AMANAH HARTA TANAH PNB

CONDENSED STATEMENT OF ASSETS AND LIABILITIES

|  |  |  |  |
| --- | --- | --- | --- |
|  | AS AT END  OF CURRENT  QUARTER  31.03.2010  (Unaudited)  RM’000 |  | AS AT PRECEDING FINANCIAL  YEAR ENDED  31.12.2009  (Audited)  RM’000 |
| INVESTMENTS |  |  |  |
| Real estates | 143,290 |  | 143,290 |
| Real estate-related assets | 81 |  | 48 |
| Non-real estate-related assets | 1,630 |  | 1,272 |
| Deposits with financial institutions | 5,403 |  | 8,202 |
|  | ----------- |  | ----------- |
|  | 150,404 |  | 152,812 |
|  | ----------- |  | ----------- |
| OTHER ASSETS |  |  |  |
| Equipment, furniture and fittings  Tax recoverable | 3  637 |  | 3  637 |
| Trade receivables | 1,517 |  | 1,376 |
| Other receivables | 1,154 |  | 572 |
| Cash and bank balances | 64 |  | 72 |
|  | ----------- |  | ----------- |
|  | 3,375 |  | 2,660 |
|  | ----------- |  | ----------- |
|  |  |  |  |
| TOTAL ASSETS | 153,779 |  | 155,472 |
|  | ----------- |  | ----------- |
|  |  |  |  |
| LIABILITIES EXCLUDING NET ASSET  VALUE ATTRIBUTABLE TO UNITHOLDERS |  |  |  |
| Rental Deposits | 4,139 |  | 3,940 |
| Other payables | 526 |  | 612 |
| Amount due to Manager | 126 |  | 128 |
|  | ----------- |  | ----------- |
|  | 4,791 |  | 4,680 |
|  | ----------- |  | ----------- |
|  |  |  |  |
| NET ASSETS ATTRIBUTABLE TO UNITHOLDERS | 148,988 |  | 150,792 |
|  |  |  |  |
| TOTAL LIABILITIES | 153,779 |  | 155,472 |
|  | ====== |  | ====== |
|  |  |  |  |
| NUMBER OF UNITS IN CIRCULATION | 100,000 |  | 100,000 |
|  | ===== |  | ===== |
| NET ASSET VALUE A UNIT (RM) | 1.4899  ===== |  | 1.5079  ===== |
|  |  |  |  |
|  |  |  |  |

(The Condensed Balance Sheet should be read in conjunction with the Annual Financial Report for the

year ended December 31, 2009).

