

FOR IMMEDIATE RELEASE**For More Information Contact:**

Aberdeen Asset Management Inc.

Investor Relations

866-839-5205

InvestorRelations@aberdeen-asset.com

**ABERDEEN INDONESIA FUND, INC. ANNOUNCEMENT OF A SPECIAL CASH
ELECTION DISTRIBUTION**

(Philadelphia, December 7, 2012) – Aberdeen Indonesia Fund, Inc. (the “Fund”) (NYSE MKT: IF), announced today that the Fund’s Board of Directors has declared a capital gain distribution in the amount of \$2.27950 per share. The capital gain portion of the distribution is comprised of long-term capital gains approximately equal to \$2.16034 per share and short-term capital gains approximately equal to \$0.0105 per share. The net investment income portion of the distribution is approximately equal to \$0.10866 per share.

The distribution will be payable on January 31, 2013 to stockholders of record on December 21, 2012. The distribution will be paid in shares of the Fund’s common stock. Stockholders may, however, request that their distribution be paid in cash in lieu of common stock. The Fund will limit the aggregate amount of cash to be paid out in the distribution to all stockholders to 20% of the aggregate dollar amount of the total distribution. If cash distribution requests exceed this limit, the Fund will pro-rate the cash distribution among all stockholders who have made such requests, based on the amounts requested. Stockholders electing cash, who do not receive 100% of their distribution in cash, will receive the balance in shares of common stock of the Fund.

Stockholder requests to receive cash in lieu of stock must be received by Computershare Trust Company, N.A., the Fund’s transfer agent, not later than 4 p.m. (New York time) on January 22, 2013. All fractional shares will be paid in cash.

The per share value of shares of the Fund’s common stock to be issued in the distribution will be determined on January 23, 2013. The per share value will be the average trading price of the Fund’s common shares on the NYSE MKT as of the close of trading during a three-business day period ending on January 23, 2013. Although the distribution is payable in 2013, it will be treated as having been paid by the Fund and received by shareholders as of December 31, 2012.

The Board of Directors considered available options, including an all-cash distribution or a cash election distribution with higher caps or no cap on the cash component, and approved the capped cash election distribution at the proposed 20% level for the following reasons:

- The size and non-recurring nature of the gains.
- The adverse long-term impact on the Fund’s total expense ratio and investable capital if the distribution was paid entirely in cash.



- The potential market impact of selling the Fund's portfolio securities at a time when market conditions are less favorable to shareholders' long-term interests and the transaction costs associated with such disposals.
- The tax implications if further gains were generated as a result of the sale of portfolio securities to raise cash to meet an all-cash or high-cash distribution.

A written notice of the planned distribution will be sent to stockholders. The written notice will include instructions on how stockholders can request to receive cash in lieu of stock.

Shareholders who have questions regarding the distribution may contact AST Fund Solutions, LLC at 1-866-406-2283.

The Fund is a closed-end management investment company that seeks long-term capital appreciation as a primary objective and income as a secondary objective by investing primarily in Indonesian equity and debt securities.

Aberdeen Indonesia Fund, Inc. is listed on the NYSE MKT under the ticker symbol "IF".

Closed-end funds are traded on the secondary market through one of the stock exchanges. The Fund's investment return and principal value will fluctuate so that an investor's shares may be worth more or less than the original cost. Shares of closed-end funds may trade above (a premium) or below (a discount) the net asset value (NAV) of the fund's portfolio. There is no assurance that the Fund will achieve its investment objective. Past performance does not guarantee future results.

If you wish to receive this information electronically, please contact: InvestorRelations@aberdeen-asset.com

www.aberdeenif.com

###