



**LIPPO MALLS INDONESIA RETAIL TRUST  
2014 FIRST QUARTER UNAUDITED FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT**

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**LIPPO MALLS INDONESIA RETAIL TRUST**  
**2014 FIRST QUARTER 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 March 2014, LMIR Trust's property portfolio comprises 16 retail mall properties and seven retail spaces located within other retail malls, all of which are located in Indonesia.

LMIR Trust's distribution policy is to distribute 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"). These are dividends from the Indonesian SPCs paid out of income (less the related income taxes) derived by letting out 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**

	<b>Group</b>		
	<b>1Q 2014</b> <b>S\$'000</b>	<b>1Q 2013</b> <b>S\$'000</b>	<b>Variance %</b> <b>Favourable/</b> <b>(Unfavourable)</b>
Gross rent (Note A)	27,911	31,180	(10.5%)
Other revenue	5,758	8,191	(29.7%)
Total Gross Revenue	33,669	39,371	(14.5%)
Net Property Income (Note A)	31,071	37,260	(16.6%)
Distributable Amount	16,741	19,619	(14.7%)
<b>Available Distribution per Unit (cents)<sup>1</sup></b>	<b>0.68</b>	<b>0.89</b>	<b>(23.6%)</b>

1. Q1 2014 included 246,913,000 new units issued in November 2013 following the completion of the placement.

Note A: The decrease in Gross rent and Net Property Income are mainly due to the depreciation of IDR against SGD. The portfolio performance in IDR terms are shown as below:

	<b>Group Performance in IDR Terms</b>		
	<b>1Q 2014</b> <b>millions</b>	<b>1Q 2013</b> <b>millions</b>	<b>Variance %</b> <b>Favourable/</b> <b>(Unfavourable)</b>
Gross rent	258,564	243,230	6.3%
Net Property Income	287,839	290,661	(1.0%)

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1 (a) (i) **Statement of Total Return**

	Group		
	1Q 2014 S\$'000	1Q 2013 S\$'000	Variance % Favourable/ (Unfavourable)
Gross rent	27,911	31,180	(10.5%)
Carpark income	3,376	2,556	32.1%
Other rental income <sup>1</sup>	2,382	5,635	(57.7%)
<b>Total Gross Revenue</b>	<b>33,669</b>	<b>39,371</b>	<b>(14.5%)</b>
<b>Property Operating Expenses</b>			
Land rental	(361)	(288)	(25.3%)
Property management fee	(755)	(693)	(8.9%)
Property operating and maintenance expenses	(1,482)	(1,130)	(31.2%)
<b>Total Property Operating Expenses</b>	<b>(2,598)</b>	<b>(2,111)</b>	<b>(23.1%)</b>
<b>Net Property Income</b>	<b>31,071</b>	<b>37,260</b>	<b>(16.6%)</b>
Interest income	455	127	NM
Financial expenses <sup>2</sup>	(9,466)	(7,023)	(34.8%)
<b>Administrative Expenses</b>			
Manager's management fees	(2,338)	(2,690)	13.1%
Trustee's fee	(71)	(83)	14.5%
Other trust operating expenses	(198)	(280)	29.3%
<b>Total Administrative Expenses</b>	<b>(2,607)</b>	<b>(3,053)</b>	<b>14.6%</b>
Other gains/ (losses) (net) (See Note A)	(2,609)	(1,382)	NM
<b>Total Return For The Period Before Tax</b>	<b>16,844</b>	<b>25,929</b>	<b>NM</b>
Income tax	(3,666)	(4,517)	18.8%
Withholding tax	(2,269)	(2,563)	11.5%
<b>Total Return For The Period After Tax</b>	<b>10,909</b>	<b>18,849</b>	<b>NM</b>
<b>Other Comprehensive Income:</b>			
<b>Exchange Differences On Translating Foreign Operations</b>	101,890	5,868	NM
<b>Total Comprehensive Income For The Period</b>	<b>112,799</b>	<b>24,717</b>	<b>NM</b>