AMANAH HARTA TANAH PNB

UNAUDITED CONDENSED INCOME STATEMENT

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | INDIVIDUAL QUARTER | |  | CUMULATIVE QUARTER | |
|  | Current  Year  1st Quarter  31.03.2010  RM’000 | Preceding Year  1st Quarter  31.03.2009  RM’000 |  | Current  Year  To-date  31.03.2010  RM’000 | Preceding Year  Corresponding Period  31.03.2009  RM’000 |
|  |  |  |  |  |  |
| TOTAL TRUST REVENUE | 3,684 | 3,620 |  | 3,684 | 3,620 |
|  | ===== | ===== |  | ===== | ===== |
|  |  |  |  |  |  |
| Gross rental income | 3,608 | 3,516 |  | 3,608 | 3,516 |
| Less : Assessment | (221) | (221) |  | (221) | (221) |
| Quit Rent | (14) | (14) |  | (14) | (14) |
| Property operating expenditure | (1,057) | (957) |  | (1,057) | (957) |
| Depreciation | - | (1) |  | - | (1) |
|  | ---------- | ---------- |  | *----------* | ---------- |
| Net rental income | 2,316 | 2,323 |  | 2,316 | 2,323 |
| Income from deposits with financial institutions | 42 | 58 |  | 42 | 58 |
| Realised gain on disposal of quoted shares | - | 18 |  | - | 18 |
| Unrealised gain/(loss) on valuation of  quoted shares | 27 | 19 |  | 27 | 19 |
| Dividend Income | 7 | 9 |  | 7 | 9 |
|  | ---------- | ----------- |  | ---------- | ----------- |
| TOTAL TRUST INCOME | 2,392 | 2,427 |  | 2,392 | 2,427 |
|  | ---------- | ----------- |  | ---------- | ----------- |
| TOTAL TRUST EXPENDITURE |  |  |  |  |  |
|  |  |  |  |  |  |
| Management fee | 369 | 372 |  | 369 | 372 |
| Trustee’s fee | 33 | 33 |  | 33 | 33 |
| Auditors’ remuneration | 3 | 3 |  | 3 | 3 |
| Administrative expenses | 41 | 38 |  | 41 | 38 |
|  | ----------- | ------------- |  | ----------- | ------------- |
|  | 446 | 446 |  | 446 | 446 |
|  | ----------- | ------------- |  | ----------- | ------------- |
|  |  |  |  |  |  |
| INCOME BEFORE TAXATION | 1,946 | 1,981 |  | 1,946 | 1,981 |
| TAXATION | - | - |  | - | - |
|  | ----------- | ------------ |  | ----------- | ------------ |
| INCOME AFTER TAXATION | 1,946 | 1,981 |  | 1,946 | 1,981 |
|  | ====== | ====== |  | ====== | ====== |
| NET INCOME FOR THE PERIOD IS MADE UP THE FOLLOWING: |  |  |  |  |  |
| - Realised | 1,919 | 1,962 |  | 1,919 | 1,962 |
| - Unrealised | 27  ---------  1,946  ===== | 19  ---------  1,981  ===== |  | 27  ---------  1,946  ===== | 19  ---------  1,981  ===== |
|  |  |  |  |  |  |
| EARNINGS A UNIT (SEN) | 1.95 | 1.98 |  | 1.95 | 1.98 |
|  | ==== | ==== |  | ==== | ==== |

(The Condensed Income Statement should be read in conjunction with the Annual Financial Report for the year ended December 31, 2009).

AMANAH HARTA TANAH PNB

UNAUDITED CONDENSED STATEMENT OF CHANGES

IN NET ASSET VALUE FOR THE QUARTER ENDED MARCH 31, 2010

|  |  |  |  |
| --- | --- | --- | --- |
|  | Unitholders  Capital  (RM’000) | Accumulated  Income  (RM’000) | Total  Unitholders’  Fund  (RM’000) |
| 3-Month Quarter  Ended March 31, 2010 |  |  |  |
| At January 1, 2010  Net income for the period  Income distribution during the period:  Final income distribution  (Year ended Dec. 31, 2009) | 100,000  -    - | 50,792  1,946    (3,750) | 150,792  1,946  (3,750) |
|  | ------------ | ------------ | ------------ |
| At March 31, 2010 | 100,000 | 48,988 | 148,988 |
|  | ====== | ====== | ====== |

|  |  |  |  |
| --- | --- | --- | --- |
| 3-Month Quarter  Ended March 31, 2009 |  |  |  |
| At January 1, 2009  Net income for the period  Income distribution during the period:  Final income distribution  (Year ended Dec. 31, 2008) | 100,000    -  - | 50,079    1,981      (3,500) | 150,079  1,981      (3,500) |
|  | ------------ | ------------ | ------------ |
| At March 31, 2009 | 100,000 | 48,560 | 148,560 |
|  | ====== | ====== | ====== |

(The Condensed Statement of Changes in Net Asset Value should be read in conjunction with the

Annual Financial Report for the year ended December 31, 2009).

