

AMANAH HARTA TANAH PNB

UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION

	AS AT END OF CURRENT QUARTER 30.09.2013 (Unaudited) RM'000	AS AT PRECEDING FINANCIAL YEAR ENDED 31.12.2012 (Audited) RM'000
<u>INVESTMENTS</u>		
Real estates	165,329	161,150
Real estate-related assets	190	220
Non-real estate-related assets	1,862	1,779
Deposits with financial institutions	14,111	13,812
	181,492	176,961
<u>OTHER ASSETS</u>		
Equipment, furniture and fittings	23	11
Tax recoverable	668	666
Trade receivables	898	486
Other receivables	484	340
Cash and bank balances	36	102
	2,109	1,605
TOTAL ASSETS	183,601	178,566
<u>LIABILITIES</u>		
Financing	20,767	14,390
Rental deposits	4,325	3,874
Other payables	1,275	774
Amount due to Manager	267	135
TOTAL LIABILITIES	26,634	19,173
<u>EQUITY</u>		
Unit holders' capital	100,000	100,000
Undistributed income	56,967	59,393
TOTAL EQUITY	156,967	159,393
TOTAL EQUITY AND LIABILITIES	183,601	178,566
NUMBER OF UNITS IN CIRCULATION	100,000	100,000
NET ASSET VALUE ("NAV")	156,967	159,393
NAV (EX-DISTRIBUTION) PER UNIT (RM)	1.5697	1.5939

(The Unaudited Condensed Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year Ended December 31, 2012).

AMANAH HARTA TANAH PNB
UNAUDITED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year 3rd Quarter 30.09.2013 RM'000	Preceding Year 3rd Quarter 30.09.2012 RM'000	Current Year To-date 30.09.2013 RM'000	Preceding Year Corresponding Period 30.09.2012 RM'000
TOTAL REVENUE	3,531	3,807	10,879	11,730
Gross rental income	3,487	3,601	10,453	11,050
Less: Assessment	(438)	(223)	(655)	(666)
Quit rent	(14)	(15)	(41)	(43)
Other property operating expenditure	(1,155)	(1,057)	(3,369)	(3,139)
Depreciation	(2)	(1)	(3)	(2)
Net rental income	1,878	2,305	6,385	7,200
Interest income from deposits with financial institutions	100	120	300	256
Net gain/(loss) on real estate/ non-real estate-related asset:				
Realised gain on disposal	33	6	33	230
Unrealised gain/(loss) on valuation	(119)	53	12	130
Dividend income	30	27	81	64
	1,922	2,511	6,811	7,880
EXPENSES				
Manager's fee	398	392	1,183	1,166
Trustee's fee	33	33	98	98
Auditors' remuneration	4	3	10	9
Valuation fee	-	-	5	25
Printing, postage and general expenses	38	8	93	60
Finance costs	166	144	449	353
Recovery for impairment of trade receivable	-	-	(1)	-
	639	580	1,837	1,711
INCOME BEFORE TAXATION	1,283	1,931	4,974	6,169
TAXATION	-	-	-	-
INCOME AFTER TAXATION	1,283	1,931	4,974	6,169
OTHER COMPREHENSIVE INCOME	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	1,283	1,931	4,974	6,169
NET INCOME AFTER TAXATION IS MADE UP OF THE FOLLOWING:				
- Realised	1,402	1,878	4,962	6,039
- Unrealised	(119)	53	12	130
	1,283	1,931	4,974	6,169
EARNINGS PER UNIT (SEN)	1.28	1.93	4.97	6.17

(The Unaudited Condensed Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended December 31, 2012).

