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PRESS RELEASE

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## **More than US\$600 million to be invested in the local economy through The Landmark Development**

**Yangon, 26 July 2016** – First Myanmar Investment Co., Ltd. (“FMI”) is pleased to provide the latest details of the Landmark Development, an integrated Mixed-Use Development<sup>1</sup>, and The Peninsula Yangon located in the heart of downtown Yangon. The Landmark Development has continued to make progress in recent months. On 23 July 2016, the Ministry of Transport and Communications, via Myanma Railways, signed 2 new separate master leases for the Landmark Development, one for the Mixed-Use Development and the other for The Peninsula Yangon. Both leases have the same 50 year extension periods.

### **The Landmark Development**

The Landmark Development is a dynamic collaboration between FMI, Yoma Strategic Holdings Ltd. (“Yoma Strategic”) and our valued partners The Hongkong and Shanghai Hotels, Limited (“Hongkong and Shanghai Hotels”), Mitsubishi Corporation, Mitsubishi Estate (collectively the “Mitsubishi Companies”), the International Finance Corporation (“IFC”), and the Asian Development Bank (“ADB”). The partnership between these organizations to build a world-class real estate project will support the growth and development of downtown Yangon. The Landmark Development is scheduled to be completed before the end of 2020.

Designed by prominent architect Cecil Balmond OBE, the Mixed-Use Development is an integrated real estate project that will feature the first Peninsula-branded luxury residences, two Grade A office towers, a business hotel and serviced apartments which will all be seamlessly connected by a retail podium. The site will be anchored by the former headquarters of the Myanmar Railway Company which will be restored into The Peninsula Yangon. The Peninsula Yangon will bring a new level of distinction to the Myanmar hospitality scene.

With a new design, the total gross floor area of the Landmark Development has increased to approximately 2.44 million square feet, from the initial plan of approximately 2.12 million square feet. (Please see Exhibit A at the end of this release for the latest design of the Landmark Development.)

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<sup>1</sup> For the purpose of this press release, reference to the Mixed-Use Development shall mean the Landmark Development excluding The Peninsula Yangon.

U Tun Tun, Executive Director of FMI commented, “The Landmark Development is a collaboration with world renown institutions that will bring more than US\$600 million of international capital into the local economy. As the key local partner, FMI is proud to be a part of this important project. We truly believe that the Landmark Development will make a positive contribution to downtown Yangon and will set the standard for real estate developments in Myanmar.”

### **Mixed-Use Development**

The Mixed-Use Development will be held by FMI (12%), Yoma Strategic (48%), the Mitsubishi Companies (30%), IFC (5%), and ADB (5%). The total development cost for the Mixed-Use Development is approximately US\$660 million, which consists of the land cost and other development costs including construction, consultants, overhead, contingencies and financing.

### **The Peninsula Yangon**

The Peninsula Yangon will be held by FMI (6%), Yoma Strategic (24%), and Hongkong and Shanghai Hotels (70%). Work on The Peninsula Yangon has already commenced.

### **Master Leases**

The Landmark Development sits on two sites with master leases that had been extended for an initial period of 50 years commencing on 1 January 1998 in accordance with the Myanmar Foreign Investment Law. Subsequent to this on 23 July 2016, the Ministry of Transport and Communications via Myanma Railways signed 2 separate leases for the Landmark Development, one for The Peninsula Yangon and the other for the Mixed-Use Development with the same 50 year extension periods.

### **Significant Project Milestones**

With the signing of the 2 separate leases for the Landmark Development, FMI and its partners will proceed to submit the relevant applications to the Myanmar Investment Commission to approve, amongst other things, the incorporation of the joint venture entities. It expects to receive the approval and major works for the Mixed-Use Development is also expected to commence by the end of the year.

Based on the above, the drawdown of the debt facilities for the Mixed-Use Development will take place by end of March 2017 with pre-sales of the branded residences commencing after April 2017.

The target completion for the Landmark Development is before end of 2020.

## About FMI

First Myanmar Investment Co., Ltd. (FMI) is one of Myanmar's largest public companies with thousands of shareholders and an unbroken track record of profitability and dividend payments since inception in 1992. FMI's current focus is on its 'three pillar' strategy of investing in the Financial Services, Real Estate and Healthcare sectors. FMI became the first company to be listed on the Yangon Stock Exchange on 25 March 2016.

## Exhibit A – Artist's Impression of the Latest Design of The Landmark Development