AMANAH HARTA TANAH PNB

UNAUDITED CONDENSED CASH FLOW STATEMENT FOR

THE QUARTER ENDED MARCH 31, 2010

|  |  |  |
| --- | --- | --- |
|  | 3 Month  Ended  March 31,  2010  (RM’000) | 3 Month  Ended  March 31,  2009  (RM’000) |
| CASH FLOW FROM OPERATING ACTIVITIES |  |  |
| Income before taxation | 1,946 | 1,981 |
| Adjustment for non-cash flow:- |  |  |
| Non-cash items | (27) | (19) |
| Non-operating items | ( 48) | (85) |
|  | ------------ | ------------ |
| Operating profit before working capital changes | 1,871 | 1,877 |
| Changes in working capital: |  |  |
| Net change in current assets | (723) | (652) |
| Net change in current liabilities | 110 | 369 |
|  | ------------ | ------------ |
| Cash generated from operations | 1,258 | 1,594 |
| Income taxes paid | - | - |
|  | ------------ | ------------ |
| Net cash flows from operating activities | 1,258 | 1,594 |
|  | ------------ | ------------ |
| CASH FLOW FROM INVESTING ACTIVITIES |  |  |
| Equity investments | (356) | 62 |
| Other investments | 41 | 60 |
|  | ------------ | ------------ |
| Net cash generated from investing activities | (315) | 122 |
|  | ------------ | ------------ |
| CASH FLOW FROM FINANCING ACTIVITIES |  |  |
| Payment of income distribution | (3,750) | (3,500) |
|  | ------------ | ------------ |
| Net cash used in financing activities | (3,750) | (3,500) |
|  | ------------ | ------------ |
| NET INCREASE/(DECREASE) IN CASH AND CASH  EQUIVALENTS | (2,807) | 1,784 |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD | 8,274 | 9,208 |
|  | ------------ | ------------ |
| CASH AND CASH EQUIVALENTS AT END OF THE  PERIOD | 5,467 | 7,424 |
|  | ====== | ====== |

(The Condensed Cash Flow Statement should be read in conjunction with the Annual Financial Report

for the year ended December 31, 2009).

AMANAH HARTA TANAH PNB

EXPLANATORY NOTES AS REQUIRED BY FRS 134

A1. BASIS OF PREPARATION

The quarterly financial report has been prepared in accordance with FRS 134: Interim Financial Reporting and should be read in conjunction with the audited financial statements for the year ended December 31, 2009.

The accounting policies and methods of computation used in the preparation of the interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2009.

A2. AUDIT REPORT OF PRECEDING FINANCIAL YEAR ENDED 31 DECEMBER 2009

The audit report of the financial statements for the preceding year ended December 31, 2009, was not qualified.

A3. SEASONALITY OR CYCLICALITY OF OPERATIONS

The business operations of the Trust are not affected by material seasonal or cyclical factors.

A4. UNUSUAL ITEMS

There were no unusual items to be disclosed for the quarter under review.

A5. CHANGES IN ESTIMATES

This is not applicable as no estimates were previously reported.

A6. DEBT AND EQUITY SECURITIES

There was no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current quarter and year-to-date.

A7. INCOME DISTRIBUTION

A final income distribution of RM3.75 million or 3.75 sen a unit (tax exempt at Trust level) for the year ended December 31, 2009, was paid during the quarter.

A8. SEGMENTAL REPORTING

Not applicable.

A9. VALUATIONS OF PROPERTY, PLANT AND EQUIPMENT

The value of the real estates has been brought forward from the previous annual financial statements without amendment.

A10. MATERIAL EVENTS

The Trustee on behalf of AHP on March 4, 2010 has entered into a Sale and Purchase Agreement (SPA) to dispose three properties in the portfolio of AHP to Permodalan Nasional Berhad. The details of the properties are as follows:

|  |  |  |
| --- | --- | --- |
| **Real Estate** | **Disposal**  **Value**  **(RM)** | **Book**  **Value**  **(RM)** |
| 2 ½ Storey Shopoffice,  Kompleks Shahab Perdana,  Alor Setar, Kedah | 500,000 | 500,000 |
| 4 Storey Shophouse,  Jalan Tun Ismail, Kuantan, Pahang | 960,000 | 960,000 |
| 3 Storey Shopoffice,  Jalan Indera Kayangan, Kangar, Perlis | 550,000 | 550,000 |

The completion of the above SPA is expected to be completed by third quarter 2010.

