year** leases for anchor and major tenants
- **3- 5 year** leases for specialty tenants
- Balanced mix of long and short term leases provide both stability and growth potential
- 10-year lease of retail spaces to PT Multipolar Tbk and PT Matahari Putra Prima Tbk, since 2007

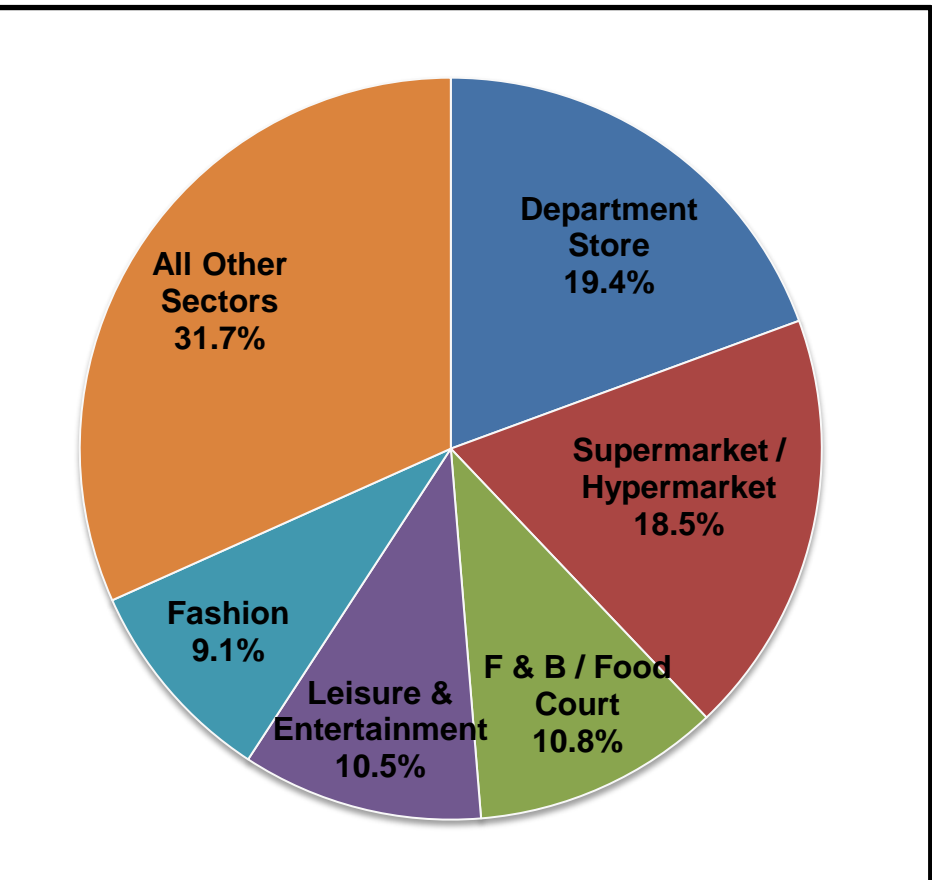
# Diversified Quality Tenants

As at 31 December 2016

### Trade Sector Breakdown by Rental Revenue\*

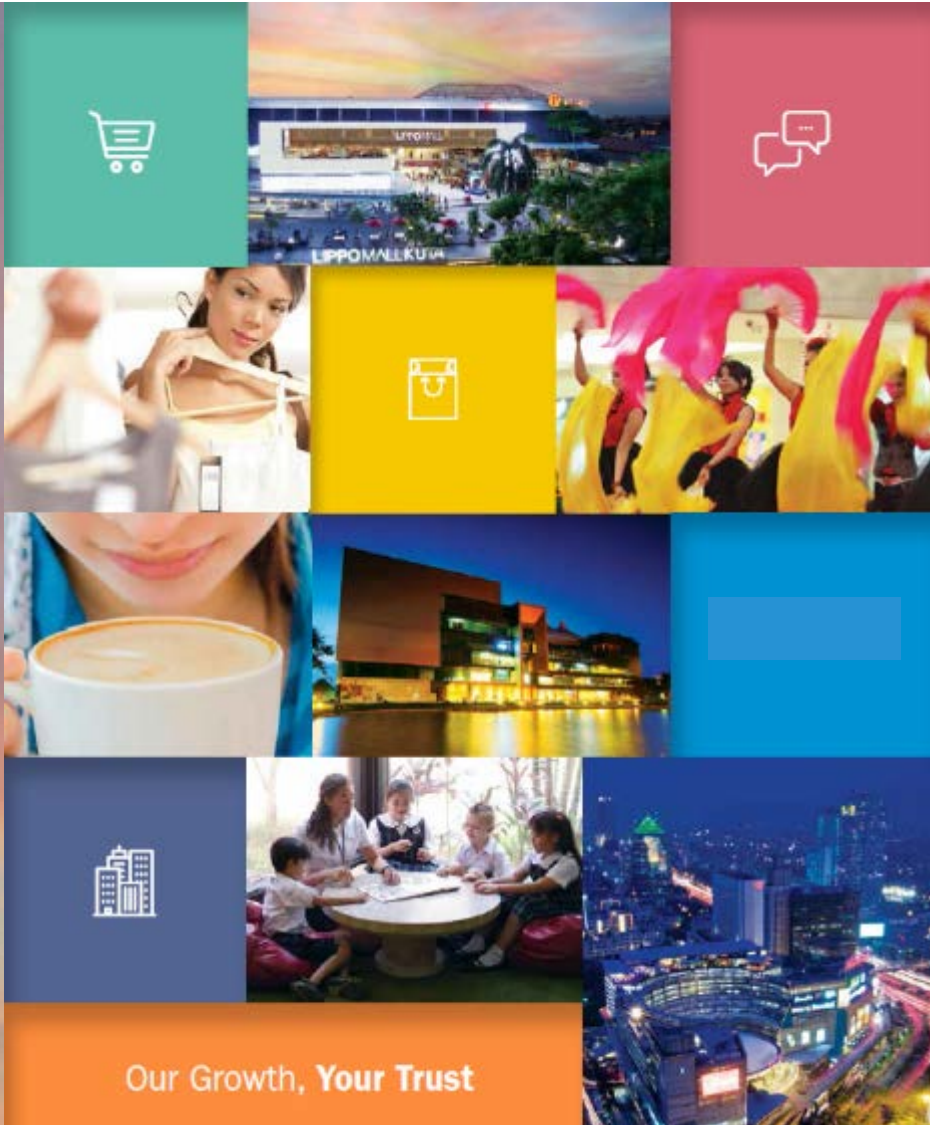


### Trade Sector Breakdown by NLA



\*Exclude casual leasing





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# Key Performance Highlights

