



LIPPO MALLS INDONESIA RETAIL TRUST

2011 FULL YEAR UNAUDITED FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT

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LIPPO MALLS INDONESIA RETAIL TRUST
2011 FULL YEAR UNAUDITED FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT

Introduction

Lippo Malls Indonesia Retail Trust ("LMIR Trust") is a Singapore-based real estate investment trust ("REIT") constituted by a trust deed dated 8 August 2007 between LMIRT Management Limited as the Manager and HSBC Institutional Trust Services (Singapore) Limited as the Trustee. LMIR Trust was listed on the Singapore Exchange Securities Trading Limited on 19 November 2007.

LMIR Trust was 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 is primarily used for retail and / or retail-related purposes, and real estate related assets in connection with the foregoing purposes. As at 31 December 2011, LMIR Trust's property portfolio comprises ten retail mall properties and seven retail spaces located within other retail malls, all of which are located in Indonesia.

LMIR Trust's distribution policy to date is to distribute 100% of its tax-exempt income (after deduction of applicable expenses) and capital receipts for the period commencing from listing date to year 2009, and thereafter at least 90.0% of the tax-exempt income (after deduction of applicable expenses) and capital receipts. The tax-exempt income comprises dividends received from the Singapore Special Purpose Companies ("SPCs"), which are ultimately paid out of income derived by the Indonesian SPCs from the leasing of the properties. The capital receipts comprise mainly of amounts received by LMIR Trust from the redemption of redeemable preference shares in the Singapore SPCs.

Summary of Lippo Malls Indonesia Retail Trust Group Results

	Group					
	4Q 2011 S\$'000	4Q 2010 S\$'000	Variance % Favourable/ (Unfavourable)	YTD 2011 S\$'000	YTD 2010 S\$'000	Variance % Favourable/ (Unfavourable)
Gross Revenue	36,935	32,171	14.8%	136,108	129,370	5.2%
Net Property Income	24,612	21,075	16.8%	92,011	85,269	7.9%
Distributable Income	11,421	12,029	(5.1%)	47,446	47,878	(0.9%)
Available Distribution per Unit (cents)	0.53	1.11	NM	3.85	4.44	NM

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1 (a) (i) **Statement of Comprehensive Income**

	Group					
	4Q 2011 S\$'000	4Q 2010 S\$'000	Variance % Favourable/ (Unfavourable)	YTD 2011 S\$'000	YTD 2010 S\$'000	Variance % Favourable/ (Unfavourable)
Gross rent	22,371	19,340	15.7%	82,891	79,058	4.8%
Carpark income	1,475	1,331	10.8%	5,557	5,587	(0.5%)
Other rental income	501	275	82.2%	1,667	1,248	33.6%
Service charge and utilities recovery	12,588	11,225	12.1%	45,993	43,477	5.8%
Total Gross Revenue¹	36,935	32,171	14.8%	136,108	129,370	5.2%
Property Operating Expenses						
Land rental	(435)	(281)	(54.8%)	(1,365)	(1,141)	(19.6%)
Property management fee	(1,020)	(825)	(23.6%)	(3,736)	(3,394)	(10.1%)
Property operating and maintenance expenses	(10,868)	(9,990)	(8.8%)	(38,996)	(39,566)	1.4%
Total Property Operating Expenses¹	(12,323)	(11,096)	(11.1%)	(44,097)	(44,101)	0.01%
Net Property Income	24,612	21,075	16.8%	92,011	85,269	7.9%
Interest income	325	335	(3.0%)	1,287	1,543	(16.6%)
Financial expenses	(3,160)	(2,371)	(33.3%)	(9,873)	(9,523)	(3.7%)
Administrative Expenses						
Manager's management fees	(1,860)	(1,607)	(15.7%)	(6,874)	(6,416)	(7.1%)
Trustee's fee	(64)	(60)	(6.7%)	(242)	(230)	(5.2%)
Other trust operating expenses	(277)	(271)	(2.2%)	(816)	(813)	(0.4%)
Total Administrative Expenses	(2,201)	(1,938)	(13.6%)	(7,932)	(7,459)	(6.3%)
Other gains/ (losses) (net) (See Note A)	(4,585)	4,893	NM	(6,006)	(6,597)	NM
Total Return For The Period/ Year Before Revaluation and Tax	14,991	21,994	NM	69,487	63,233	NM
Increase in fair value of investment properties	48,285	76,427	NM	48,285	76,427	NM
Total Return For The Period/ Year Before Tax	63,276	98,421	NM	117,772	139,660	NM
Income tax	(3,888)	(3,305)	(17.6%)	(13,531)	(12,598)	(7.4%)
Withholding tax	(1,752)	(1,836)	4.6%	(7,037)	(6,740)	(4.4%)
Deferred tax	(10,233)	(10,059)	NM	(10,233)	(10,059)	NM
Total Return For The Period/ Year After Tax	47,403	83,221	NM	86,971	110,263	NM
Other Comprehensive Income:						
Foreign Currency Translation (Loss)/ Gain	(3,584)	(21,185)	NM	23,824	(54,931)	NM
Total Comprehensive Income for the Period/ Year	43,819	62,036	NM	110,795	55,332	NM

