



LIPPO MALLS INDONESIA RETAIL TRUST

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

FOR IMMEDIATE RELEASE

LMIR Trust maintains steady 3Q 2017 DPU of 0.86 cents

- *Delivers an annualised DPU yield of 8.2%*
- *Proposed acquisitions of Lippo Plaza Jogja and Kediri Town Square to further boost growth*

Summary of Financial Results for period ended 30 September 2017

SGD'000	3Q 2017	3Q 2016	% Variance	YTD 2017	YTD 2016	% Variance
Gross Revenue	49,605	47,030	5.5	148,078	139,360	6.3
Net Property Income	46,419	43,338	7.1	139,321	127,294	9.4
Distributable Income to Unitholders	24,151	24,153	(0.0)	74,674	71,133	5.0
DPU (cents)	0.86	0.86	0.0	2.64	2.54	3.9
IDR'million						
Gross Revenue	481,473	456,097	5.6	1,413,676	1,349,795	4.8
Net Property Income	450,609	420,304	7.2	1,330,070	1,232,949	7.9

Singapore, 2 November 2017 – LMIRT Management Ltd, the manager of Lippo Malls Indonesia Retail Trust (“**LMIR Trust**” or the “**Trust**”), today posted a distribution per unit (“**DPU**”) to unitholders of 0.86 Singapore cents for the third quarter ended 30 September 2017 (“**3Q 2017**”). On a year-to-date basis, its DPU achieved a 3.9% uptick to 2.64 Singapore cents, from 2.54 Singapore cents a year ago.

Based on the closing price of SGD0.43 as at 29 September 2017, the Trust has generated an annualised DPU yield of 8.2%.

Gross revenue for the quarter rose 5.5% from a year ago to SGD49.6 million, while net property income (“**NPI**”) climbed 7.1% to SGD46.4 million. The growth was underpinned by contributions from Lippo Mall Kuta and Lippo and Lippo Plaza Kendari, which were acquired in December 2016 and June 2017 respectively, as well as positive rental reversions. Distributable income to unitholders for 3Q 2017 remained stable at SGD24.2 million.

Year-to-date, gross revenue and NPI jumped 6.3% and 9.4% to SGD148.1 million and SGD139.3 million respectively, while distributable income grew 5.0% to SGD74.7 million.

Ms Chan Lie Leng, Chief Executive Officer of the REIT Manager, said, “The contributions from the recently-acquired properties have helped to maintain top line growth. Following the acquisition of Lippo Plaza Kendari in June this year, we have recently announced our intention to acquire two more retail malls, Lippo Plaza Jogja in Yogyakarta and Kediri Town Square in East Java, for a total purchase consideration of SGD98.1 million. On completion, the Trust’s portfolio will expand to 30 properties with an asset size over SGD2 billion, and we expect these new additions to further boost the Trust’s income stream and deliver steady returns to our unitholders.”

Lippo Plaza Jogja (“**LPJ**”) is part of an integrated development (“**Yogyakarta Property**”) comprising an adjoining hospital, Siloam Hospitals Yogyakarta, which will be acquired by First Real Estate Investment Trust (“**First REIT**”). For the purpose of this acquisition, LMIR Trust and First REIT have entered into a joint venture agreement to jointly acquire the Yogyakarta Property. The proposed acquisition of LPJ is at a purchase consideration of SGD61.1 million, while Kediri Town Square, a two-storey retail mall strategically located in Kediri city, East Java, is at a purchase consideration of SGD37.0 million.

Key Highlights in 3Q 2017

- On 7 July, the Trust made a voluntary partial prepayment of SGD55 million of its secured term loan facility, reducing the outstanding amount to SGD90 million. Consequently, gearing ratio was lowered to 28.2%;
- On 30 September, Mr Albert Saychuan Cheok resigned as Chairman and Independent Director of the Board of the Manager, and Mr Ketut Budi Wijaya, a Non-Independent Non-Executive Director of the REIT Manager, was appointed as Chairman of the Board.

As at 30 September 2017, LMIR Trust’s gearing ratio stood at 28.7%, with a weighted average maturity age of 4.18 years. To mitigate the impact of uncertain interest rate fluctuations, 70.0% of LMIR Trust’s debt is on a fixed rate basis.

Outlook

The Indonesian economy expanded 5.01% year-on-year (“**y-o-y**”) in the second quarter of 2017¹, the same pace recorded in the preceding quarter. Growth was driven by private consumption and fixed investment while exports rose at a slower pace and government spending fell.

On the inflation front, Indonesia’s annual inflation rate for September 2017 eased to 3.72% from 4.37% in June 2017², its fourth consecutive month of decline and the lowest since March 2017 on the back of a continued decline in food prices.

¹ 8 August 2017, Straits Times - Indonesia's GDP growth at 5.01% for second quarter

² Bank Indonesia - Inflation Report (Consumer Price Index):

<http://www.bi.go.id/en/moneter/inflasi/data/Default.aspx>

According to Bank Indonesia data, retail sales in Indonesia rose 2.2% y-o-y in August 2017³, buoyed by stronger food sales in the period.

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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 21 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 872,858 square metres and total valuation of IDR18,434 billion as at 30 June 2017, and are strategically located in major cities of Indonesia with large middle-income population. Tenants include leading names such as Matahari Department Store, Zara, M&S, H&M, Sogo, Giant, Hypermart, Carrefour, Ace Hardware, as well as international specialty tenants such as Victoria’s Secret, Promod, McDonalds, Pizza Hut, KFC, A&W, Fitness First and Starbucks.

³ Bank Indonesia - Retail Sales Survey August 2017: http://www.bi.go.id/en/publikasi/survei/penjualan-eceran/Documents/SPE%20August%202017_E.pdf