	FY 2016 S\$'000	FY 2015 S\$'000	% Variance
Gross Revenue <sup>1</sup>	188,066	173,004	8.7
Net Property Income	171,860	158,565	8.4
Distributable Income to Unitholders	95,468	85,553	11.6
DPU (in cents)	3.41	3.10	10.0

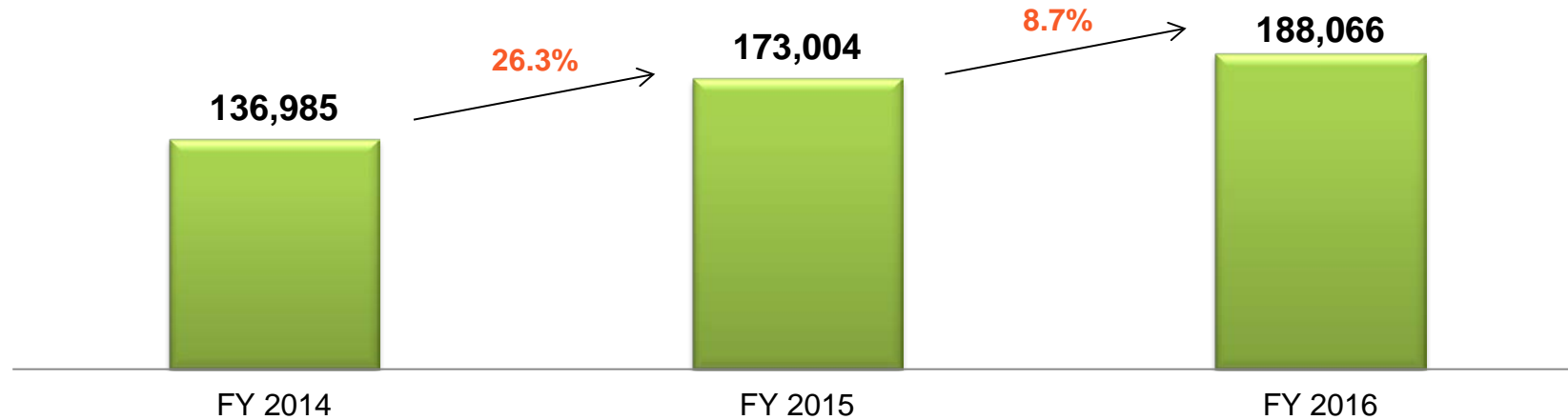
- **Healthy balance sheet with total assets under management of S\$1,949.4 million**
- **Prudent capital structure management with gearing ratio at 31.5%**
- **Overall occupancy at 94.3% , higher than industry average of 85.4% <sup>2</sup>**
- **High Weighted Average Lease Expiry (by NLA) at 4.51 years**