A11. EFFECT OF CHANGES IN THE COMPOSITION OF THE TRUST

The composition of the investment portfolio of the fund is as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Investments | Unaudited as at 31.03.2010 | | Audited as at 31.12.2009 | |
|  | (RM’000) | (%) | (RM’000) | (%) |
| Real estates | 143,290 | 95.23 | 143,290 | 93.73 |
| Real estate related–assets | 81 | 0.05 | 48 | 0.03 |
| Non-real estate related-assets | 1,630 | 1.09 | 1,272 | 0.83 |
| Deposits with financial  institutions, cash and bank  balances | 5,467 | 3.63 | 8,274 | 5.41 |
|  | -----------  150,468  ====== | ---------  100.00  ===== | -----------  152,884  ====== | --------  100.00  ==== |

A12. CONTINGENT LIABILITIES OR CONTINGENT ASSETS

There were no contingent liabilities or contingent assets to be disclosed.

ADDITIONAL INFORMATION PURSUANT TO PARAGRAPH 9.44 OF BURSA MALAYSIA SECURITIES BERHAD’S MAIN MARKET LISTING REQUIREMENTS

B1. REVIEW OF PERFORMANCE

For the quarter ended March 31, 2010, the Trust recorded total revenue of RM3.684 million, representing a slight increase of RM0.064 million or 1.77% from RM3.620 million achieved in the corresponding quarter in 2009.

Total expenditure for the quarter under review was RM1.738 million, representing an increase of RM0.099 million or 6.04% from RM1.639 million recorded in the corresponding period in 2009. The increase was mainly attributed by an increase of property operating expenditure of RM0.1 million from RM0.957 million recorded in the corresponding period in 2009 to RM1.057 million.

For the quarter under review, the income before taxation recorded a decrease of RM0.035 million or 1.77% from RM1.981 million recorded in the corresponding period last year to RM1.946 million.

B2. MATERIAL CHANGES IN INCOME BEFORE TAXATION FOR THE QUARTER AS COMPARED WITH THE IMMEDIATE PRECEDING QUARTER

The income before taxation for the quarter ended March 31, 2010 was RM1.946 million, representing an increase of RM0.406 million or 26.36% as compared with income before taxation of RM1.540 million recorded in the immediate preceding quarter ended December 31, 2009. The increase was mainly due to no borrowing cost incurred during the quarter under review as compared with RM0.370 million recorded in the immediate preceding quarter.

B3. OFF-BALANCE SHEET FINANCIAL INSTRUMENTS

The Trust has no financial instruments with off-balance sheet risks as at the latest practicable date from the date of the issuance of this report that might materially affect the position or business of the Trust.

B4. SUMMARY OF EARNINGS PER UNIT, NET ASSET VALUE AND MARKET PRICE

|  |  |  |
| --- | --- | --- |
|  | Current Quarter  Ended  31.03.2010 | Immediate Preceding Quarter Ended 31.12.2009 |
|  |  |  |
| Authorised units (‘000)  Number of units in issue (‘000) | 1,000,000  100,000 \* | 1,000,000  100,000 |
| Net income attributable to unitholders (RM’000) | 1,946 | 1,540 |
| Earnings per unit (sen) | 1.95 | 1.54 |
| Net asset value (RM’000) | 148,988 | 150,792 |
| Net asset value per unit (RM) | 1.4899 | 1.5079 |
| Market price per unit (RM) | 0.93 | 0.92 |

\* The Manager did not hold any unit in the Trust, however, Permodalan Nasional Berhad held 4,439,000 units, representing approximately 4.44% of the total units in issue.

B5. PROSPECTS

As at the end of the current quarter, the level of occupancy of the real estates of the Trust stood at 96%, the same level as December 31, 2009. Based on the stable level of occupancy, the occupancy rate of the real estates of the Trust is expected to remain within the present level for the remaining period of the financial year. Management also anticipated that average rental rate for real estates in the portfolio of AHP will be further enhanced due to several tenancies renewal in year 2010.

B6. STATUS OF CORPORATE PROPOSALS

1. There were no corporate proposals announced but not completed at the latest practicable date from the date of the issuance of this report.
2. There were no proceeds raised from any corporate proposal.

B7. MATERIAL LITIGATION

There was no pending material litigation as at the latest practicable date from the date of the issuance of this report.