1 (a) (ii) **Statement of Distribution**

Total Return for the period/ year after tax before distribution	47,403	83,221	NM	86,971	110,263	NM
Add back/ (less) non-cash items and other adjustments:						
- Manager's fee payable in the form of units	984	843	16.7%	3,680	3,411	7.9%
- Depreciation of plant and equipment	50	15	NM	136	51	NM
- Increase in fair value of investment properties net of deferred tax	(38,052)	(66,368)	NM	(38,052)	(66,368)	NM
- Unrealised loss/ (gain) on foreign exchange forward contracts	1,228	(4,864)	NM	(5,520)	2,434	NM
- Unrealised gain on interest rate swap	(368)	(497)	NM	(489)	(914)	NM
- Unrealised foreign exchange loss/ (gain)	176	(321)	NM	720	(999)	NM
Total Unitholders' Distribution	11,421	12,029	(5.1%)	47,446	47,878	(0.9%)
Unitholders' distribution:						
- as distributions from operations	7,715	9,701	(20.5%)	36,903	38,678	(4.6%)
- as return of capital ²	3,706	2,328	59.2%	10,543	9,200	14.6%
Total Unitholders' Distribution	11,421	12,029	(5.1%)	47,446	47,878	(0.9%)

(Note A) **Other gains/ (losses) (net) comprise of:**

Unrealised (loss)/ gain on foreign exchange forward contracts	(1,228)	4,864	NM	5,520	(2,434)	NM
Unrealised gain on interest rate swap	368	497	NM	489	914	NM
Realised loss on foreign exchange forward contracts	(3,589)	(2,307)	NM	(11,566)	(9,341)	NM
Unrealised foreign exchange (loss)/ gain	(176)	321	NM	(720)	999	NM
Miscellaneous income	40	1,518	NM	271	3,265	NM
	(4,585)	4,893	NM	(6,006)	(6,597)	NM

Footnote:

- The gross revenue and property operating expenses comprise financial results of Pluit Village and Plaza Medan Fair for the period 6 December 2011 (completion date of acquisitions) to 31 December 2011.
- The return of capital comprises the amounts received by LMIR Trust from the redemption of its investment in the redeemable preference shares in the Singapore SPCs.

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1 (b) (i) **Statement of Financial Position**