*Notes:*

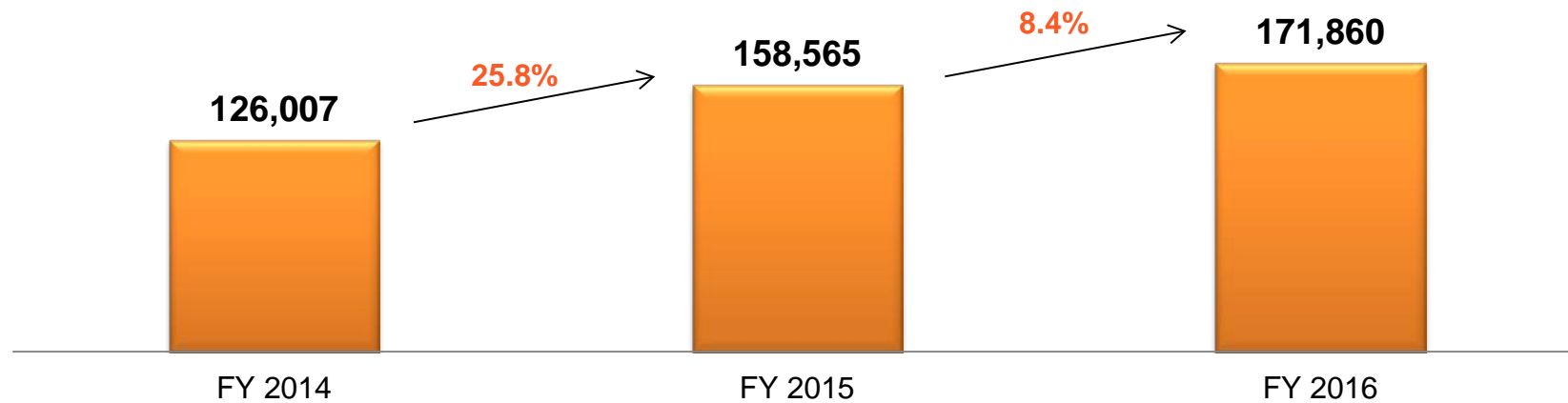
1. Gross Revenue includes Rental Revenue, Car Park Revenue and Other Income
2. Cushman & Wakefield: Retail Snapshot Q4 2016 - Jakarta