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

Total Return for the period after tax before distribution	10,909	18,849	NM
Add back/ (less) non-cash items and other adjustments:			
- Manager's fee payable in the form of units	1,243	1,490	(16.6%)
- Depreciation of plant and equipment	149	139	7.2%
- Unrealised (gain)/ loss on foreign exchange hedging contracts	2,040	(981)	NM
- Unrealised foreign exchange (gain) /loss	2,400	122	NM
<b>Total Unitholders' Distribution</b>	<b>16,741</b>	<b>19,619</b>	<b>(14.7%)</b>
Unitholders' distribution:			
- as distributions from operations	10,979	13,551	(19.0%)
- as return of capital <sup>3</sup>	5,761	6,068	(5.1%)
<b>Total Unitholders' Distribution</b>	<b>16,741</b>	<b>19,619</b>	<b>(14.7%)</b>

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

Unrealised gain/(loss) on foreign exchange hedging contracts	(2,040)	981	NM
Realised gain/(loss) on foreign exchange forward contracts	-	(3,053)	NM
Realised gain/ (loss) on foreign currency option contracts	2,091	-	NM
Realised gain/ (loss) on foreign exchange	(733)	(422)	NM
Unrealised foreign exchange gain/ (loss)	(2,400)	(122)	NM
Miscellaneous income <sup>4</sup>	473	1,234	NM
	(2,609)	(1,382)	NM

**Footnote:**

- 1 The other rental income includes rental guarantee income of S\$397,000 from the vendors of Lippo Plaza Kramat Jati (1Q 2013: S\$2,028,000 from the vendors of Pluit Village and Lippo Plaza Kramat Jati), S\$1,209,000 (1Q 2013: S\$2,698,000) from rental of electrical, mechanical and mall operating equipment and S\$317,000 (1Q 2013: S\$376,000) from rental of office space to a third party operating company.

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**Footnote (continued):**

- 2 Increase is mainly due to additional interest expense and amortisation of transaction costs as a result of issuance of S\$150,000,000 Notes under the Euro Medium Term Notes Programme ("EMTN Programme") Programme in October 2013.
- 3 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.
- 4 Miscellaneous income includes S\$213,000 from vendors of Binjai Supermall (1Q 2013: S\$767,000 from vendors of Palembang Square and Binjai Supermall) in relation to compensation for loss of rental income resulting from the delay in completion of assets enhancements. 1Q 2013 also included an indemnity recovery of S\$655,000 from vendor of Pluit Village for loss of income in connection with litigation case with PT Carrefour Indonesia ("Carrefour cases").

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

	<b>Group</b>		<b>Trust</b>	
	<b>31-Mar-14</b>	<b>31-Dec-13</b>	<b>31-Mar-14</b>	<b>31-Dec-13</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Current Assets</b>				
Cash and cash equivalents <sup>1</sup>	227,188	370,711	-	-
Trade and other receivables	32,929	26,986	273,906	257,255
Other financial assets, current <sup>2</sup>	373	515	373	515
<b>Total Current Assets</b>	<b>260,490</b>	<b>398,212</b>	<b>274,279</b>	<b>257,770</b>
<b>Non-current Assets</b>				
Investment properties <sup>3</sup>	1,512,839	1,412,204	-	-
Investments in subsidiaries	-	-	1,376,907	1,383,965
Plant and equipment	3,696	3,324	-	-
Other financial assets, non-current <sup>2</sup>	-	128	-	128
<b>Total Non-current Assets</b>	<b>1,516,535</b>	<b>1,415,656</b>	<b>1,376,907</b>	<b>1,384,093</b>
<b>Total Assets</b>	<b>1,777,025</b>	<b>1,813,868</b>	<b>1,651,186</b>	<b>1,641,863</b>
<b>Current Liabilities</b>				
Secured borrowing <sup>1</sup>	-	146,064	-	146,064
Trade and other payables	20,762	24,222	536,389	384,518
Current tax payable	9,840	9,010	1,963	3,022
Security deposits	26,862	24,664	-	-
Other financial liabilities, current <sup>2</sup>	2,700	586	2,663	550
<b>Total Current Liabilities</b>	<b>60,164</b>	<b>204,546</b>	<b>541,015</b>	<b>534,154</b>
<b>Non-current Liabilities</b>				
Unsecured borrowing	470,547	468,405	-	-
Deferred tax liabilities	49,287	49,287	-	-
Deferred income	87,239	80,324	-	-
Other financial liabilities, non-current <sup>2</sup>	-	1,755	-	344
<b>Total non-current liabilities</b>	<b>607,073</b>	<b>599,771</b>	<b>-</b>	<b>344</b>
<b>Total Liabilities</b>	<b>667,237</b>	<b>804,317</b>	<b>541,015</b>	<b>534,498</b>
<b>Unitholders' funds</b>	<b>1,109,788</b>	<b>1,009,551</b>	<b>1,110,171</b>	<b>1,107,365</b>
<b>Total Liabilities and Unitholders' funds</b>	<b>1,777,025</b>	<b>1,813,868</b>	<b>1,651,186</b>	<b>1,641,863</b>