B8. MAINTENANCE COST AND MAJOR CAPITAL EXPENDITURE

There were no major maintenance and capital expenditure costs incurred during the quarter ended 31 March 2010.

B9. SOFT COMMISSION

There was no soft commission received by the Manager or its delegates during the quarter under review.

B10. TRANSACTIONS WITH STOCK BROKING COMPANIES

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Stock Broker | Value  of Trade | Percentage  of Total Trade | Brokerage  Fees | Percentage of Brokerage fees |
|  | (RM) | (%) | (RM) | (%) |
| Maybank Investment Bank  Berhad \* | 299,050 | 82.58 | 673 | 82.58 |
| ECM Libra Investment Bank  Berhad | 63,100 | 17.42 | 142 | 17.42 |
|  | -----------  362,150  ====== | ---------  100.00  ===== | -------  815  ==== | ---------  100.00  ===== |

\* The holding company of the stockbroking company is a substantial shareholder of the Manager

The dealings with the above stockbroking companies have been transacted at arm’s length based on the normal terms in the stockbroking industry.

B11. COMPOSITION OF THE INVESTMENT PORTFOLIO

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Investments | Units  (’000) | Total Cost  (RM’000) | Market Value  (RM’000) | Percentage of Market Value Over Net Asset Value  (%) |
| Real estates  - Commercial and office  buildings | 0.014 | 112,284 | 143,290 | 96.18 |
| Real estate related–assets  by sector:  - Property  - REITs | 20  25 | 32  32 | 31  50 | 0.02  0.03 |
| Non-real estate related-  assets by sector:  - Consumer product  - Finance  - Infrastructure project  - Plantations  - Trading/services | 10  18  32  10  215 | 63  100  68  55  1,295 | 64  136  69  54  1,307 | 0.04  0.09  0.05  0.04  0.88 |
| Deposits with financial  institutions, cash and bank  balances |  | 5,467 | 5,467 | 3.67 |
| Total | | -----------  119,396  ====== | -----------  150,468  ====== |  |

B12. TAXATION

The Trust has been exempted from income tax on all income provided that at least 90% of its total income pursuant to Section 61A of the Income Tax Act 1967, is distributed to the unitholders in the basis period effective from year of assessment 2007.

The Trust estimates that it will distribute at least 90% of its total income chargeable to tax for the whole financial year and accordingly the Trust is not subject to income tax for the three-month period ended 31 March 2010.

A reconciliation of income tax expense applicable to income before taxation at the statutory income tax rate to income tax expenses at the effective income tax rate of the Trust is as follows:-

|  |  |  |
| --- | --- | --- |
|  | Current Quarter  RM’000 | Year-to-date  RM’000 |
| Income before taxation | 1,946  ==== | 1,946  ==== |
| Taxation at Malaysian statutory tax  rate of 25%  Effect on income not subject to tax  Effect on expenses not deductible for tax  purposes  Effects on income distribution exempted  from tax at trust level  Utilisation of current year capital  allowances  Tax expense for the period | 487 (17)    17  (474)  (13)  *---------*  - | 487  (17)  17  (474)  (13)  *---------*  - |
|  | ***=====*** | *=====* |

B13. BORROWINGS AND DEBT SECURITIES

There were no borrowings and debt securities as at the end of the reporting period.

B14. INCOME DISTRIBUTION

No income distribution has been declared for the quarter ended March 31, 2010.

B15. STATEMENT BY THE DIRECTORS OF THE MANAGER

In the opinion of the Directors of the Manager, the quarterly report has been prepared in accordance with FRS 134: Interim Financial Reporting and Paragraph 9.44 of the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad so as to give a true and fair view of the financial position of Amanah Harta Tanah PNB as at 31 March 2010 and of its results and the cash flows for the quarter/period ended on that date and duly authorised for release by the Board of the Manager on 4 May 2010.

BY ORDER OF THE BOARD

ADIBAH KHAIRIAH BINTI ISMAIL @ DAUD (MIA 13755)

Company Secretary

PELABURAN HARTANAH NASIONAL BERHAD (175967-W)

(As the Manager of Amanah Harta Tanah PNB)

Kuala Lumpur

May 31, 2010