



LIPPO MALLS INDONESIA RETAIL TRUST

2014 THIRD QUARTER UNAUDITED FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT

TABLE OF CONTENTS

Item No.	Description	Page No.
-	Introduction	2
-	Summary of Lippo Malls Indonesia Retail Trust Group Results	2
1 (a) (i)	Statements of Total Return	3
1 (a) (ii)	Statements of Distribution	3
1 (b) (i)	Statements of Financial Position	4
1 (b) (ii)	Borrowings and Debt Securities	4
1 (c)	Statements of Cash Flows	5
1 (d) (i)	Statements of Changes in Unitholders' Funds	6
1 (d) (ii), (iii), (iv)	Details of Any Change in the Issued and Issuable Units	7
2 & 3	Audit Statement	7
4 & 5	Changes in Accounting Policies	7
6	Earnings Per Unit ('EPU') and Distribution Per Unit ('DPU') for the Financial Period	7
7	Net Asset Value Per Unit Based on Units Issued at the End of the Period	7
8	Review of the Performance	8
9	Outlook and Prospects	9
10 & 11	Distributions	9
12	Interested Person Transactions Mandate	9
13	Confirmation by the Board Pursuant to Rule 705(5) of the Listing Manual	9

LIPPO MALLS INDONESIA RETAIL TRUST
2014 THIRD 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 30 September 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

Group						
	3Q 2014	3Q 2013	Variance %	YTD 2014	YTD 2013	Variance %
	S\$'000	S\$'000	Favourable/ (Unfavourable)	S\$'000	S\$'000	Favourable/ (Unfavourable)
Gross rent (Note A)	28,336	31,344	(9.6%)	85,001	95,042	(10.6%)
Other revenue	4,933	7,612	(35.2%)	15,971	23,655	(32.5%)
Total Gross Revenue	33,269	38,956	(14.6%)	100,972	118,697	(14.9%)
Net Property Income (Note A)	30,907	37,144	(16.8%)	93,130	112,263	(17.0%)
Distributable Amount	17,070	19,136	(10.8%)	50,419	59,219	(14.9%)
Available Distribution per Unit (cents)¹	0.69	0.87	(20.7%)	2.05	2.69	(23.8%)

1. The Trust issued 246,913,000 new units following the completion of the placement in November 2013.

Note A: The decrease in Gross rent and Net Property Income could be explained by the depreciation of IDR against SGD. The portfolio performance in IDR terms is shown as below:

Group Performance in IDR						
	3Q 2014	3Q 2013	Variance %	YTD 2014	YTD 2013	Variance %
	million	million	Favourable/ (Unfavourable)	million	million	Favourable/ (Unfavourable)
Gross rent	266,101	261,813	1.6%	790,775	758,872	4.2%
Net Property Income	290,263	310,193	(6.4%)	866,400	896,375	(3.3%)

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

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

	Group					
	3Q 2014 S\$'000	3Q 2013 S\$'000	Variance % Favourable/ (Unfavourable)	YTD 2014 S\$'000	YTD 2013 S\$'000	Variance % Favourable/ (Unfavourable)
Gross rent	28,336	31,344	(9.6%)	85,001	95,042	(10.6%)
Carpark income	3,418	3,800	(10.1%)	10,267	9,684	6.0%
Other rental income ¹	1,515	3,812	(60.3%)	5,704	13,971	(59.2%)
Total Gross Revenue	33,269	38,956	(14.6%)	100,972	118,697	(14.9%)
Property Operating Expenses						
Land rental	(360)	(356)	(1.1%)	(1,086)	(932)	(16.5%)
Property management fee	(954)	(917)	(4.0%)	(2,602)	(2,488)	(4.6%)
Property operating and maintenance expenses	(1,048)	(539)	(94.4%)	(4,154)	(3,014)	(37.8%)
Total Property Operating Expenses	(2,362)	(1,812)	(30.4%)	(7,842)	(6,434)	(21.9%)
Net Property Income	30,907	37,144	(16.8%)	93,130	112,263	(17.0%)
Interest income	488	157	NM	1,359	406	NM
Financial expenses ²	(8,233)	(7,461)	(10.3%)	(26,008)	(21,638)	(20.2%)
Administrative Expenses						
Manager's management fees	(2,295)	(2,543)	9.8%	(6,924)	(7,963)	13.0%
Trustee's fee	(73)	(74)	1.4%	(221)	(239)	7.5%
Other trust operating expenses	(303)	(287)	(5.6%)	(781)	(885)	11.8%
Total Administrative Expenses	(2,671)	(2,904)	8.0%	(7,926)	(9,087)	12.8%
Other gains/ (losses) (net) (See Note A)	314	4,015	NM	1,474	4,512	NM
Total Return For The Period/ Year Before Tax	20,805	30,951	NM	62,029	86,456	NM
Income tax	(3,466)	(4,207)	17.6%	(10,592)	(13,023)	18.7%
Withholding tax	(2,362)	(2,554)	7.5%	(6,994)	(8,060)	13.2%
Total Return For The Period After Tax	14,977	24,190	NM	44,443	65,373	NM
Other Comprehensive Income:						
Exchange Differences On Translating Foreign Operations	5,901	(254,579)	NM	10,537	(247,869)	NM
Total Comprehensive (Loss)/ Gain For The Period	20,878	(230,389)	NM	54,980	(182,496)	NM