**Footnote:**

- 1 The secured borrowing of S\$147.5 million maturing in June 2014 and was repaid in January 2014, which explains the decrease in cash and cash equivalents. Please refer to item 1 (b) (ii) Borrowings and Debt Securities for details.
- 2 The movements in other financial assets and other financial liabilities (current and non-current) are mainly as a result of unrealised movements in the value of derivatives, principally being currency options and foreign currency forward contracts of Indonesian Rupiah to Singapore Dollars.
- 3 The carrying values of the properties are stated based on the independent valuation as at 31 December 2013 and adjusted for property enhancements to-date. The valuations and property enhancements figures are recorded in the financial statements of the Indonesian subsidiaries in Indonesian Rupiah and translated into Singapore Dollars using the respective exchange rate as at the end of each period.

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

Secured borrowings:

Amount payable after one year	-	-
Less: Unamortised transaction costs for secured borrowings	-	-
Amount payable within one year	-	147,500
Less: Unamortised transaction costs for secured borrowings	-	(1,436)
Total secured borrowings	-	146,064

Unsecured borrowings:

Amount payable after one year	475,000	475,000
Less: Unamortised transaction costs for unsecured borrowings	(5,878)	(6,595)
Total unsecured borrowings	469,122	468,405

**Total borrowings**

Group	
31-Mar-14 S\$'000	31-Dec-13 S\$'000
-	-
-	-
-	147,500
-	(1,436)
-	146,064
475,000	475,000
(5,878)	(6,595)
469,122	468,405
<b>469,122</b>	<b>614,469</b>

Secured borrowings

LMIR Trust had in place secured bank loan facility of S\$147.5 million maturing in June 2014 at an interest margin of 4% per annum over the base rate. 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 Singapore Subsidiaries and Indonesia Subsidiaries
- Legal assignment of rights under each lease agreement, lease guarantee, all insurance policies associated with the 3 retail malls and 6 retail spaces

The bank loan was fully repaid in January 2014.

Unsecured borrowings

LMIR Trust has in place S\$200,000,000 4.88% Notes due July 2015, S\$50,000,000 5.875% Notes due July 2017, S\$75,000,000 4.48% Notes due November 2017 and S\$150,000,000 4.25% Notes due October 2016 (collectively, the Notes), issued under the Guaranteed Euro Medium Term Note Programme ("EMTN Programme") established by its wholly owned subsidiary, LMIRT Capital Pte Ltd.