AMANAH HARTA TANAH PNB

UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY
THE PERIOD SEPTEMBER 30, 2013

	Unit holders' Capital (RM'000)	Undistributed Income		Total Equity (RM'000)
		Realised (RM'000)	Unrealised (RM'000)	
<u>3-Month Quarter Ended September 30, 2013</u>				
At 1 January 2013	100,000	19,494	39,899	159,393
Transfer to realised income	-	145	(145)	-
Total comprehensive income for the period	-	4,962	12	4,974
Income distribution during the period:				
Final income distribution (Year ended Dec. 31, 2012)	-	(3,700)	-	(3,700)
Interim income distribution (Year ended Dec. 31, 2012)	-	(3,700)	-	(3,700)
At September 30, 2013	<u>100,000</u>	<u>17,201</u>	<u>39,766</u>	<u>156,967</u>
<u>3-Month Quarter Ended September 30, 2012</u>				
At 1 January 2012	100,000	18,691	37,778	156,469
Transfer to realised income	-	20	(20)	-
Total comprehensive income for the period	-	6,039	130	6,169
Income distribution during the period:				
Final income distribution (Year ended Dec. 31, 2011)	-	(3,700)	-	(3,700)
Interim income distribution (Year ended Dec. 31, 2011)	-	(3,700)	-	(3,700)
At September 30, 2012	<u>100,000</u>	<u>17,350</u>	<u>37,888</u>	<u>155,238</u>

(The Unaudited Condensed Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended December 31, 2012).

AMANAH HARTA TANAH PNB

UNAUDITED CONDENSED STATEMENT OF
CASH FLOW FOR THE PERIOD ENDED SEPTEMBER 30, 2013

	9-Month Ended September 30, <u>2013</u> (RM'000)	9-Month Ended September 30, <u>2012</u> (RM'000)
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income before taxation	4,974	6,169
Adjustments for non-cash flow:		
Non-cash items	(9)	(128)
Non-operating items	<u>34</u>	<u>(197)</u>
Operating profit before working capital changes	4,999	5,844
Changes in working capital		
Net change in current assets	(592)	9
Net change in current liabilities	<u>1,082</u>	<u>1,412</u>
Net cash generated from operating activities	<u>5,489</u>	<u>7,265</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Real estates	(5,179)	(4,086)
Equipment, furniture and fittings	(15)	-
Real estate/non-real estate-related asset	1,068	3,426
Interest received	<u>302</u>	<u>242</u>
Net cash generated from investing activities	<u>(3,824)</u>	<u>(418)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Payment of income distribution	(7,400)	(7,400)
Proceed from revolving credit facility	6,377	4,740
Profit paid for revolving credit facility	<u>(409)</u>	<u>(320)</u>
Net cash used in financing activities	<u>(1,432)</u>	<u>(2,980)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	233	3,867
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	<u>13,914</u>	<u>10,071</u>
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	<u>14,147</u>	<u>13,938</u>

(The Unaudited Condensed Statement of Cash Flow should be read in conjunction with the Annual Financial Report for the year ended December 31, 2012).

AMANAH HARTA TANAH PNB

EXPLANATORY NOTES AS REQUIRED BY MFRS 134 INTERIM FINANCIAL REPORTING ("MFRS 134")

A1. BASIS OF PREPARATION

The quarterly financial report has been prepared in accordance with MFRS 134: Interim Financial Reporting and should be read in conjunction with the audited financial statements for the year ended December 31, 2012.

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 2012.

A2. AUDIT REPORT FOR PRECEDING FINANCIAL YEAR

The audit report of the financial statements for the preceding year ended December 31, 2012, 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 were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current quarter and year-to-date.

A7. INCOME DISTRIBUTION

No income distribution was paid during the current quarter.

A8. SEGMENTAL REPORTING

No segment information is prepared as the Trust's assets are located in Malaysia and hence, revenue is generated in Malaysia.

A9. VALUATIONS OF INVESTMENT IN REAL ESTATES

The value of the real estates has been brought forward from the previous annual financial statements without amendment. During the quarter under review, AHP has capitalised an amount of RM3.183 million, being the upgrading and renovation costs of Plaza VADS and Bangunan AHP incurred during the period.

