



NEWS RELEASE

LMIR TRUST TO ACQUIRE TWO QUALITY RETAIL MALLS FOR S\$388 MILLION¹ TO BE PARTIALLY FUNDED BY A 1-FOR-1 RIGHTS ISSUE

- *1-for-1 rights issue at S\$0.31 per rights unit represents a discount of 42.6% to the closing price of S\$0.54 per unit*
- *Rights issue to raise gross proceeds of approximately S\$337 million*
- *Proceeds raised to partially fund the acquisitions of Pluit Village in Jakarta and Plaza Medan Fair in Medan, two strategically located quality retail assets with attractive net property income yields*
- *Acquisitions enlarge LMIR Trust's portfolio to 10 retail malls and 7 retail spaces, valued at approximately S\$1.46 billion*

Singapore, September 30, 2011 – LMIRT Management Ltd., as manager of Lippo Malls Indonesia Retail Trust ("LMIR Trust" and as manager of LMIR Trust, the "Manager"), announced that HSBC Institutional Trust Services (Singapore) Limited, as trustee of LMIR Trust (the "Trustee"), has today entered into conditional sale and purchase agreements to acquire two strategically located quality retail malls in Indonesia for an aggregate purchase consideration of approximately S\$388 million¹.

Pluit Village, a five-level retail mall located in Jakarta, Indonesia is to be acquired from entities linked to the Sponsor of LMIR Trust, PT Lippo Karawaci Tbk, (the

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“Sponsor”) for S\$234 million¹ and Plaza Medan Fair, a four-level retail mall located in Medan, Indonesia, from Asiana Investment Limited, an unrelated third party, for S\$154 million¹. The purchase considerations represent a 5.7% discount to the average valuation for Pluit Village and a discount of 4.1% to the valuation of Plaza Medan Fair.

Ms Viven G. Sitiabudi, Chief Executive Officer of the Manager, said, “The proposed acquisitions epitomize our strategy of expanding our portfolio of retail and retail-related properties with malls assets that will generate attractive yields and with capital appreciation potential. We are very pleased to have added these properties which we believe will fit in well with our existing portfolio of quality assets, and are in prime locations, targeting Indonesia’s expanding and prospering urban middle class.”

“With the Sponsor’s higher level of investment in LMIR Trust, we now have the momentum required to achieve our goal of building a S\$4 billion portfolio over the next five years. Further, these transactions demonstrate our ability to grow LMIR Trust by leveraging on our Sponsor’s pipeline of quality retail malls as well as through third-party acquisitions.”

One-for-One Rights Issue

To partially fund these acquisitions, the Manager has proposed a one-for-one renounceable rights issue (“rights issue”) of 1,086,516,497 new units in LMIR Trust at the issue price of S\$0.31, representing a 42.6% discount to the closing price of S\$0.54 on September 30, 2011. This rights issue is expected to raise gross proceeds of approximately S\$337 million¹. The balance of the purchase consideration will be drawn from the S\$150 million 30-month term loan (secured on September 28, 2011) as well as internal cash.

As a reflection of its long-term commitment to LMIR Trust, the Sponsor has provided an irrevocable undertaking to take up all its pro rata entitlement and committed to the Manager that it will subscribe for excess rights for any remaining units not taken up by the other unitholders.

An extraordinary general meeting of unitholders of LMIR Trust will be convened to seek unitholders' approval of the above transactions. A circular will be dispatched to unitholders in due course.

Rationale for the Acquisitions

The acquisitions of income-producing Pluit Village and Medan Fair at considerations below their independent valuations are expected to be net property income accretive. Their net property income ("NPI") yields of 10.8% and 7.4% respectively for the financial year ended December 31, 2010 compare favourably to the NPI yield of LMIR Trust's existing portfolio of 7.5% over the same period.

LMIRT Trust will enjoy long term rental income stability with the remaining weighted average tenure of 5.0 years and 10.4 years for major tenants in Pluit Village and Medan Fair respectively. In addition, rental guarantees for 2012 and 2013 in relation to certain areas of Pluit Village and Medan Fair, amounting to IDR105.0 billion (S\$15.4 million¹) and IDR55.0 billion (S\$8.1 million¹) per annum respectively further enhance the stability of rental income for these two properties.

With its enlarged presence in the retail mall sector in Indonesia, LMIR Trust will benefit from increased economies of scale in terms of some operational costs as well as stronger negotiation power with suppliers and service providers. These

acquisitions will also benefit its marketing and leasing activities by expanding and deepening LMIR Trust's relationships with key tenants across all its retail malls.

Based on the pro forma balance sheet as at 30 June 2011, the value of LMIR Trust's Deposited Property increased 32.0% from S\$1.23 billion to S\$1.62 billion. This would increase LMIR Trust's scalability potential.

ABOUT PLUIT VILLAGE AND MEDAN FAIR

LMIR Trust's retail malls are positioned as "Everyday Malls" that provide necessities to the community living in the catchment areas of its retail malls and targets the middle income population in populous cities in Indonesia.

Pluit Village is a modern five-level retail mall with net lettable area (NLA) of 86,278 sqm, located in North Jakarta within affluent residential estates and apartments with a Chinese ethnic majority. The 15-year old mall was recently refurbished and repositioned following a comprehensive asset enhancement exercise which was completed in September 2009. This presents LMIR Trust with potential opportunities to take advantage of growing demand for retail space and a possible improvement in rental rates, tenancy mix and the long-term property value of Pluit Village. Pluit Village counts international and domestic retailers and brand names such as Matahari Department Store, Gramedia Bookstore, J.Co Donut, Body Shop, Best Denki and FJ Square in its portfolio of 228 tenants.

Medan Fair is a four-level retail mall located in Medan, the third largest city in Indonesia, after Jakarta and Surabaya. Strategically located in the shopping and business district, the mall is surrounded by residential complexes and close to upmarket hotels. The six year old mall has a NLA of 56,000 sqm and counts well known international and domestic retailers and brand names such as Carrefour,

Matahari Department Store, Electronic City, Timezone and Karisma among its 425 tenants.

As at 30 June 2011, the occupancy rates of Pluit Village and Medan Fair were 78.1% and 91.2% respectively. The occupancy rates are a reflection of the strong demand for retail space in Jakarta and Medan where the properties are located. The existing tenancy agreements for major tenants have a remaining weighted average tenure of 5.0 years in Pluit Village and 10.4 years in Medan Fair.

Note:

1. At the exchange rate of IDR 6,835.4 per S\$. It should be noted that the purchase consideration of Pluit Village shall be paid in the Singapore Dollar equivalent based on the exchange rate at 11.00 a.m. (Singapore time) on 30 September 2011 (being the date of the Pluit Village SPA).
2. Singapore dollar figures in the Circular and Announcement were converted at a historical exchange rate of IDR6,954.3 per S\$.

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 eight 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 398,069 sqm and total valuation of S\$1.08 billion as at 30 June 2011, 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 tenants such as McDonalds, Fitness First, Starbucks, Sogo, The Body Shop and Ace Hardware.

Important Notice

The value of Units and the income derived from them may fall as well as rise. The 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 the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

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This document is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units. The past performance of LMIR Trust is not necessarily indicative of the future performance of LMIR Trust.

This document may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses (including employee wages, benefits and training costs), property expenses and governmental and public policy changes. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's view of future events.

September 30, 2011

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