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

Total Return for the period after tax before distribution	14,977	24,190	NM	44,443	65,373	NM
Add back/ (less) non-cash items and other adjustments:						
- Manager's fee payable in the form of units	1,236	1,486	(16.8%)	3,725	4,491	(17.1%)
- Depreciation of plant and equipment	195	132	47.7%	506	429	17.9%
- Unrealised (gain)/ loss on foreign exchange hedging contracts	(131)	(5,011)	NM	(439)	(9,592)	NM
- Unrealised foreign exchange (gain)/loss	793	(1,661)	NM	2,184	(1,482)	NM
Total Unitholders' Distribution	17,070	19,136	(10.8%)	50,419	59,219	(14.9%)
Unitholders' distribution:						
- as distributions from operations	12,069	14,846	(18.7%)	34,704	43,976	(21.1%)
- as return of capital ³	5,001	4,290	16.6%	15,715	15,243	3.1%
Total Unitholders' Distribution	17,070	19,136	(10.8%)	50,419	59,219	(14.9%)

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

Unrealised (loss)/ gain on foreign exchange hedging contracts	131	5,011	NM	439	9,592	NM
Realised gain/ (loss) on foreign currency hedging contracts	1,837	(1,872)	NM	5,398	(8,252)	NM
Realised gain/(loss) on foreign exchange	(887)	(1,537)	NM	(3,266)	(2,171)	NM
Unrealised foreign exchange gain/ (loss)	(793)	1,661	NM	(2,184)	1,482	NM
Miscellaneous income ⁴	26	752	NM	1,087	3,861	NM
	314	4,015	NM	1,474	4,512	NM

Footnote:

¹ The YTD 2014 other rental income mainly consists of rental guarantee income of S\$997,000 from the vendor of Lippo Plaza Kramat Jati (previously known as Kramat Jati Indah Plaza) (YTD 2013: S\$5,639,000 from the vendors of Pluit Village and Lippo Plaza Kramat Jati), S\$2,460,000 (YTD 2013: S\$ 5,212,000) from rental of electrical, mechanical and mall operating equipment and S\$947,000 (YTD 2013: S\$1,093,000) from rental of office space to a third party operating company.

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

Footnote (continued):

- 2 Finance expenses includes premium on currency option contracts entered in November 2013. The cost of debt was S\$6.5 million in Q3 2014 versus S\$7.2 million in Q3 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 The YTD 2014 miscellaneous income includes S\$503,000 from vendor of Binjai Supermall (YTD 2013: S\$2,189,000 from vendors of Palembang Square and Binjai Supermall) in relation to compensation for loss of rental income resulting from the delay in completion of asset enhancements. YTD 2013 also included an indemnity recovery of S\$1,239,000 from vendor of Pluit Village for loss of income in connection with litigation case with PT Carrefour Indonesia ("Carrefour cases"), which has been subsequently resolved in Q2 2013.