A10. MATERIAL EVENTS

There were no material events as at the latest practicable date from the date of this report.

A11. EFFECT OF CHANGES IN THE COMPOSITION OF THE TRUST

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

Investments	Unaudited as at 30.09.2013		Audited as at 31.12.2012	
	(RM'000)	(%)	(RM'000)	(%)
Real estates	165,329	91.08	161,150	91.02
Real estate related-assets	190	0.10	220	0.12
Non-real estate-related assets	1,862	1.03	1,779	1.00
Deposits with financial institutions, cash and bank balances	14,147	7.79	13,914	7.86
	<u>181,528</u>	<u>100.00</u>	<u>177,063</u>	<u>100.00</u>

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 September 30, 2013, the Trust recorded total revenue of RM3.531 million, representing a reduction of RM0.276 million or 7.25% from RM3.807 million achieved in the corresponding quarter in 2012.

Total expenditure for the quarter under review was RM2.248 million, representing an increase of RM0.372 million or 19.83% from RM1.876 million recorded in the corresponding period in 2012.

For the quarter under review, the income before taxation recorded a reduction of RM0.648 million or 33.56% to RM1.283 million from RM1.931 million recorded in the corresponding period last year.

B2. CHANGES IN THE STATE OF AFFAIRS

There was no material change in the state of affairs of the Trust for the quarter under review.

B3. SUMMARY OF EARNINGS PER UNIT, NET ASSET VALUE AND MARKET PRICE

	Current Quarter Ended <u>30.09.2013</u>	Immediate Preceding Quarter Ended <u>30.06.2013</u>
Authorised units ('000)	1,000,000	1,000,000
Number of units in issue ('000)	100,000 *	100,000 *
Total comprehensive income (RM'000)	4,974	3,691
Earnings per unit (sen)	4.97	3.69
Net asset value (RM'000)	156,967	159,384
Net asset value per unit (RM)	1.5697	1.5938
Market price per unit (RM)	1.14	1.15

* The Manager did not hold any unit in the Trust, however, Permodalan Nasional Berhad, a holding company of the Manager, held 5,063,500 units, representing approximately 5.06% of the total units in issue.

B4. REVIEW OF COMMERCIAL PROPERTY MARKET

The overall industry trend of purpose-built office sector remained robust as the take-up space and occupancy rates increased steadily despite concerns over the supply continued to outstrip demand. This is mainly due to the contribution from corporate expansions as well as business services sector in tandem with better economic growth. The domestic economy grew at an annualised 4.1% and 4.3% in first and second quarters of 2013 respectively. Concurrently, AHP's underlying asset portfolio performance, in terms of occupancies and rentals remained stable.

B5. PROSPECTS

In view of the sustainable level of occupancy of the real estate of AHP, Management anticipates that the performance of the real estate of AHP will remain favourable for the current financial year.

B6. STATUS OF CORPORATE PROPOSALS

There were no proceeds raised from any corporate proposal.

B7. UTILISATION OF PROCEEDS RAISED FROM ANY ISSUANCE OF NEW UNITS

There were no issuances of new units for the quarter under review.

B8. CIRCUMSTANCES AFFECTING INTEREST OF UNIT HOLDERS

There were no unusual circumstances which materially affect the interest of the unit holders for the quarter under review.

B9. MATERIAL LITIGATION

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

B10. MAINTENANCE COST AND MAJOR CAPITAL EXPENDITURE

There were no major maintenance cost incurred during the quarter under review. However, capital expenditure amounting to RM3.183 million has been incurred during the quarter under review.

B11. SOFT COMMISSION

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

B12. INCOME RECOGNITION

- (i) Rental Income
Rental income from real estate is accounted for on an accrual basis.
- (ii) Gross Dividend Income
Gross dividend income from quoted shares are recognised on a declared basis, when the right to receive dividends has been established.
- (iii) Other Income
Interest income, car park income and other real estate income are accounted for on an accrual basis.