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

**Operating activities**

Total return for the period before tax

**Adjustments for**

- Manager's fee payable in units
- Interest income
- Amortisation of borrowing costs
- Interest expense
- Depreciation of plant and equipment
- Unrealised foreign exchange (gain)/ loss
- Unrealised (gain)/ loss on foreign exchange hedging contracts
- Net effect of exchange rate changes

**Operating income before working capital changes**

Changes in working capital

Trade and other receivables

Trade and other payables

Security deposits

Net cash from operating activities before income tax

Income tax paid

**Cash flows from operating activities**

**Investing activities**

Capital expenditures on investment properties

Purchase of plant and equipment

Interest income

**Cash flows used in investing activities**

**Financing activities**

Repayment of bank borrowings

(Decrease)/ Increase in other financial liabilities

Deferred income

Interest paid

Distribution to unitholders

**Cash flows used in financing activities**

**Net decrease in cash and cash equivalents**

**Cash and cash equivalents at beginning of the period**

**Cash and cash equivalents at end of the period**

**Cash and cash equivalents in Statement of**

Cash and cash equivalents per Statement of Cash Flows

Add: Cash restricted in use for bank facilities

**Cash and cash equivalents in Statement of Financial Position**

Group	
1Q 2014 S\$'000	1Q 2013 S\$'000
16,844	25,929
1,243	1,490
(455)	(127)
2,207	1,372
7,259	5,651
149	139
2,400	122
2,040	(981)
1,143	(5,197)
32,830	28,398
(5,943)	(8,309)
(5,859)	3,765
2,198	587
23,226	24,441
(5,105)	(5,952)
18,121	18,489
(130)	(680)
(279)	(69)
455	127
46	(622)
(147,500)	-
(40)	(136)
6,915	(967)
(7,259)	(5,651)
(13,806)	(16,159)
(161,690)	(22,913)
(143,523)	(5,046)
369,211	137,910
225,688	132,864
225,688	132,864
1,500	1,500
227,188	134,364

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

**Group**

**1Q 2014**

**Balance at beginning of the period**

Total comprehensive income for the period	-	101,890	10,909	112,799
Manager's management fees settled in units	1,244	-	-	1,244
Distribution to unitholders	-	-	(13,806)	(13,806)
<b>Balance at end of the period</b>	<b>1,270,529</b>	<b>(449,849)</b>	<b>289,108</b>	<b>1,109,788</b>

**Group**

**1Q 2013**

**Balance at beginning of the period**

Total comprehensive income for the period	-	5,868	18,849	24,717
Manager's management fees settled in units	1,219	-	-	1,219
Distribution to unitholders	-	-	-	-
<b>Balance at end of the period</b>	<b>1,165,803</b>	<b>(224,766)</b>	<b>299,635</b>	<b>1,240,672</b>

**Trust**

**1Q 2014**

**Balance at beginning of the period**

Total comprehensive income for the period	-	-	15,368	15,368
Manager's management fees settled in units	1,244	-	-	1,244
Distribution to unitholders	-	-	(13,806)	(13,806)
<b>Balance at end of the period</b>	<b>1,270,529</b>	<b>-</b>	<b>(160,358)</b>	<b>1,110,171</b>

**Trust**

**1Q 2013**

**Balance at beginning of the period**

Total comprehensive income for the period	-	-	12,358	12,358
Manager's management fees settled in units	1,219	-	-	1,219
Distribution to unitholders	-	-	(16,159)	(16,159)
<b>Balance at end of the period</b>	<b>1,165,803</b>	<b>-</b>	<b>(109,634)</b>	<b>1,056,169</b>