# Financial Highlights

## Gross Revenue (S\$'000)

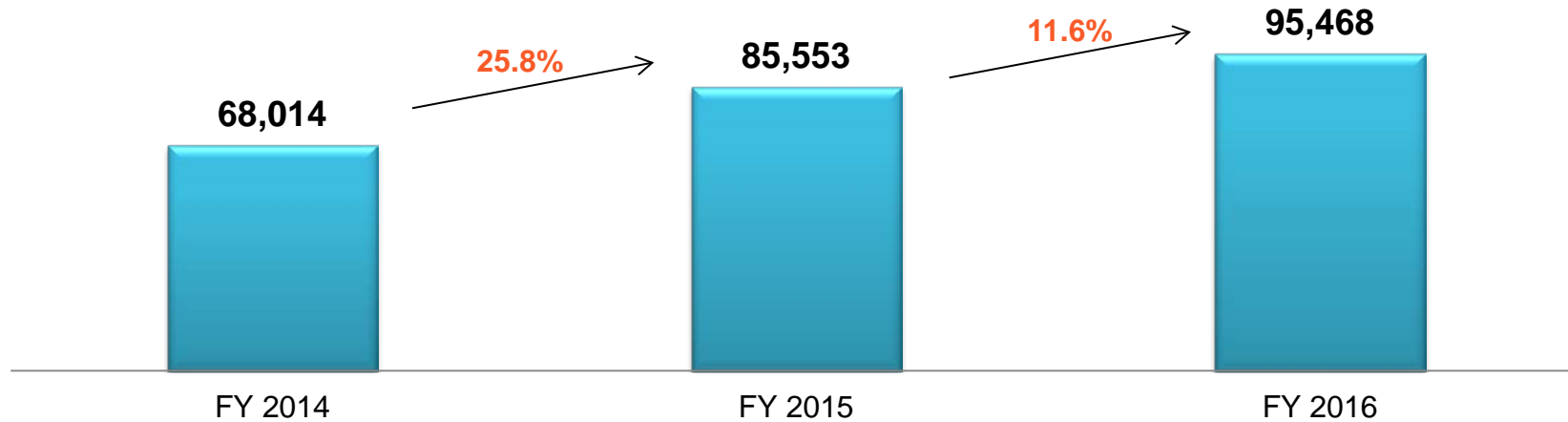


## Net Property Income (S\$'000)

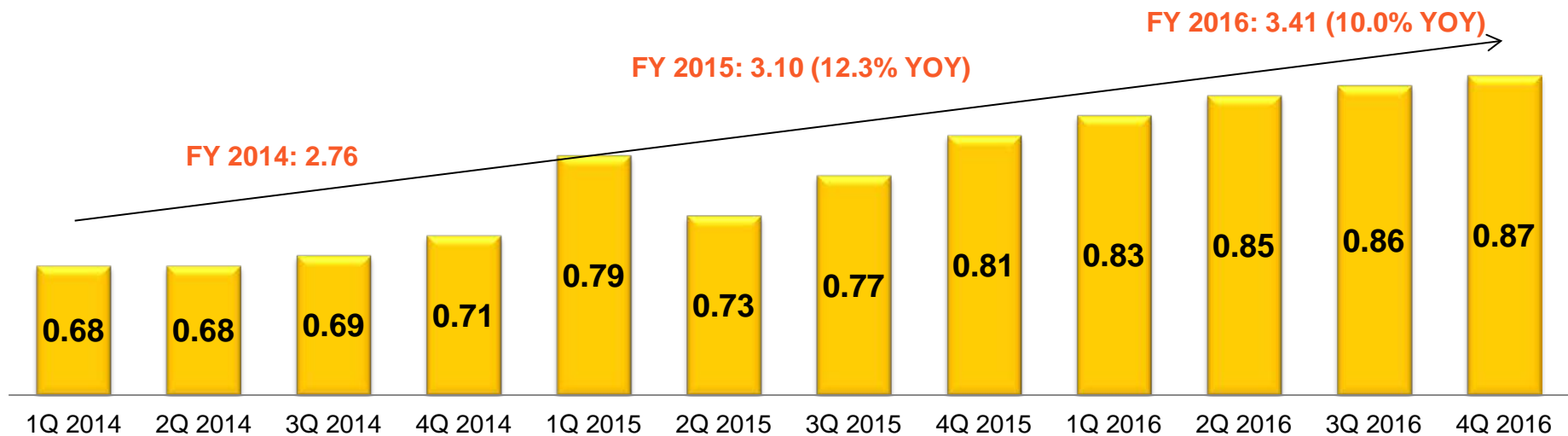