1 (b) (i) Statements of Financial Position

	Group		Trust	
	30-Sep-14 S\$'000	31-Dec-13 S\$'000	30-Sep-14 S\$'000	31-Dec-13 S\$'000
Current Assets				
Cash and cash equivalents ¹	223,469	370,711	-	-
Trade and other receivables	27,327	26,986	266,988	257,255
Other financial assets, current ²	350	515	372	515
Total Current Assets	251,146	398,212	267,360	257,770
Non-current Assets				
Investment properties ³	1,424,700	1,412,204	-	-
Investments in subsidiaries	-	-	1,363,079	1,383,965
Plant and equipment	3,983	3,324	-	-
Other financial assets, non-current ²	-	128	-	128
Total Non-current Assets	1,428,683	1,415,656	1,363,079	1,384,093
Total Assets	1,679,829	1,813,868	1,630,439	1,641,863
Current Liabilities				
Secured and unsecured borrowing ¹	-	146,064	-	146,064
Trade and other payables	19,615	24,222	536,613	384,518
Current tax payable	7,823	9,010	655	3,022
Security deposits	25,696	24,664	-	-
Other financial liabilities, current ²	178	586	161	550
Total Current Liabilities	53,312	204,546	537,429	534,154
Non-current Liabilities				
Unsecured borrowing ¹	470,591	468,405	-	-
Deferred tax liabilities	49,287	49,287	-	-
Deferred income	84,104	80,324	-	-
Other financial liabilities, non-current ²	1,425	1,755	-	344
Total non-current liabilities	605,407	599,771	-	344
Total Liabilities	658,719	804,317	537,429	534,498
Unitholders' funds	1,021,110	1,009,551	1,093,010	1,107,365
Total Liabilities and Unitholders' funds	1,679,829	1,813,868	1,630,439	1,641,863

Footnote:

- 1 The secured borrowing of S\$147.5 million maturing in June 2014 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 the result of unrealised movements in the value of derivatives, principally being currency option contracts and finance lease payable.
- 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.

1 (b) (ii) Borrowings and Debt Securities

	Group	
	30-Sep-14 S\$'000	31-Dec-13 S\$'000
<u>Secured borrowings:</u>		
Amount payable within one year	-	147,500
Less: Unamortised transaction costs for secured borrowings	-	(1,436)
Total secured borrowings	-	146,064
<u>Unsecured borrowings:</u>		
Amount payable after one year	475,000	475,000
Less: Unamortised transaction costs for unsecured borrowings	(4,409)	(6,595)
Total unsecured borrowings	470,591	468,405
Total borrowings	470,591	614,469

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

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

Secured borrowings

LMIR Trust had in place secured bank loan facility of S\$147.5 million matured in June 2014 at an interest margin of 4% per annum over the base rate. The loan facility was fully repaid in January 2014.

The facility was 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

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) **Statements of Cash Flows**

	Group		Group	
	3Q 2014 S\$'000	3Q 2013 S\$'000	YTD 2014 S\$'000	YTD 2013 S\$'000
Operating activities				
Total return for the period before tax	20,805	30,951	62,029	86,456
Adjustments for				
- Manager's fee payable in units	1,236	1,486	3,725	4,491
- Interest income	(488)	(157)	(1,359)	(406)
- Amortisation of borrowing costs	805	1,440	3,799	4,218
- Interest expense	7,428	6,021	22,209	17,420
- Depreciation of plant and equipment	195	132	506	429
- Unrealised foreign exchange (gain)/ loss	793	(1,661)	2,184	(1,482)
- Unrealised (gain)/ loss on foreign exchange hedging contracts	(131)	(5,011)	(439)	(9,592)
- Net effect of exchange rate changes	740	2,776	1,277	(1,491)
Operating income before working capital changes	31,383	35,977	93,931	100,043
Changes in working capital				
Trade and other receivables	3,861	601	(341)	(3,148)
Trade and other payables	(4,120)	(2,650)	(6,783)	3,236
Security deposits	246	(1,821)	1,032	(787)
Net cash from operating activities before income tax	31,370	32,107	87,839	99,344
Income tax paid	(6,542)	(7,411)	(18,773)	(20,213)
Cash flows from operating activities	24,828	24,696	69,066	79,131
Investing activities				
Capital expenditures on investment properties	(1,410)	(396)	(3,239)	(1,626)
Purchase of plant and equipment	(519)	(69)	(1,162)	(337)
Interest income	488	157	1,359	406
Cash flows used in investing activities	(1,441)	(308)	(3,042)	(1,557)
Financing activities				
Repayment of bank borrowings	-	-	(147,500)	-
Decrease in other financial liabilities	(7)	(265)	(183)	(422)
Deferred income	1,206	(12,925)	3,780	(15,259)
Interest on bank loan paid	(7,428)	(6,021)	(22,209)	(17,420)
Distribution to unitholders	(16,608)	(20,462)	(47,154)	(56,240)
Cash flows from financing activities	(22,837)	(39,673)	(213,266)	(89,341)
Net (decrease)/increase in cash and cash equivalents	550	(15,285)	(147,242)	(11,767)
Cash and cash equivalents at beginning of the period	221,419	141,428	369,211	137,910
Cash and cash equivalents at end of the period	221,969	126,143	221,969	126,143
Cash and cash equivalents in Statement of Cash Flows:				
Cash and cash equivalents per Statement of Cash Flows	221,969	126,143	221,969	126,143
Add: Cash restricted in use for bank facilities	1,500	1,500	1,500	1,500
Cash and cash equivalents in Statements of Financial Position	223,469	127,643	223,469	127,643