	Issued equity S\$'000	Currency translation reserve S\$'000	Retained earnings/ (Accumulated losses) S\$'000	Total S\$'000
<b>Group</b>				
<b>1Q 2014</b>				
<b>Balance at beginning of the period</b>	<b>1,269,285</b>	<b>(551,739)</b>	<b>292,005</b>	<b>1,009,551</b>
Total comprehensive income for the period	-	101,890	10,909	112,799
Manager's management fees settled in units	1,244	-	-	1,244
Distribution to unitholders	-	-	(13,806)	(13,806)
<b>Balance at end of the period</b>	<b>1,270,529</b>	<b>(449,849)</b>	<b>289,108</b>	<b>1,109,788</b>
<b>Group</b>				
<b>1Q 2013</b>				
<b>Balance at beginning of the period</b>	<b>1,164,584</b>	<b>(230,634)</b>	<b>296,945</b>	<b>1,230,895</b>
Total comprehensive income for the period	-	5,868	18,849	24,717
Manager's management fees settled in units	1,219	-	-	1,219
Distribution to unitholders	-	-	-	-
<b>Balance at end of the period</b>	<b>1,165,803</b>	<b>(224,766)</b>	<b>299,635</b>	<b>1,240,672</b>
<b>Trust</b>				
<b>1Q 2014</b>				
<b>Balance at beginning of the period</b>	<b>1,269,285</b>	<b>-</b>	<b>(161,920)</b>	<b>1,107,365</b>
Total comprehensive income for the period	-	-	15,368	15,368
Manager's management fees settled in units	1,244	-	-	1,244
Distribution to unitholders	-	-	(13,806)	(13,806)
<b>Balance at end of the period</b>	<b>1,270,529</b>	<b>-</b>	<b>(160,358)</b>	<b>1,110,171</b>
<b>Trust</b>				
<b>1Q 2013</b>				
<b>Balance at beginning of the period</b>	<b>1,164,584</b>	<b>-</b>	<b>(105,833)</b>	<b>1,058,751</b>
Total comprehensive income for the period	-	-	12,358	12,358
Manager's management fees settled in units	1,219	-	-	1,219
Distribution to unitholders	-	-	(16,159)	(16,159)
<b>Balance at end of the period</b>	<b>1,165,803</b>	<b>-</b>	<b>(109,634)</b>	<b>1,056,169</b>

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

	1Q 2014 (units)	1Q 2013 (units)
<b>Issued units at the beginning of the period</b>	2,453,307,080	2,191,798,619
Issuance of new units for 4Q management fees	3,121,424	2,551,597
Issued units at the end of the period	2,456,428,504	2,194,350,216
Management fees payable in units to be issued	3,143,222	2,917,812
Acquisition fee payable in units to be issued	-	2,612,420
<b>Total issued and issuable units at the end of the period</b>	<b>2,459,571,726</b>	<b>2,199,880,448</b>

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-Mar-14 (units)	31-Dec-13 (units)
<b>Issued units at the end of the period</b>	<b>2,456,428,504</b>	<b>2,453,307,080</b>

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

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 2013.

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

Not applicable

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

	Group	
	1Q 2014 S\$'000	1Q 2013 S\$'000
Weighted average number of units in issue	2,454,555,650	2,192,904,311
<b>Earnings per unit in cents (EPU) <sup>(1)</sup></b>	0.44	0.86
Number of units in issue	2,456,428,504	2,194,350,216
<b>Distribution per unit in cents (DPU) <sup>(2)</sup></b>	0.68	0.89

**Footnote:**

- 1 In computing the quarterly EPU, the weighted average number of units for the end of the period is used.
- 2 In computing the quarterly DPU, the number of units in issue as at the end of the period is used.

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

	Group		Trust	
	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13
Net asset value per unit (Cents)	45.18	56.54	45.19	48.13

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8 **Review of the Performance**

**Statement of Total Return**

Gross rent	
Other revenue	
Total gross revenue	
Property operating expenses	
<b>Net Property Income</b>	
Interest income	
Financial expenses	
Administrative expenses	
Other gains/ (losses) (net)	
<b>Total Return For The Period Before Tax</b>	
Income tax	
Withholding tax	
<b>Total Return For The Period After Tax</b>	
Unitholders' distribution:	
- as distributions from operations	
- as return of capital	
<b>Total Unitholders' distribution</b>	
<b>Distribution per Unit (cents)</b>	