B13. MANAGEMENT FEE

The Manager is entitled to a fee not exceeding 2% per annum of the net asset value of the Trust on each day of the accrual period, as defined in the Deed of Trust. The management fee charged for the quarter ended 30 September 2013 is 1% (2012: 1%) per annum of the daily net asset value of the Trust.

No other fee, commission or initial service charges has been paid or is payable to the Manager.

B14. TRUSTEE'S FEE

The Trustee is entitled to a fee not exceeding 0.1% per annum of the net asset value of the Trust on each day of the accrual period, as defined in the Deed of Trust. The Trustee's fee charged for the quarter ended 30 September 2013 is RM97,500 (2012: RM97,500).

B15. TRANSACTIONS WITH STOCK BROKING COMPANIES

Stockbroker	Value of Trade (RM)	Percentage of Total Trade (%)	Brokerage Fees (RM)	Percentage of Brokerage Fees (%)
1. Maybank Investment Bank Berhad *	474,701	83.98	316	63.58
2. HwangDBS Investment Bank Berhad	90,552	16.02	181	36.42
	565,253	100.00	497	100.00

* PNB has direct equity holdings in the ultimate holding company of the stockbroking company.

The dealings with the above stockbroking company has been transacted at arm's length based on the normal terms in the stockbroking industry.

B16. COMPOSITION OF THE INVESTMENT PORTFOLIO

<u>Investments</u>	<u>Units</u>	<u>Total Cost</u> (RM'000)	<u>Fair Value</u> (RM'000)	Percentage of Fair Value Over Net Asset <u>Value</u> (%)
Real estates	8	124,841	165,329	105.33
Real estate related-assets	55,714	124	190	0.12
Non-real estate related-assets	211,567	1,641	1,862	1.19
Deposits with financial institutions, cash and bank balances		14,147	14,147	9.01
Total	<u>267,289</u>	<u>140,753</u>	<u>181,528</u>	115.65

B17. TAXATION

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

The Trust estimates that it will distribute at least 90% of its chargeable income for the whole financial year and accordingly the Trust is not subject to income tax for the year ended December 31, 2013.

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	<u>1,283</u>	<u>4,974</u>
Taxation at Malaysian statutory tax rate of 25%	321	1,244
Effect on income not subject to tax	(2)	(98)
Effect on expenses not deductible for tax purposes	19	47
Effect on income distribution exempted from tax at trust level	(338)	(1,185)
Utilisation of current year capital allowances	<u>-</u>	<u>(8)</u>
Tax expense for the period	<u>-</u>	<u>-</u>

B18. BORROWINGS AND DEBT SECURITIES

There were no borrowings or debt securities except for the Revolving Credit-i Facility.

B19. INCOME DISTRIBUTION

Income distribution for the current year to-date, is as follows:

	Gross RM'000	Net RM'000
Interim income distribution of 3.70 sen per unit (Payment date : 30 August 2013)	3,700	3,700
Total distribution for the period	<u>3,700</u>	<u>3,700</u>
Distribution per unit (sen)	<u>3.70</u>	<u>3.70</u>

B20. SOURCE OF DISTRIBUTION

Distribution to unit holders is from the following sources:

	RM'000
Net rental income	5,158
Gross dividends from investments in:	
Real estate-related assets	10
Non-real estate-related assets	68
Interest income from deposits with financial institutions	<u>300</u>
	5,536
Less: Expenses	<u>(1,836)</u>
Total distribution	<u>3,700</u>
Gross income distribution per unit (sen)	3.70
Net income distribution per unit (sen)	<u>3.70</u>

B21. 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 MFRS 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 September 30, 2013 and its results and the cash flows for the quarter ended on that date and duly authorised for release by the Board of the Manager on November 27, 2013.

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
November 27, 2013