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

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				
3Q 2014				
Balance at beginning of the period	1,271,772	(547,103)	290,925	1,015,594
Total comprehensive income for the period	-	5,901	14,977	20,878
Manager's management fees settled in units	1,246	-	-	1,246
Distribution to unitholders	-	-	(16,608)	(16,608)
Balance at end of the period	1,273,018	(541,202)	289,294	1,021,110
Group				
3Q 2013				
Balance at beginning of the period	1,167,294	(223,923)	302,349	1,245,720
Total comprehensive income for the period	-	(254,579)	24,190	(230,389)
Manager's management fees settled in units	1,514	-	-	1,514
Distribution to unitholders	-	-	(20,462)	(20,462)
Balance at end of the period	1,168,808	(478,502)	306,077	996,383
Group				
YTD 2014				
Balance at beginning of the period	1,269,285	(551,739)	292,005	1,009,551
Total comprehensive income for the period	-	10,537	44,443	54,980
Manager's management fees settled in units	3,733	-	-	3,733
Distribution to unitholders	-	-	(47,154)	(47,154)
Balance at end of the period	1,273,018	(541,202)	289,294	1,021,110
Group				
YTD 2013				
Balance at beginning of the period	1,164,584	(230,633)	296,944	1,230,895
Total comprehensive income for the period	-	(247,869)	65,373	(182,496)
Manager's management fees settled in units	4,224	-	-	4,224
Distribution to unitholders	-	-	(56,240)	(56,240)
Balance at end of the period	1,168,808	(478,502)	306,077	996,383
Trust				
3Q 2014				
Balance at beginning of the period	1,271,772	-	(174,211)	1,097,561
Total comprehensive income for the period	-	-	10,811	10,811
Manager's management fees settled in units	1,246	-	-	1,246
Distribution to unitholders	-	-	(16,608)	(16,608)
Balance at end of the period	1,273,018	-	(180,008)	1,093,010
Trust				
3Q 2013				
Balance at beginning of the period	1,167,294	-	(111,817)	1,055,477
Total comprehensive income for the period	-	-	(7,221)	(7,221)
Manager's management fees settled in units	1,514	-	-	1,514
Distribution to unitholders	-	-	(20,462)	(20,462)
Balance at end of the period	1,168,808	-	(139,500)	1,029,308
Trust				
YTD 2014				
Balance at beginning of the period	1,269,285	-	(161,920)	1,107,365
Total comprehensive income for the year	-	-	29,066	29,066
Manager's management fees settled in units	3,733	-	-	3,733
Distribution to unitholders	-	-	(47,154)	(47,154)
Balance at end of the period	1,273,018	-	(180,008)	1,093,010
Trust				
YTD 2013				
Balance at beginning of the period	1,164,584	-	(105,833)	1,058,751
Total comprehensive income for the year	-	-	22,573	22,573
Manager's management fees settled in units	4,224	-	-	4,224
Distribution to unitholders	-	-	(56,240)	(56,240)
Balance at end of the period	1,168,808	-	(139,500)	1,029,308