Group	
1Q 2014	1Q 2013
S\$'000	S\$'000
27,911	31,180
5,758	8,191
33,669	39,371
(2,598)	(2,111)
<b>31,071</b>	<b>37,260</b>
455	127
(9,466)	(7,023)
(2,607)	(3,053)
(2,609)	(1,382)
<b>16,844</b>	<b>25,929</b>
(3,666)	(4,517)
(2,269)	(2,563)
<b>10,909</b>	<b>18,849</b>
10,979	13,551
5,761	6,068
<b>16,740</b>	<b>19,619</b>
<b>0.68</b>	<b>0.89</b>

**1Q 2014 vs 1Q 2013**

Gross rental revenue is S\$5.7 M lower than 1Q 2013 mainly due to (i) loss of rental guarantee income from Pluit Village (ii) depreciation of IDR to SGD when translating revenues denominated in IDR to SGD despite the increase in rental income in IDR.

The increase in financial expenses to S\$2.4 M is mainly due to additional interest expenses and amortisation of transaction costs as a result of issuance of S\$150.0 M in October 2013.

Administrative expenses are S\$0.4 M below Q1 2013, mainly due to lower management fee as a result of lower value of deposited property and net property income.

Other losses (net) of S\$2.6 M are mainly made up of (i) unrealised loss on foreign exchange hedging contracts of S\$2.0 M, (ii) unrealised loss on foreign exchange of S\$2.4 M arising from translation of balances denominated in non-functional currency, (iii) realised loss on foreign exchange of S\$0.7 M when settlements were made for balances denominated in non-functional currencies. This has been partly offset by (i) realised gain on foreign currency option contracts of S\$2.1 M and (ii) S\$0.2 M from vendors of Binjai Supermall in relation to compensation for delay in completion of asset enhancement.

The Trust has foreign currency options 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 currency option contracts is a non-cash item and does not affect the amount of distribution to unitholders.



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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**

The Indonesian economy grew 5.8% in 2013. There are signs of continued growth with the IDR appreciating 7.1% against the SGD in the first quarter. The JCI has also performed well with an increase of about 11.6%. With 2014 being an election year, there could be an upsurge in household consumption, which will lead to further economic growth. The GDP numbers for this first quarter will be released on 5th May, 2014.

Meanwhile, the near term retail space supply will likely be limited as the shopping centre moratorium (issued by the former Jakarta Governor) will continue to play out and there has been no official announcement on additional new projects since 2013. This will create an advantage to shopping mall owners as retail space in Jakarta will be more sought after in the next few years.

The outlook for quality retail spaces looks promising in the next 12 months as both local and foreign retail players remain active. Inflation has been dropping slowly from 8.79% in August 2013 to 7.32% in March 2014. Higher disposable income, the growing consumer class, coupled with an emerging trend of lifestyle shopping malls are expected to fuel the demand for retail space.

**10 Distributions**

**(a) Current financial period**

Any distributions declared for the current financial period:	Yes
Name of distribution:	First quarter distribution for the period from 1 January 2014 to 31 March 2014.
Distribution Type:	Tax-exempt and capital distribution.
Distribution Rate:	Tax-exempt distribution of 0.44 cents per unit and capital distribution of 0.24 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:	First quarter distribution for the period from 1 January 2013 to 31 March 2013.
Distribution Type:	Tax-exempt and capital distribution.
Distribution Rate:	Tax-exempt distribution of 0.62 cents per unit and capital distribution of 0.27 cents per unit.
Par value of units:	NA
Tax rate:	NA

**(c) Date payable:** 29 May 2014

**(d) Book closure date:** 14 May 2014

**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 Confirmation by the Board Pursuant to Rule 705(5) of the Listing Manual**

The Board of Directors of LMIRT Management Ltd do hereby confirm that, to the best of their knowledge, nothing has come to their attention in which may render these interim financial results to be false or misleading in any material aspect.

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

Mr Alvin Cheng Yu Dong  
Executive Director and Chief Executive Officer  
5 May 2014