



LIPPO MALLS INDONESIA RETAIL TRUST

(Constituted in the Republic of Singapore pursuant to a Trust Deed dated 8 August 2007)

**LIPPO MALLS INDONESIA RETAIL TRUST  
1Q 2013 RESULTS NEWS RELEASE**

**LMIR TRUST 1Q 2013 DPU UP 30%  
DRIVEN BY ACQUISITIONS AND ORGANIC GROWTH**

- *Net Property Income of S\$ 37.3 million, up 21% year-on-year*
- *Distributable Income grows to S\$19.6 million, up 31% year-on-year*
- *Portfolio occupancy improved to 93.7%, up from 92.6% in 4Q12*

**Financial Highlights:**

	<b>1Q 2013 S\$ '000</b>	<b>1Q 2012 S\$ '000</b>	<b>Variance %</b>
Gross Rental Income	39,371	30,441	29.3%
Net Property Income	37,260	30,857	20.8%
Distributable Income	19,619	15,008	30.7%
DPU (cents)	0.89	0.69	29.6%

**Singapore, May 2, 2013** – LMIRT Management Limited, the manager of Lippo Malls Indonesia Retail Trust (“LMIR Trust”), is pleased to announce that LMIR Trust achieved a Net Property Income of S\$37.3 million for the period from 1 January to 31 March 2013 (“1Q2013”), up 20.8% year-on-year. The increase was due largely to the contributions from the recent six acquisitions made in 4Q 2012 (being Kramat Jati Indah Plaza, Tamini Square, Palembang Square, Palembang Square Extension, Pejaten Village and Binjai Supermall).

**LMIRT Management Ltd**  
**Co. Reg. No. 200707703M**  
**50 Collyer Quay, #06-07, Singapore 049321**  
**Telephone: +65 6410 9138 Fax: +65 6509 1824**

Distributable income increased by 30.7% to S\$19.6 million, compared to a figure of S\$15.0 million a year ago. This translates into a distribution per unit (“DPU”) of 0.89 cents for 1Q 2013 and represents an annualized DPU yield of approximately 6.9% based on the closing price of S\$0.515 per unit on March 28, 2013 (the last trading day for March 2013).

Gross Rental Income was increased by 29.3% as a result of the acquisitions in 4Q 2012 as well as from positive rental reversions within the existing malls. On the other hand, Gross Revenue for 1Q2012 was higher due to the inclusion of service charge and utilities recovery from the malls operational activities which were outsourced to a third party Operating Company since May 2012, so that the service charge and utilities recovery income and the corresponding property operating and maintenance expenses were eliminated in 1Q 2013 (as compared to 1Q 2012).

### **Diversified Funding and Strong Balance Sheet**

Following the issue of a total of S\$325 million of SGD bonds in July and November 2012, the average cost of debt of LMIR Trust has been reduced by approximately 1%.

Whereas total outstanding debt was increased to S\$472.5 million as at March 31, 2013, approximately 85% of Interest Bearing Debts are at fixed rates, and LMIR Trust has maintained a moderate gearing level at 24.3%, well below the statutory limit of 35% for S-Reits. The weighted average maturity of debt facilities at the end of 1Q 2013 was approximately 2.5 years, with no refinancing required until June 2014.

Further, approximately 68% of LMIR Trust’s S\$1.77 billion asset portfolio, equating to S\$1.2 billion, remains unencumbered providing the REIT with ample financial flexibility to fund its future growth.

Mr Alvin Cheng, the newly appointed Chief Executive Officer of LMIRT Management Limited, said “We are delighted to report that LMIR Trust has delivered another set of improved quarterly result. With an enlarged portfolio of 16 retail malls and 7 retail spaces, and expanded sources of funding, LMIR Trust is well positioned to continue to

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grow further through positive rental reversions, higher occupancy rates, asset enhancement initiatives and asset acquisitions.”

### **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 grow LMIR Trust as the cornerstone of its third pillar of growth, the Sponsor has provided the Trust with a right of first refusal over its portfolio of 15 malls to be built across Indonesia in the next three years.

### **Outlook**

Being one of the better performing G20 countries as well as ASEAN's largest economy, Indonesia recorded GDP growth of 6.2% in FY2012. A much stronger target of 6.8% for FY2013 has been officially set, despite the slowing global economy and the prevailing Euro zone crisis.

Economic growth in Indonesia is mostly driven by aggregate demand and the economy is more dependent on domestic consumption than on exports, therefore more resilient to external shocks. The growing population, urbanisation, middle class expansion and rising foreign investment will keep Indonesia economy growth buoyant.

The outlook for quality retail space is expected to remain positive in the next 12 months as both local and foreign retail players will continue to eye the growing Indonesia retail market in 2013. Higher projected income per capita coupled with higher disposable income, lower inflation and emerging lifestyle trend of shopping mall by a large growing consumer class is expected to drive demand for retail space to higher level.

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*About Lippo Malls Indonesia Retail Trust (“LMIR Trust”) ([www.lmir-trust.com](http://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 sixteen retail malls (“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 719,695 sqm and total valuation of S\$1.77 billion as at March 31, 2013, and are strategically located in major cities of Indonesia with large middle-income population. Tenants include leading names such as Matahari Department Store, Sogo, Hypermart, Carrefour, Gramedia and Cinema 21 as well as international specialty tenants such as McDonalds, Pizza Hut, Fitness First, Starbucks, J.CO Donut & Coffee and Ace Hardware.*

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