

Compliance Report based on:**AAOIFI Shariah Mandate**

Major Cineplex Lifestyle Leasehold PROP (MJLF:BAK)

Description

Major Cineplex Lifestyle Leasehold Property Fund is a closed-end property fund incorporated for the purpose of investing in property or property leasehold rights. The Fund is managed by ING Funds (Thailand) Company Limited. As of December 31, 2010, the Fund invested in leasehold rights of three lifestyle entertainment complex buildings; Major Cineplex Ratchayothin, of which the Fund acquired leasehold rights from June 26, 2007 to June 26, 2037 (total of 30 years); Major Cineplex Rangsit, of which the Fund acquired leasehold rights from June 26, 2007 to March 1, 2029 (total of 21 years eight months four days), and Suzuko Avenue Ratchayothin Lifestyle Complex, of which the Fund acquired leasehold rights from December 29, 2010 to December 28, 2040 (total of 30 years).

Company Status

IdealRatings analysts have issued a report regarding the company:

Name:	Major Cineplex Lifestyle Leasehold PROP	Core Business Activity:	REIT - Residential / Commercial
Ticker:	MJLF:BAK	Exchange:	Stock Exchange of Thailand (Bangkok)
ISIN:	TH0948010002	Compliance Status:	FAIL
Country:	Thailand		

IdealRatings reviewed the most recent financial statement (2011 Q 3) for Major Cineplex Lifestyle Leasehold PROP

This report has been prepared to determine the Shariah compliance status of the company based on the AAOIFI Shariah mandate.

Business Screening:

As mentioned in the description the Company has investments in 3 projects: Major Cineplex Ratchayothin Project, Major Cineplex Rangsit Project, and Suzuki Avenue Ratchayothin Lifestyle Complex Project. All those projects are an entertainment and shopping complexes. Major Cineplex Ratchayothin Project and Major Cineplex Rangsit Project are belong to the Major Cineplex Group Public Co. Ltd. Major Cineplex Group Public Co. Ltd. is the largest operator of movies theaters in Thailand.

Based on latest Financial statement 2011 Q3 Company derived its revenue from rental and services income. Significant part of revenue gathers from Major Cineplex Group Public Co. Ltd.

Thus all revenue related to "Cinema Non-permissible Income" and exceeds 5% of the total income of the Company. Accordingly Major Cineplex Lifestyle Leasehold PROP is not a Shariah compliant candidate.

The interest income percentage represents 1,5% of the total income in Q3 20011.

The status of the company from a business activity is as follows:

	Threshold	Company	Compliance
Non-permissible Income	5%	Exceeds 5%	FAIL

Financial Screening:

According to the most recent financial statement (2011 Q 3), the financial ratios with respect to the AAOIFI Shariah mandate for the company are as follows:

	Threshold	Company	Compliance
Interest-bearing Investments	30%	0.9%	PASS
Interest-bearing Debts	30%	0%	PASS
Liquidity	67%	2.08%	PASS
Share Type (Pref/Common)	False	False	PASS

Compliance Status:

Based on the available information and the above figures according to the AAOIFI Shariah mandate Major Cineplex Lifestyle Leasehold PROP is to be considered Non-Shariah-compliant.



Disclosures

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