	Group		Trust	
	31-Dec-11 S\$'000	31-Dec-10 S\$'000	31-Dec-11 S\$'000	31-Dec-10 S\$'000
Current Assets				
Cash and cash equivalents	114,730	109,979	-	-
Trade and other receivables ¹	23,911	20,158	145,719	17,358
Total Current Assets	138,641	130,137	145,719	17,358
Non-current Assets				
Investment properties ²	1,545,241	1,082,044	-	-
Investments in subsidiaries	-	-	1,126,622	898,481
Plant and equipment ¹	2,812	327	-	-
Total Non-current Assets	1,548,053	1,082,371	1,126,622	898,481
Total Assets	1,686,694	1,212,508	1,272,341	915,839
Current Liabilities				
Trade and other payables ³	26,974	9,529	36,928	18,816
Current tax payable	6,692	7,340	-	-
Security deposits ¹	21,866	13,673	-	-
Other financial liabilities, current ⁴	14,164	10,425	14,106	10,424
Total Current Liabilities	69,696	40,967	51,034	29,240
Non-current Liabilities				
Secured borrowing ⁵	147,500	125,000	147,500	125,000
Deferred tax liabilities	57,699	47,465	-	-
Deferred income ¹	104,061	77,383	-	-
Other financial liabilities, non-current ⁴	7,869	19,784	6,115	18,825
Total non-current liabilities	317,129	269,632	153,615	143,825
Total Liabilities	386,825	310,599	204,649	173,065
Unitholders' funds⁶	1,299,869	901,909	1,067,692	742,774
Total Liabilities and Unitholders' funds	1,686,694	1,212,508	1,272,341	915,839

Footnote:

- The trade and other receivables, plant and equipment, trade and other payables, security deposits and deferred income have increased as compared with Fy 2010 as a result of acquisition of Pluit Village and Plaza Medan Fair.
- The increase in investment properties is mainly due to the completion of acquisition of Pluit Village and Plaza Medan Fair in December 2011 and increase in fair values. The carrying values of the properties are stated based on the independent valuation as at 31 December 2011 in Indonesian Rupiah and translated into Singapore Dollars using the prevailing exchange rate as at 31 December 2011.
- The higher trade and other payables are mainly due to the accrual of expenses relating to the rights issue and acquisitions made by the Trust, coupled with consolidation of trade and other payables of the new subsidiaries as a result of the acquisitions.
- The movements in other financial liabilities (current and non-current) are mainly as a result of unrealised movements in the value of derivatives, principally being foreign currency forward contracts of Indonesian Rupiah to Singapore Dollars.
- The secured borrowing of S\$147.5 million will mature in June 2014.
- The increase in unitholders' funds is mainly due to the issuance of rights units in December 2011.

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1 (b) (ii) **Borrowings and Debt Securities**

Group	
31-Dec-11 S\$'000	31-Dec-10 S\$'000
147,500	125,000

Secured borrowing

Amount Repayable

LMIR Trust has in place secured borrowing of S\$147.5 million maturing in June 2014 at an interest margin of 4% per annum over the base rate.

Transaction costs in relation to the term loan facility amounting to S\$6.9 million are included in the other financial liabilities (non-current).

The facility is secured mainly on the following:

- Pledge over the shares in 7 retail mall Singapore SPCs and 7 retail space Singapore SPCs ("Restricted Singapore Subsidiaries")
- Pledge over the shares in 3 retail mall Indonesia SPCs and 6 retail space Indonesia SPCs ("Restricted Indonesia Subsidiaries")

- First fixed mortgage charge over 3 retail malls and 6 retail spaces and first fixed and/or floating charges over all the other assets of 9 Indonesia SPCs

- First legal assignment of earnings of Restricted Subsidiaries

- Legal assignment of rights under each lease agreement, lease guarantee, all insurance policies associated with the 3 retail malls and 6 retail spaces