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

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

Issued units at the beginning of the period
 Issuance of new units for 2Q management fees
 Issued units at the end of the period

3Q 2014 (units)	3Q 2013 (units)
2,459,571,726	2,197,268,028
3,076,826	3,156,219
2,462,648,552	2,200,424,247
3,086,064	3,311,993
-	2,657,840
2,465,734,616	2,206,394,080

Management fees payable in units to be issued
 Acquisition fee payable in units to be issued

Total issued and issuable units at the end of the period

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

Issued units at the end of the period

30-Sept-14 (units)	31-Dec-13 (units)
2,462,648,552	2,453,307,080

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			
	3Q 2014 S\$'000	3Q 2013 S\$'000	YTD 2014 S\$'000	YTD 2013 S\$'000
Weighted average number of units in issue	2,461,043,251	2,198,914,751	2,457,907,373	2,195,935,485
Earnings per unit in cents (EPU) ⁽¹⁾	0.61	1.10	1.81	2.98
Number of units in issue	2,462,648,552	2,200,424,247	2,462,648,552	2,200,424,247
Distribution per unit in cents (DPU) ⁽²⁾	0.69	0.87	2.05	2.69

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	
	30-Sep-14	31-Dec-13	30-Sep-14	31-Dec-13
Net asset value per unit (Cents)	41.46	41.15	44.38	45.14

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

8 **Review of the Performance**

	Group			
	3Q 2014 S\$'000	3Q 2013 S\$'000	YTD 2014 S\$'000	YTD 2013 S\$'000
Statement of Total Return				
Gross rent	28,336	31,344	85,001	95,042
Other revenue	4,933	7,612	15,971	23,655
Total gross revenue	33,269	38,956	100,972	118,697
Property operating expenses	(2,362)	(1,812)	(7,842)	(6,434)
Net Property Income	30,907	37,144	93,130	112,263
Interest income	488	157	1,359	406
Financial expenses	(8,233)	(7,461)	(26,008)	(21,638)
Administrative expenses	(2,671)	(2,904)	(7,926)	(9,087)
Other gains/ (losses) (net)	314	4,015	1,474	4,512
Total Return For The Period Before Tax	20,805	30,951	62,029	86,456
Income tax	(3,466)	(4,207)	(10,592)	(13,023)
Withholding tax	(2,362)	(2,554)	(6,994)	(8,060)
Total Return For The Period After Tax	14,977	24,190	44,443	65,373
Unitholders' distribution:				
- as distributions from operations	12,069	14,846	34,704	43,976
- as return of capital	5,001	4,290	15,715	15,243
Total Unitholders' distribution	17,070	19,136	50,419	59,219
Distribution per Unit (cents)	0.69	0.87	2.05	2.69

3Q 2014 vs 3Q 2013

Gross rental income in Q3 2014 is S\$3.0 M below 3Q 2013 or 9.6%. However, in IDR terms, gross rental income increased by 1.6% mainly due to positive rental reversions. The rental growth has been offset by the depreciation of IDR when translating revenues denominated in IDR to SGD.

The increase in financial expenses to S\$8.2 M is mainly due to the premium paid to secure currency option contracts entered in November 2013 and additional interest expenses and amortisation of transaction costs as a result of the issuance of S\$150,000,000 Notes under the Euro Medium Term Notes Programme ("EMTN Programme") in October 2013. This has been partially offset by the savings on interest due to the repayment of term loan in January 2014.

Other gains (net) of S\$0.3 M are mainly made up of (i) realised gain on foreign currency option contracts of S\$1.8 M, (ii) unrealised gain on foreign exchange hedging contract of S\$0.1M. This has been offset by (i) realised loss on foreign exchange of S\$0.8 M when settlements were made for balances denominated in non-functional currencies and (ii) unrealised loss on foreign exchange of S\$0.8 M arising from translation of balances denominated in non-functional currency.

The lower other gains in Q3 2014 is mainly due to (i) unrealised loss on foreign exchange loss (as opposed to foreign exchange gain in 3Q 2013) arising from translation of balances denominated in non-functional currency, (ii) lower unrealised gain on foreign exchange hedging contracts, and (iii) expiry of compensation from vendors of Binjai Supermall for delay in completion of asset enhancements. This has been partly reduced by (i) realised gain on foreign currency hedging contracts (as opposed to realised loss on foreign currency hedging contracts in 3Q 2013) and (ii) lower realised loss on foreign exchange when settlements were made for balances denominated in non-functional currencies.