# Financial Highlights

## Distributable Income to Unitholders (S\$'000)



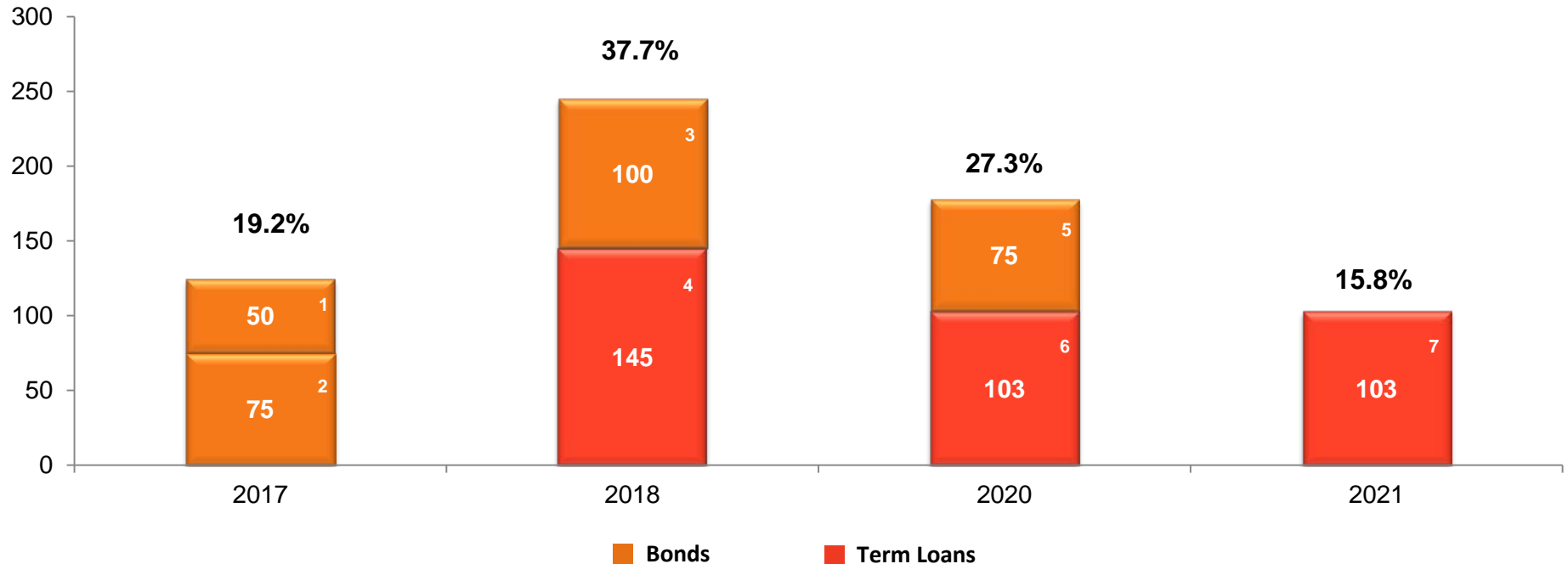
## DPU (Singapore Cents)