1 (c) **Statement of Cash Flows**

	Group		Group	
	4Q 2011 S\$'000	4Q 2010 S\$'000	YTD 2011 S\$'000	YTD 2010 S\$'000
Operating activities				
Total return for the period/ year before tax	63,276	98,421	117,772	139,660
Adjustments for				
- Manager's fee payable in units	984	843	3,680	3,411
- Interest income	(325)	(335)	(1,287)	(1,543)
- Amortisation of borrowing costs	1,744	761	4,110	2,968
- Interest expense	1,416	1,610	5,763	6,556
- Increase in fair value of investment properties	(48,285)	(76,427)	(48,285)	(76,427)
- Depreciation of plant and equipment	50	15	136	51
- Unrealised foreign exchange loss/ (gain)	176	(321)	720	(999)
- Unrealised loss/ (gain) on foreign exchange forward contracts	1,228	(4,864)	(5,520)	(2,434)
- Unrealised (gain)/ loss on interest rate swap	(368)	(497)	(489)	914
Operating income before working capital changes	19,896	19,206	76,600	72,157
Changes in working capital				
Trade and other receivables	(2,867)	5,865	(3,753)	674
Trade and other payables	14,072	(404)	12,475	2,872
Deferred income	28,503	(3,265)	26,678	(7,405)
Security deposits	6,293	(63)	8,193	1,822
Net cash from operating activities before income tax	65,897	21,339	120,193	70,120
Income tax paid	(6,755)	(5,476)	(21,216)	(19,102)
Cash flows from operating activities	59,142	15,863	98,977	51,018
Investing activities				
Acquisition of investment properties	(385,603)	-	(385,603)	-
Capital expenditures on investment properties	(7,710)	(1,624)	(8,988)	(2,775)
Purchase of plant and equipment	(2,421)	(237)	(2,621)	(327)
Interest income	325	335	1,287	1,543
Cash flows used in investing activities	(395,409)	(1,526)	(395,925)	(1,559)
Financing activities				
Net proceeds from rights issue	331,680	-	331,680	-
New borrowing	147,500	-	147,500	-
Repayment of loan	(125,000)	-	(125,000)	-
Cash restricted in use for bank facilities	(1,500)	-	(1,500)	-
(Decrease)/ Increase in other financial liabilities	(4,427)	739	(2,167)	5,815
Interest on bank loan paid	(1,416)	(1,610)	(5,763)	(6,556)
Distribution to unitholders	(11,494)	(11,731)	(48,054)	(48,290)
Cash flows from/ (used in) financing activities	335,343	(12,602)	296,696	(49,031)
Net effect of exchange rate changes	5,176	1,312	3,503	(1,752)
Net increase/ (decrease) in cash and cash equivalents	4,252	3,047	3,251	(1,324)
Cash and cash equivalents at beginning of the period/ year	108,978	106,932	109,979	111,303
Cash and cash equivalents at end of the period/ year	113,230	109,979	113,230	109,979
Cash and cash equivalents in Statement of Cash Flows:				
Cash and cash equivalents per Statement of Financial Position	114,730	109,979	114,730	109,979
Less: Cash restricted in use for bank facilities	(1,500)	-	(1,500)	-
Cash and cash equivalents in Statement of Cash Flows	113,230	109,979	113,230	109,979

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1 (d) (i) Statements of Changes in Unitholders' Funds