The Trust has foreign exchange hedging instruments 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 hedging instruments is a non-cash item and does not affect the amount of distribution to unitholders.

YTD 2014 vs YTD 2013

Gross rental income for YTD 2014 is S\$10.0M below YTD 2013 or 10.6%. However, in IDR terms, gross rental income increased by 4.2% mainly due to positive rental reversions. The rental growth has been offset by the depreciation of IDR when translating revenues denominated in IDR to SGD.

The increase in financial expenses to S\$26.8 M is mainly due to premium paid to secure currency option contracts entered in November 2013 and additional interest expenses and amortisation of transaction costs as a result of the issuance of S\$150,000,000 Notes under the Euro Medium Term Notes Programme ("EMTN Programme") in October 2013. This has been partially offset by the savings on interest due to the repayment of term loan in January 2014.

Administrative expenses are S\$1.1 M below YTD 2013, mainly due to lower management fee as a result of lower net property income.

Other gains (net) of S\$1.5 M are mainly made up of (i) realised gain on foreign currency option contracts of S\$5.4 M, (ii) unrealised gain on foreign exchange hedging contracts of S\$0.4 M, (iii) S\$0.5 M from vendor of Binjai Supermall in relation to compensation for delay in completion of asset enhancements. This has been partially offset by (i) realised foreign exchange loss of S\$3.3 M when settlements were made for balances denominated in non-functional currencies, (ii) Unrealised loss on foreign exchange of S\$2.2 M arising from translation of balances denominated in non-functional currency.

The lower other gains are mainly due to (i) higher realised loss on foreign exchange in YTD 2014, (ii) unrealised loss on foreign exchange loss (as opposed to foreign exchange gain in YTD 2013) arising from translation of balances denominated in non-functional currency, (iii) lower unrealised gain on foreign exchange hedging contracts, and (iv) expiry of compensation from vendors of Binjai Supermall and Palembang Square for delay in completion of asset enhancements and indemnity recovery of Pluit Village for loss of income in connection with Carrefour cases. This has been partly reduced by realised gain foreign currency hedging contracts (as opposed to realised loss on foreign currency hedging contracts in YTD 2013).

The Trust has foreign exchange hedging instruments 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 hedging instruments is a non-cash item and does not affect the amount of distribution to unitholders.

LIPPO MALLS INDONESIA RETAIL TRUST

2014 THIRD QUARTER UNAUDITED FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT

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 5.01% in 3Q 2014. There are signs of continued growth at similar rate for the coming year. The average IDR exchange rate appreciated 3.3% against SGD and 4.2% against USD since the start of the year.

Investor confidence in Indonesia's economic fundamentals continues to be firm. The Jakarta Composite Index (JCI) has gained 16.9% year to date, making it one of the highest gainers among the Asia-Pacific markets.

The near term retail space supply in Jakarta will likely be limited as the shopping centre moratorium continues. This will create a favourable market condition for existing shopping mall owners as retail space in Jakarta will be keenly 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 continue to remain active. Inflation continues to drop from 7.3% in 1Q 2014 to 4.53% in 3Q 2014. Higher disposable income, lower inflation, coupled with an emerging trend of lifestyle shopping malls are expected to drive the demand for retail space.

10 Distributions

(a) Current financial period

Any distributions declared for the current financial period:	Yes
Name of distribution:	Third quarter distribution for the period from 1 July 2014 to 30 September 2014
Distribution Type:	Tax-exempt and capital distribution.
Distribution Rate:	Tax-exempt distribution of 0.49 cents per unit and capital distribution of 0.20 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:	Third quarter distribution for the period from 1 July 2013 to 30 September 2013
Distribution Type:	Tax-exempt and capital distribution.
Distribution Rate:	Tax-exempt distribution of 0.68 cents per unit and capital distribution of 0.19 cents per unit.
Par value of units:	NA
Tax rate:	NA

(c) Date payable: 5 December 2014

(d) Book closure date: 20 November 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
12 November 2014