# Debt Maturity Profile

As at 31 December 2016

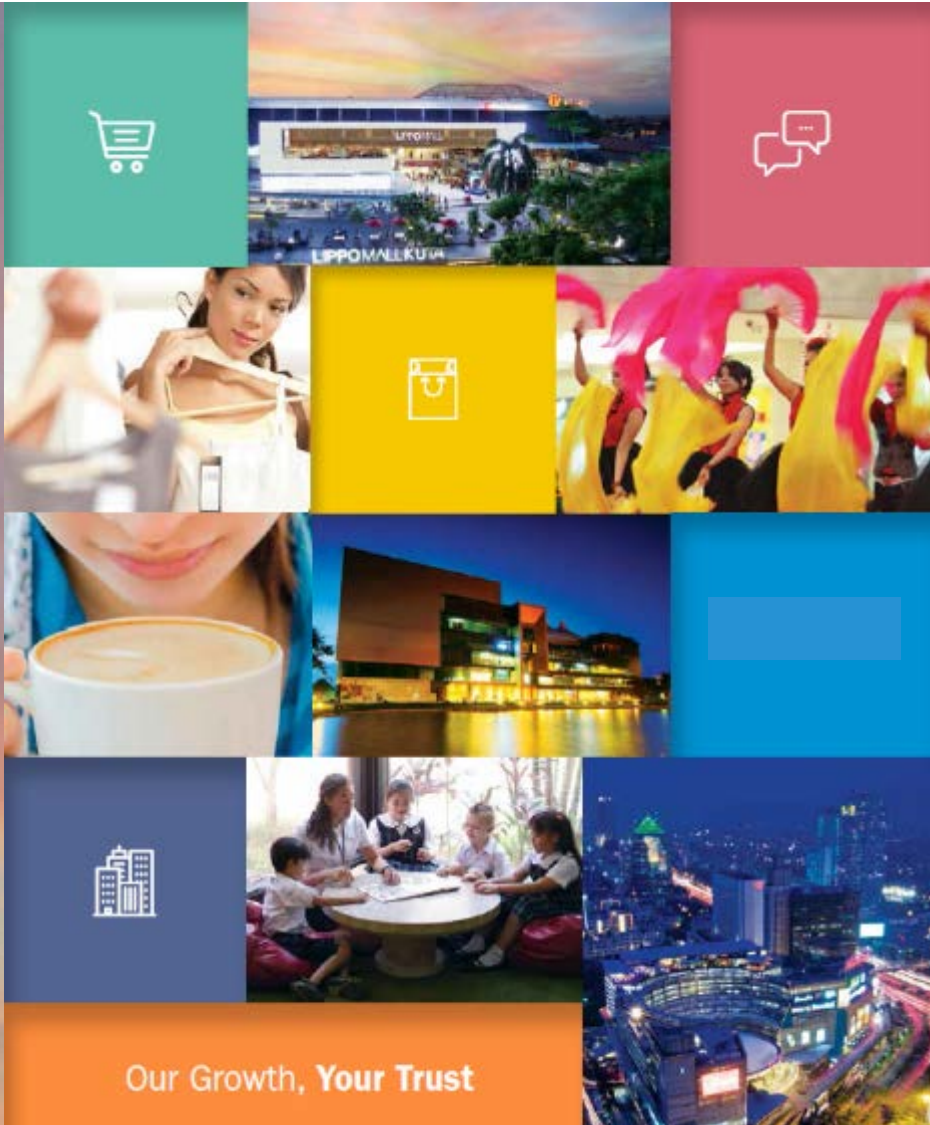
- **70%** of LMIRT's debt is on a fixed rate basis, mitigating the impact of interest rate fluctuations
- Weighted Average Maturity of Debt Facilities is **2.59 years**



Notes:

- 1 S\$50 million 5.875% bond due 6 July 2017
- 2 S\$75 million 4.48% bond due 28 November 2017
- 3 S\$100 million 4.5% bond due 23 November 2018
- 4 S\$145 million 3.0% + SOR term loan due 15 December 2018
- 5 S\$75 million 4.1% bond due 22 June 2020
- 6 S\$103 million 2.95% + SOR term loan due 25 August 2020
- 7 S\$103 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

