



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

2Q 2015 RESULTS NEWS RELEASE

LMIR TRUST DELIVERED 7.4% YEAR-ON-YEAR GROWTH IN DPU FOR 2Q 2015

	2Q 2015	2Q 2014	% Change	1H 2015	1H 2014	% Change
DPU	0.73 cents	0.68 cents	+7.4%	1.52 cents	1.36 cents	+11.8%

- DPU growth due to accretive acquisition of Lippo Mall Kemang at end 2014
- Net Property Income for 2Q 2015 increased by 25.3% in SGD¹ terms
- DPU of 0.73 cents for 2Q 2015 represents an annualized yield of 8.3 %²
- Portfolio Occupancy of the shopping malls remained high at 94.4%

Singapore, 5 August 2015 – LMIRT Management Ltd, the manager of Lippo Malls Indonesia Retail Trust (“LMIR Trust”) wishes to announce that the portfolio of LMIR Trust achieved year-on-year Gross Revenue growth of 24.2% (in SGD terms). Despite the 5% year-on-year depreciation of Indonesian Rupiah (“IDR”) between 2Q 2014 and 2Q 2015, the distribution per unit (“DPU”) has increased from 0.68 cents for 2Q 2014 to 0.73 cents for 2Q 2015, representing a 7.4% growth, as a result of the contribution from Lippo Mall Kemang (“LMK”) which was acquired at the end of 2014.

The underlying portfolio performance (excluding contributions from LMK which was acquired at end 2014) has remained favorable, as year-on-year growth in gross revenue and net property income (“NPI”) were at 7.5% and 8.6% respectively (in IDR terms), with occupancy of the shopping malls at 94.4% (which is well above the industry average). For

¹32.1% in IDR terms

²based on unit price of SGD0.365 per unit

the total portfolio (inclusive of LMK), the corresponding figures for gross revenue and NPI were 30.8% and 32.1% respectively.

IDR mn	2Q 2015	2Q 2014	Variance %
Gross Rental Income	333,007	266,111	25.1%
Net Property Income	380,712	288,299	32.1%
SGD '000	2Q 2015	2Q 2014	Variance %
Gross Rental Income	34,149	28,754	18.8%
Net Property Income	39,049	31,152	25.3%
Distributable Income	19,875	16,608	19.7%
DPU (cents)	0.73	0.68	7.4 %

Over the last five quarters, starting from 2Q 2014, average DPU yield has been 7.9%

As a result of the improved NPI, 2Q 2015 Distributable Income increased by 19.7% y-o-y to SGD19.9 million, after deducting finance and other costs incurred at the LMIR Trust level. This translates into a DPU of 0.73 cents for 2Q 2015, which represents an annualized DPU yield of approximately 8.3%, based on the closing price of SGD 0.365 per unit on 30 June 2015.

Mr. Alvin Cheng, Chief Executive Officer of the REIT Manager, said “The increase in DPU due to the acquisition of Lippo Mall Kemang attest to the REIT Manager’s conviction to deliver accretive acquisitions to our unitholders. However, the positive impact from the acquisition of Lippo Mall Kemang has been partly offset by the further depreciation of IDR.”

Diversified Funding and Strong Balance Sheet

Total outstanding debt as at 30 June 2015 stood at SGD 695 million, after issuance of SGD 75 million of an unsecured bond due June 2020 for the acquisition of two new assets, Lippo Plaza Batu and Palembang Icon (which was completed in July). LMIR Trust’s gearing ratio as of today is 34.3%.

The majority of LMIR Trust’s SGD 1.7 billion asset portfolio is unencumbered, thus providing LMIR Trust with ample financial flexibility.

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 one of its core businesses, the Sponsor has provided the Trust with a right of first refusal over its retail malls to be built across Indonesia.

LMIR Trust will continue to explore its Sponsor's pipeline of quality assets in Indonesia as well as opportunistic third-party acquisitions, to achieve its goal of growing the Trust's portfolio in the coming years, and to deliver stable long-term returns to our Unitholders.

Mr Cheng commented that "with the newly acquired assets, Lippo Plaza Batu and Palembang Icon in July, coupled with the stable business fundamentals in Indonesia for retail malls, as well as the continuing high occupancy rate, we look forward to continually increase portfolio revenue and distributions to unitholders in the coming quarters".

Outlook

The Indonesian economy grew by 4.7% in 1Q 2015, and some economists predict that the 2Q 2015 GDP growth will slow further to 4.3%. The slowdown is due to lower fixed investment growth and private consumption. In 1Q 2015, the private consumption which makes up of 55% of the GDP grew at a moderate rate of 4.7% as compared to 4.9% in 4Q 2014. There has also been very limited progress on government capital spending, with only 10% of the 2015 budget disbursed in the first half of the year.

Further weakening of exports, mainly in commodities, has contributed to slower growth via the deterioration in terms of trade and lower incomes.

Inflation rose to 7.26% in June 2015, due mainly to the increase in inflation from a broad-based rise in food prices. However, the World Bank expects the annual average inflation rate will lower to about 6.8% in 2015 as lower than projected GDP growth and consequently a larger negative output gap could pull inflation lower.

Nevertheless, whilst the Indonesia annual GDP growth is projected to be 4.7% (according to World Bank estimates), and the lower inflation rate, retail sales and mass consumption are not expected to be negatively impacted in the near term.

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 seventeen 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 765,273 sqm and total valuation of S\$1.85 billion as at 31 December 2014, and are strategically located in major cities of Indonesia with large middle-income population. Tenants include leading names such as Matahari Department Store, Debenhams, M&S, H&M, Sogo, Giant Hypermarket, 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.