	Issued equity S\$'000	Currency translation reserve S\$'000	Retained earnings/ (Accumulated losses) S\$'000	Total S\$'000
Group				
4Q 2011				
Balance at beginning of the period	825,113	(62,008)	171,860	934,965
Rights issue net of related costs	331,680	-	-	331,680
Total comprehensive income for the period	-	(3,584)	47,403	43,819
Manager's management fees settled in units	899	-	-	899
Distribution to unitholders	-	-	(11,494)	(11,494)
Balance at end of the period	1,157,692	(65,592)	207,769	1,299,869
Group				
4Q 2010				
Balance at beginning of the period	821,585	(68,231)	97,362	850,716
Total comprehensive income for the period	-	(21,185)	83,221	62,036
Manager's management fees settled in units	888	-	-	888
Distribution to unitholders	-	-	(11,731)	(11,731)
Balance at end of the period	822,473	(89,416)	168,852	901,909
Group				
YTD 2011				
Balance at beginning of the year	822,473	(89,416)	168,852	901,909
Rights issue net of related costs	331,680	-	-	331,680
Total comprehensive income for the year	-	23,824	86,971	110,795
Manager's management fees settled in units	3,539	-	-	3,539
Distribution to unitholders	-	-	(48,054)	(48,054)
Balance at end of the year	1,157,692	(65,592)	207,769	1,299,869
Group				
YTD 2010				
Balance at beginning of the year	819,117	(34,485)	106,879	891,511
Total comprehensive income for the year	-	(54,931)	110,263	55,332
Manager's management fees settled in units	3,356	-	-	3,356
Distribution to unitholders	-	-	(48,290)	(48,290)
Balance at end of the year	822,473	(89,416)	168,852	901,909
Trust				
4Q 2011				
Balance at beginning of the period	825,113	-	(84,398)	740,715
Total comprehensive income for the period	-	-	5,892	5,892
Issuance of rights issue units	331,680	-	-	331,680
Manager's management fees settled in units	899	-	-	899
Distribution to unitholders	-	-	(11,494)	(11,494)
Balance at end of the period	1,157,692	-	(90,000)	1,067,692
Trust				
4Q 2010				
Balance at beginning of the period	821,585	-	(80,111)	741,474
Total comprehensive income for the period	-	-	12,143	12,143
Manager's management fees settled in units	888	-	-	888
Distribution to unitholders	-	-	(11,731)	(11,731)
Balance at end of the period	822,473	-	(79,699)	742,774
Trust				
YTD 2011				
Balance at beginning of the year	822,473	-	(79,699)	742,774
Total comprehensive income for the year	-	-	37,753	37,753
Issuance of rights issue units	331,680	-	-	331,680
Manager's management fees settled in units	3,539	-	-	3,539
Distribution to unitholders	-	-	(48,054)	(48,054)
Balance at end of the year	1,157,692	-	(90,000)	1,067,692
Trust				
YTD 2010				
Balance at beginning of the year	819,117	-	(58,164)	760,953
Total comprehensive income for the year	-	-	26,755	26,755
Manager's management fees settled in units	3,356	-	-	3,356
Distribution to unitholders	-	-	(48,290)	(48,290)
Balance at end of the year	822,473	-	(79,699)	742,774

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1 (d) (ii) Details of Any Change in the Issued and Issuable Units

	4Q 2011 (units)	4Q 2010 (units)
Issued units at the beginning of the period	1,086,516,497	1,079,903,912
Issuance of new units for 3Q management fees	1,649,014	1,802,846
Issuance of rights units	1,086,516,497	-
Issued units at the end of the period	2,174,682,008	1,081,706,758
Management fees payable in units to be issued	2,904,027	1,589,095
Acquisition fee payable in units to be issued	5,507,643	-
Total issued and issuable units at the end of the period	2,183,093,678	1,083,295,853

1 (d) (iii) To show the total number of issued shares excluding treasury shares as at the end of current financial period and as at the end of the immediately preceding year

	31-Dec-11 (units)	31-Dec-10 (units)
Issued units at the end of the period/ year	2,174,682,008	1,081,706,758

1 (d) (iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on

Not applicable.

2 Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice

The figures have not been audited nor reviewed by our auditors.

3 Where the figures have been audited, or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable.

4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited financial statements have been applied

Except as disclosed in paragraph 5 below, the accounting policies and method of computation applied in the financial statement for the current financial period are consistent with those applied in the audited financial statements for the year ended 31 December 2010.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

Other than the adoption of various new/revised FRS including related interpretations to FRS as issued by the Singapore Accounting Standards Council, which took effect from 1 January 2011, there has been no change in the accounting policies and methods of computation adopted by the Group. They had no impact on the amounts in the financial statements. Certain comparative figures have been restated to conform with the current period's presentation.