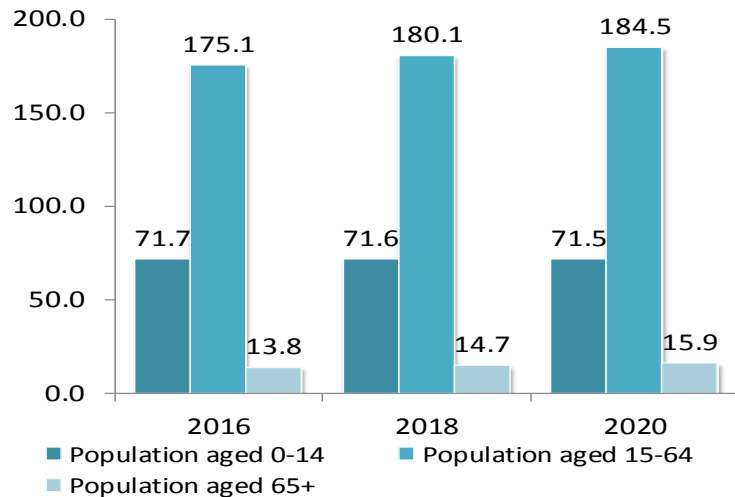


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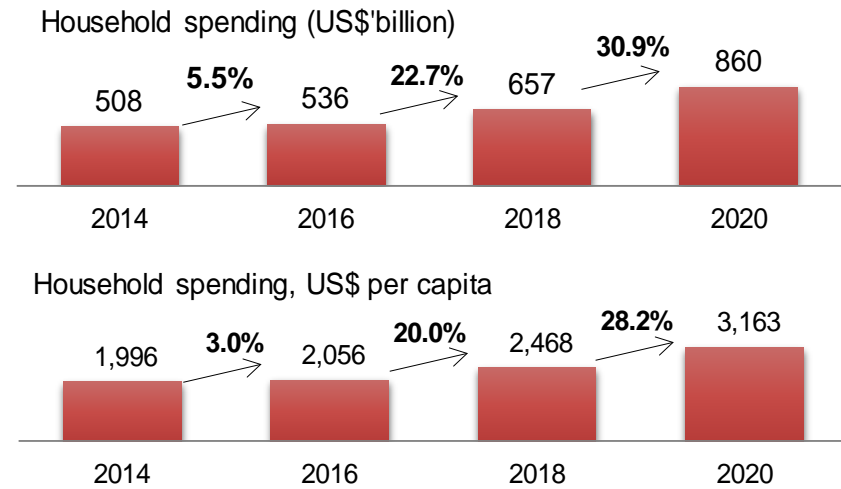
# Attractive Indonesian Retail Outlook

High forecast retail growth coupled with increasing household spending and high rental yields imply huge upside potential for Indonesian retail landlords

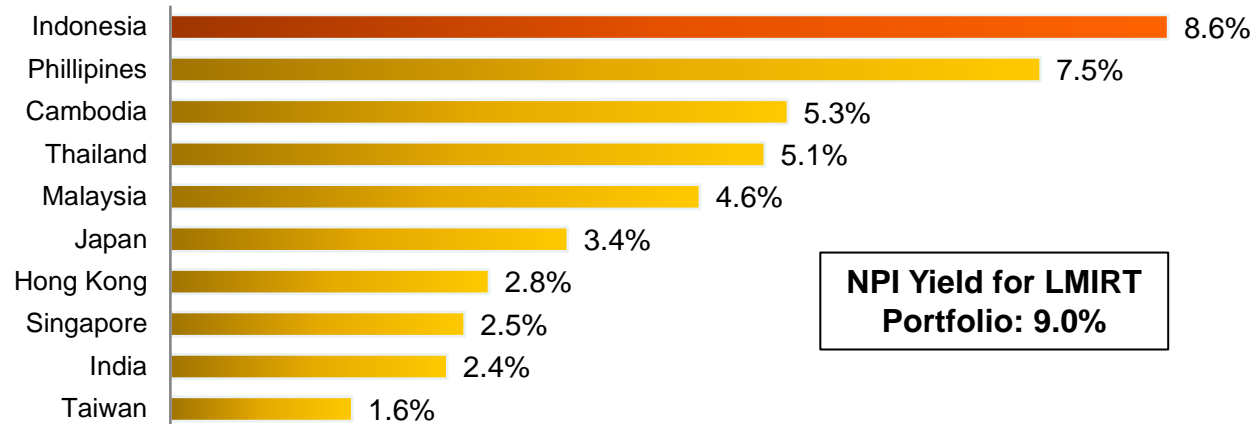
**Population Projection ('million)**



**Indonesia – Household spending projection**



**Rental yields in Indonesia remain the highest in the region**



**NPI Yield for LMIRT Portfolio: 9.0%**

# Strong & Committed Sponsor



Sponsor, **PT Lippo Karawai Tbk**, Indonesia's largest listed company by total assets and revenue, with a market capitalisation of US\$1.2 billion as at 31 December 2016



Manages 46 retail malls and plans to develop 40 new retail malls, bringing total malls under management to over 80 by 2030



