



**LIPPO MALLS INDONESIA RETAIL TRUST
2Q2012 RESULTS NEWS RELEASE**

LMIR TRUST 2Q2012 GROSS REVENUE UP 38.3% TO S\$45.6 MILLION

- *Two newly acquired properties caused Distributable Income to increase by 44.3% to S\$17.1 million*
- *Strong balance sheet provides LMIR Trust with ample financial flexibility to fund future growth*
- *High occupancy rate of 94.7% underpinned by strong interest from international and local retailers for quality retail spaces*

Financial Highlights:

	2Q2012 S\$ '000	2Q2011 S\$ '000	Variance %
Gross Revenue ¹	45,799	33,106	38.3%
Net Property Income	30,737	22,570	36.2%
Distributable Income	17,121	11,864	44.3%
DPU – pre rights (cents)	N/A	1.09	N/A
DPU – post rights (cents) ²	0.79	N/A	N/A

Notes:

¹ 2Q2012 gross revenue includes full-quarter contribution from Pluit Village and Plaza Medan Fair

² 2Q2012 DPU is based on 2,180,663,153 outstanding units, which includes 1,086,516,497 new right units following the successful completion of LMIR Trust's 1-for-1 rights issue in 4Q2011.

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Singapore, August 2, 2012 – LMIRT Management Ltd. (“the Manager”), as manager of Lippo Malls Indonesia Retail Trust (“LMIR Trust”), reported record gross revenue of S\$45.8 million for the three months ended June 30, 2012 (“2Q2012”), a 38.3% jump over the corresponding quarter in 2011 (“2Q2011”). The S\$12.7 million increase in gross revenue was primarily due to the full-quarter contribution from Pluit Village and Plaza Medan Fair - two quality retail malls that were acquired in December 2011.

LMIR Trust achieved Net Property Income of S\$30.7 million in 2Q2012, an increase of 36.2% from S\$22.6 million in 2Q2011, notwithstanding an S\$4.5 million increase in property operating expenses as a result of the acquisition of Pluit Village and Plaza Medan Fair.

“We are delighted to deliver on our growth strategy with the value-accretive acquisitions of Pluit Village and Plaza Medan Fair at end of last year. The two assets not only expanded our asset portfolio, but increased the yields to unitholders and set the momentum for LMIR Trust to become one of the leading retail REITs in the region,” said Ms Viven G. Sitiabudi, Chief Executive Officer of the Manager.

“Buoyed by a robust domestic economy and an increasing sophistication of Indonesia’s retail scene, shopper traffic at our malls have continued to increase. Our occupancy rate of 94.7% in 2Q2012 is well above Indonesia’s retail industry average occupancy rate of approximately 86.7%.”

Distributable income increased by 44.3%, compared to 2Q2011, to S\$17.1 million, which translate into a distribution per unit (“DPU”) of 0.79 cents in

2Q2012. This represents an annualized DPU yield of approximately 7.4%ⁱ based on the closing price of S\$0.40 per unit on June 30, 2012.

Strong Balance Sheet and Financial Flexibility

As at June 30, 2012, LMIR Trust's outstanding debt was S\$147.5 million with an interest margin of 4.0% per annum over the base lending rate. LMIR Trust has a prudent gearing level of 9.3% with no refinancing required until June 2014 and its interest cover ratio stood at a robust 11.4 times. Furthermore, S\$869 million (or approximately 60% of LMIR Trust's S\$1.44 billion asset portfolio) remains unencumbered, providing the REIT with ample financial flexibility to fund its future growth.

Ms Sitiabudi added that "We had indicated to our unitholders last year, that we intend to further enhance our strong capital structure. This, we had delivered and strengthened our balance sheet and diversified our sources of funding at the beginning of July. The S\$250 million bond issued at the beginning of July, after the closing of the 2Q2012, is expected to provide us with adequate financial resources to fund our next round of acquisitions without an equity issue".

Clarity of Growth

LMIR Trust's Sponsor, PT. Lippo Karawaci Tbk ("LK"), is one of the largest listed property developers and mall operators in Indonesia. With its strategic intention to expand LMIR Trust as the cornerstone of its third pillar of growth, the Sponsor has provided LMIR Trust with a right of first refusal over its portfolio of 15 malls to be built across Indonesia in the next three years.

ⁱ This was based on 2,180,663,153 outstanding units, which includes 1,086,516,497 new right units following the successful completion of LMIR Trust's 1-for-1 rights issue in 4Q2011.

Ms Sitiabudi said, “We will leverage on our Sponsor’s pipeline of quality assets and concurrently explore as well opportunistic third-party acquisitions to achieve our goal of building a S\$4 billion portfolio over the next five years, and to deliver long-term stable returns to our Unitholders.”

Outlook

Following Indonesia's strongest year of growth in over a decade, consensus estimates expect the economy to reach 6.3% growth in 2012 despite a weaker external backdrop. The nation continue to emerge as a regional outperformer in the region, with more external trade dependent peers feeling the effects of a slowdown in exports. The Indonesian consumers remain in a good shape, and this is borne out in a strong showing in retail and consumer confidence. Recent surveys show that Indonesians are confident that the country’s rapidly growing economy will translate into more business activity and job vacancies, despite the threat of rising prices during the Ramadhan month. The consumer confidence index climbed 5.4 points to 114.4 in June, the highest level in five months. The consumer expectation index — covering economic conditions over the next six months—jumped seven points to 121.3, and the current economic condition index rose 3.7 points to 107.5.

Looking long term, robust macroeconomic fundamentals, an enticing demographic profile and the spread of organized retail underpin a highly dynamic consumer growth story in Indonesia. This is expected to have a positive impact on the demand for quality retail space. Jakarta remains under-shopped as its retail density at 0.4 sqm per person is one of the lowest in the region, compared to 0.7 sqm per person in Singapore and 2.7 sqm per person in Kuala Lumpur. With only 140,000 sqm of new retail space expected to be delivered in 2012, LMIR Trust’s retail malls are well positioned to benefit from the attractive dynamics of the Indonesian retail mall industry.

About Lippo Malls Indonesia Retail Trust (“LMIR Trust”) (www.lmir-trust.com)

LMIR Trust is a Singapore-based real estate investment trust established with the principal investment objective of owning and investing, on a long-term basis, in a diversified portfolio of income-producing real estate in Indonesia that are primarily used for retail and/or retail-related purposes.

LMIR Trust’s current asset portfolio comprises ten retail mall properties (“**Retail Malls**”) and seven retail spaces located within other retail malls (“**Retail Spaces**”, and collectively with the Retail Malls, the “**Properties**”). The Properties have a total net lettable area of 546,658 sqm and total valuation of S\$1.44 billion as at 30 June 2012, and are strategically located in major cities of Indonesia with large middle-income population. Tenants include leading domestic names such as Matahari, Centro, Giant Hypermarket, as well as international specialty tenants such as McDonalds, Fitness First, Starbucks and Ace Hardware.

Important Notice

*The value of units in LMIR Trust (“**Units**”) and the income from them may fall as well as rise. 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 Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units. The past performance of LMIR Trust is not necessarily indicative of the future performance of LMIR Trust.*

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