6 Earnings Per Unit ('EPU') and Distribution Per Unit ('DPU') for the Financial Period

	Group			
	4Q 2011 S\$'000	4Q 2010 S\$'000	YTD 2011 S\$'000	YTD 2010 S\$'000
Weighted average number of units in issue	1,397,885,072	1,075,681,328	1,154,492,416	1,070,856,070
Earnings per unit in cents (EPU)	3.39	7.74	7.53	10.30
Number of units in issue	2,174,682,008	1,081,706,758	2,174,682,008	1,081,706,758
Distribution per unit in cents (DPU)	0.53	1.11	3.85	4.44

7 Net Asset Value Per Unit Based on Units Issued at the End of the Period

	Group		Trust	
	31-Dec-11	31-Dec-10	31-Dec-11	31-Dec-10
Net asset value per unit (Cents)	59.77	83.38	49.10	68.67

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8 **Review of the Performance**

	Group			
	4Q 2011 S\$'000	4Q 2010 S\$'000	YTD 2011 S\$'000	YTD 2010 S\$'000
Statement of Total Return				
Gross revenue	36,935	32,171	136,108	129,370
Property operating expenses	(12,323)	(11,096)	(44,097)	(44,101)
Net Property Income	24,612	21,075	92,011	85,269
Interest income	325	335	1,287	1,543
Financial expenses	(3,160)	(2,371)	(9,873)	(9,523)
Administrative expenses	(2,201)	(1,938)	(7,932)	(7,459)
Other gains/ (losses) (net)	(4,585)	4,893	(6,006)	(6,597)
Total Return For The Period/ Year Before Revaluation and Tax	14,991	21,994	69,487	63,233
Increase in fair value of investment properties	48,285	76,427	48,285	76,427
Total Return For The Period/ Year Before Revaluation and Tax	63,276	98,421	117,772	139,660
Income tax	(3,888)	(3,305)	(13,531)	(12,598)
Withholding tax	(1,752)	(1,836)	(7,037)	(6,740)
Deferred tax	(10,233)	(10,059)	(10,233)	(10,059)
Total Return For The Period/ Year After Tax	47,403	83,221	86,971	110,263
Unitholders' distribution:				
- as distributions from operations	7,715	9,701	36,903	38,678
- as return of capital	3,706	2,328	10,543	9,200
Total Unitholders' distribution	11,421	12,029	47,446	47,878
Distribution per Unit (cents)	0.53	1.11	3.85	4.44

4Q 2011 vs 4Q 2010

Gross revenue for 4Q 2011 is S\$4.8 M above 4Q 2010, mainly due to additional gross revenue from Pluit Village and Plaza Medan Fair for the period 6 December 2011 (completion date of acquisitions) to 31 December 2011, following the completion of the acquisitions. The higher gross revenue is partly reduced by the effect of foreign exchange rates used for translating revenues denominated in Indonesian Rupiah ("IDR") to Singapore Dollars ("SGD").

Property operating expenses for 4Q 2011 are S\$1.2 M above 4Q 2010, mainly due to higher land rental, property management fee and property operating and maintenance expenses as a result of acquisition of Pluit Village and Plaza Medan Fair. The higher property operating expenses are partly offset by the effect of foreign exchange rates used for translating expenses denominated in Indonesian Rupiah ("IDR") to Singapore Dollars ("SGD").

The financial expenses of S\$3.2 M mainly relate to the interest costs and amortisation of transaction costs arising from the existing and previous term loan facilities, including the writing off of unamortised transaction costs relating to the term loan facility from Deutsche Bank, in December 2011.

Administrative expenses are S\$0.3 M above 4Q 2010, mainly due to higher management fee as a result of higher value of deposited property and net property income.

Other losses (net) of S\$4.6 M is mainly made up of (i) realised loss on foreign exchange forward contracts of S\$3.6 M, due to the difference between the contracted rates and the rates prevailing during the period, (ii) unrealised gain on interest rate swap of S\$0.4 M, and (iii) unrealised loss on foreign exchange forward contracts of S\$1.2 M as a result of depreciation of SGD against the IDR in Q4 2011. The Trust has entered into foreign exchange forward contracts to mitigate its exposure on currency movement due to the fact that the majority of the Trust's income is in IDR. The unrealised gain/ loss on foreign exchange forward contracts is a non-cash item and does not affect the amount of distribution to unitholders.