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

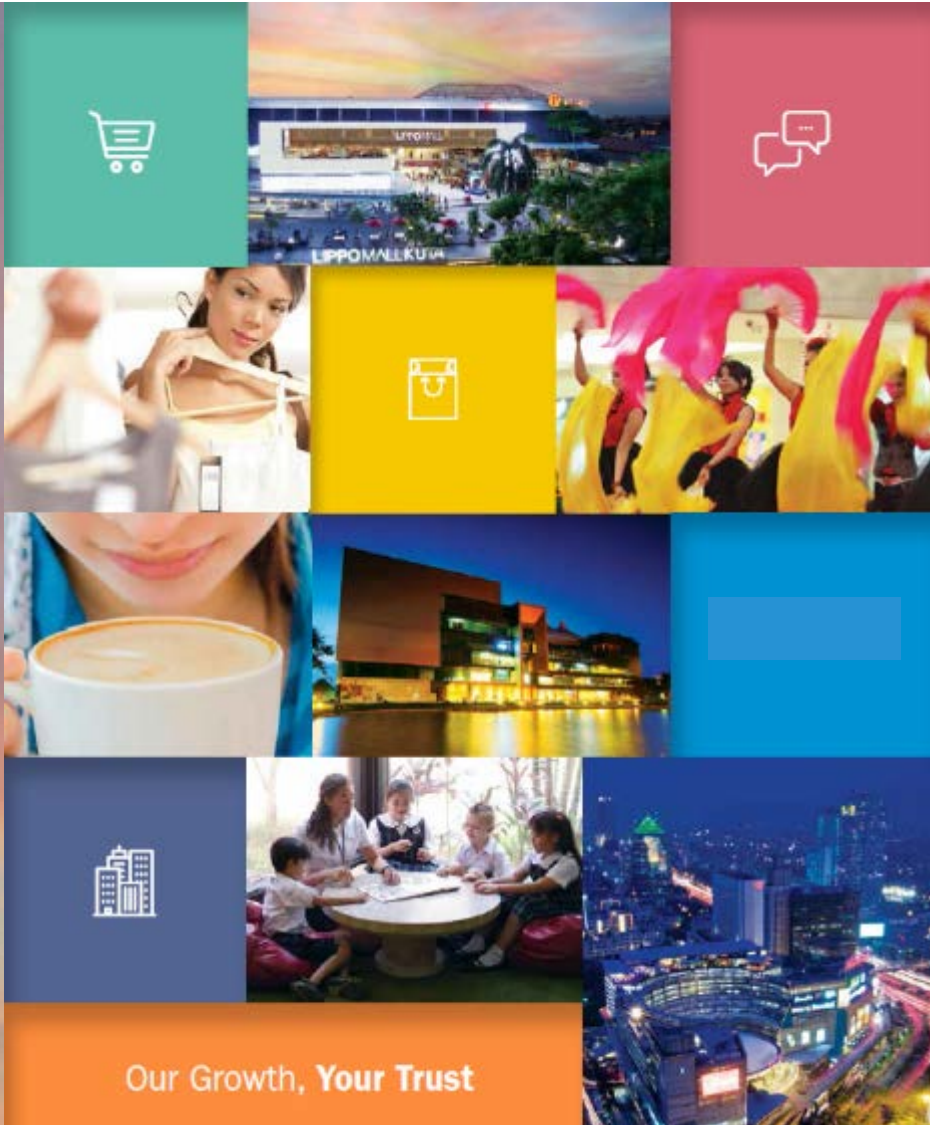


Malls have an average occupancy rate of over 88% and cater to more than 300 million visitors per year



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





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# Lippo Mall Kuta



Property Type	Retail Mall
Purchase Consideration	<b>IDR800 billion</b> <b>(\$86.4 million @ exchange rate of 9,259)</b>
Valuations	<b>IDR 801.4 billion by W&amp;R</b> <b>IDR 891.7 billion by Rengganis</b>
Property Title	HGB (Right to Build) title certificate expiring 22 March 2037
Master Lessees	<ul style="list-style-type: none"> <li>• <b>Carpark lease</b> - PT Trimulia Kencana Abadi</li> <li>• <b>Casual leasing space lease</b> - PT Kencana Agung Pratama</li> <li>• <b>Specialty tenants lease</b> - PT Kridakarya Anugerah Utama</li> </ul> <p>Total annual rental: IDR43.3 billion Term of Lease: 5 years</p>
GFA	36,312 sqm
NLA	20,273 sqm
Carpark Lots	355
Motorcycle Lots	250
Key Tenants	Matahari Department Store, Cinemaxx
Occupancy Rate	96.2%



Thank You