YTD 2011 vs YTD 2010

Gross revenue for YTD 2011 is S\$6.7 M above YTD 2010, mainly due to (i) additional gross revenue from Pluit Village and Plaza Medan Fair for the period 6 December 2011 (completion date of acquisitions) to 31 December 2011, following the completion of the acquisitions, (ii) higher service charge and utilities recovery. The higher gross revenue is partly reduced by the effect of foreign exchange rates used for translating revenues denominated in Indonesian Rupiah ("IDR") to Singapore Dollars ("SGD").

Interest income of S\$1.3 M is 17% below YTD 2010 due to a lower proportion of IDR deposits to SGD deposits. The financial expenses of S\$9.9 mil mainly relate to the interest costs and amortisation of transaction costs arising from the existing and previous term loan facilities.

Administrative expenses are S\$0.5 M above YTD 2010, mainly due to higher management fee as a result of higher value of deposited property and net property income.

Other losses (net) of S\$6.0 M is mainly made up of (i) realised loss on foreign exchange forward contracts of S\$11.7 M, due to the difference between the contracted rates and the rates prevailing during the period, and (ii) unrealised gain on foreign exchange forward contracts of S\$5.5 M as a result of the appreciation of SGD against the IDR. The Trust has entered into foreign exchange forward contracts to mitigate its exposure on currency movement due to the fact that the majority of the Trust's income is in IDR.

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9 Commentary on the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

In December 2011 and January this year, Indonesia's sovereign rating was upgraded to investment grade by Fitch Ratings (BBB-) and Moody's (Baa3) respectively, boosting the country's position as an emerging economy; poised to join the league of emerging BRICS economies of Brazil, Russia, India, China and South Africa. Indonesia has escaped relatively unscathed from the global slowdown, underpinned by continued domestic demand – where the middle-class have been growing in tandem with the economy – which accounts for almost 70% of the nation's GDP. GDP growth in 2011 was estimated to have reached 6.5% while official target for 2012 is approximately 6.7%.

Demand for retail space is expected to continue to grow given the optimistic outlook for retail sales in the next three to six months, as indicated by respondents surveyed by Bank Indonesia in its November 2011 Retail Sales Survey. Industry experts expect Indonesia's retail sector to continue demonstrating solid growth, driven mainly by sales of consumer goods such as food and beverage, fashion, and electronic products.

10 Distributions

(a) Current financial period

Any distributions declared for the current financial period:	Yes
Name of distribution:	Fourth quarter distribution for the period from 1 October 2011 to 31 December 2011.
Distribution Type:	Tax-exempt and capital distribution.
Distribution Rate:	Tax-exempt distribution of 0.36 cents per unit and capital distribution of 0.17 cents per unit.
Par value of units:	NA
Tax rate:	NA

(b) Corresponding period of the preceding financial period

Any distributions declared for the corresponding period of the immediate preceding financial period:	Yes
Name of distribution:	Fourth quarter distribution for the period from 1 October 2010 to 31 December 2010.
Distribution Type:	Tax-exempt and capital distribution.
Distribution Rate:	Tax-exempt distribution of 0.90 cents per unit and capital distribution of 0.21 cents per unit.
Par value of units:	NA
Tax rate:	NA

(c) Date payable: 16 March 2012

(d) Book closure date: 24 February 2012

11 If no distribution has been declared/(recommended), a statement to that effect

Not applicable.

12 Interested Person Transactions Mandate

LMIR Trust is not required to obtain a general mandate from the Unitholders for Interested Party Transactions.

13 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Pursuant to Rule 704(13) of the Listing Manual, LMIRT Management Limited (the "Company"), as manager of Lippo Malls Indonesia Retail Trust ("LMIR Trust"), wishes to confirm that there was no person occupying managerial position in the Company or any of its principal subsidiaries who is a relative of a Director or Chief Executive Officer or Substantial Shareholder of the Company or Substantial Unitholder of LMIR Trust for the financial year ended 31 December 2011.

BY ORDER OF THE BOARD OF
LMIRT MANAGEMENT LIMITED
(AS MANAGER OF LIPPO MALLS INDONESIA RETAIL TRUST)

Ms Viven G. Sitiabudi
Chief Executive Director
16 February 2012