

AMANAH HARTA TANAH PNB

UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION

	AS AT END OF CURRENT QUARTER 31.12.2013 (Unaudited) RM'000	AS AT PRECEDING FINANCIAL YEAR ENDED 31.12.2012 (Audited) RM'000
<u>INVESTMENTS</u>		
Real estates	164,500	161,150
Real estate-related assets	189	220
Non-real estate-related assets	1,873	1,779
Deposits with financial institutions	15,780	13,812
	<u>182,342</u>	<u>176,961</u>
<u>OTHER ASSETS</u>		
Equipment, furniture and fittings	22	11
Tax recoverable	668	666
Trade receivables	716	486
Other receivables	185	340
Cash and bank balances	33	102
	<u>1,624</u>	<u>1,605</u>
TOTAL ASSETS	<u><u>183,966</u></u>	<u><u>178,566</u></u>
<u>LIABILITIES</u>		
Financing	20,767	14,390
Rental deposits	4,325	3,874
Other payables	785	774
Amount due to Manager	135	135
TOTAL LIABILITIES	<u>26,012</u>	<u>19,173</u>
<u>EQUITY</u>		
Unit holders' capital	100,000	100,000
Undistributed income	57,954	59,393
TOTAL EQUITY	<u>157,954</u>	<u>159,393</u>
TOTAL EQUITY AND LIABILITIES	<u>183,966</u>	<u>178,566</u>
NUMBER OF UNITS IN CIRCULATION	<u>100,000</u>	<u>100,000</u>
NET ASSET VALUE ("NAV")	<u>157,954</u>	<u>159,393</u>
NAV (EX-DISTRIBUTION) PER UNIT (RM)	<u>1.5795</u>	<u>1.5939</u>

(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 4th Quarter 31.12.2013 RM'000	Preceding Year 4th Quarter 31.12.2012 RM'000	Current Year To-date 31.12.2013 RM'000	Preceding Year Corresponding Period 31.12.2012 RM'000
TOTAL REVENUE	2,943	6,208	13,822	17,939
Gross rental income	3,509	3,354	13,962	14,404
Less: Assessment	(225)	(222)	(880)	(888)
Quit rent	(14)	(14)	(55)	(57)
Other property operating expenditure	(1,057)	(1,151)	(4,426)	(4,290)
Depreciation	(1)	(1)	(4)	(3)
Net rental income	2,212	1,966	8,597	9,166
Interest income from deposits with financial institutions	117	104	417	360
Net gain/(loss) on real estate/ non-real estate-related asset:				
Realised gain on disposal	378	99	411	330
Unrealised gain/(loss) on valuation	(1,078)	2,634	(1,066)	2,764
Dividend income	17	17	98	81
	<u>1,646</u>	<u>4,820</u>	<u>8,457</u>	<u>12,701</u>
EXPENSES				
Manager's fee	398	395	1,581	1,561
Trustee's fee	32	32	130	130
Auditors' remuneration	4	5	14	14
Valuation fee	-	1	5	26
Printing, postage and general expenses	5	29	98	89
Finance costs	206	144	655	497
Allowance for impairment of trade receivable	14	60	13	60
	<u>659</u>	<u>666</u>	<u>2,496</u>	<u>2,377</u>
INCOME BEFORE TAXATION	987	4,154	5,961	10,324
TAXATION	-	-	-	-
INCOME AFTER TAXATION	<u>987</u>	<u>4,154</u>	<u>5,961</u>	<u>10,324</u>
OTHER COMPREHENSIVE INCOME	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>987</u>	<u>4,154</u>	<u>5,961</u>	<u>10,324</u>
NET INCOME AFTER TAXATION IS MADE UP OF THE FOLLOWING:				
- Realised	2,065	1,520	7,027	7,560
- Unrealised	(1,078)	2,634	(1,066)	2,764
	<u>987</u>	<u>4,154</u>	<u>5,961</u>	<u>10,324</u>
EARNINGS PER UNIT (SEN)	<u>0.99</u>	<u>4.15</u>	<u>5.96</u>	<u>10.32</u>

(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 DECEMBER 31, 2013

	Unit holders' Capital <u>(RM'000)</u>	Undistributed Income		Total Equity <u>(RM'000)</u>
		<u>Realised</u> <u>(RM'000)</u>	<u>Unrealised</u> <u>(RM'000)</u>	
<u>3-Month Quarter</u> <u>Ended December 31, 2013</u>				
At 1 January 2013	100,000	19,494	39,899	159,393
Transfer to realised income	-	143	(143)	-
Total comprehensive income for the period	-	7,027	(1,066)	5,961
Income distribution during the period:				
Final income distribution (Year ended Dec. 31, 2012)	-	(3,700)	-	(3,700)
Interim income distribution (Year ended Dec. 31, 2013)	-	(3,700)	-	(3,700)
At December 31, 2013	<u>100,000</u>	<u>19,264</u>	<u>38,690</u>	<u>157,954</u>
<u>3-Month Quarter</u> <u>Ended December 31, 2012</u>				
At 1 January 2012	100,000	18,691	37,778	156,469
Transfer to realised income	-	644	(644)	-
Total comprehensive income for the period	-	7,560	2,764	10,324
Income distribution during the period:				
Final income distribution (Year ended Dec. 31, 2011)	-	(3,700)	-	(3,700)
Interim income distribution (Year ended Dec. 31, 2012)	-	(3,700)	-	(3,700)
At December 31, 2012	<u>100,000</u>	<u>19,495</u>	<u>39,898</u>	<u>159,393</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 DECEMBER 31, 2013

	12-Month Ended December 31, <u>2013</u> (RM'000)	12-Month Ended December 31, <u>2012</u> (RM'000)
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income before taxation	5,961	10,324
Adjustments for non-cash flow:		
Non-cash items	1,083	(2,761)
Non-operating items	(267)	(214)
Operating profit before working capital changes	<u>6,777</u>	<u>7,349</u>
Changes in working capital		
Net change in current assets	(265)	(46)
Net change in current liabilities	575	(250)
Net cash generated from operating activities	<u>7,087</u>	<u>7,053</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Real estates	(4,046)	(4,320)
Equipment, furniture and fittings	(15)	-
Real estate/non-real estate-related asset	62	3,895
Interest received	405	359
Net cash generated from investing activities	<u>(3,594)</u>	<u>(66)</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	(571)	(484)
Net cash used in financing activities	<u>(1,594)</u>	<u>(3,144)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,899	3,843
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>15,813</u>	<u>13,914</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

A revaluation exercise was carried out on the entire real estate investments of AHP during the quarter under review pursuant to Clause 10.03 of the REIT Guidelines issued by the Securities Commission. The revaluation exercise reveals total market value of RM164.5 million resulting in unrealised loss on revaluation of RM1.075 million or 0.65% from carrying value of RM165.57 million.

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 31.12.2013		Audited as at 31.12.2012	
	(RM'000)	(%)	(RM'000)	(%)
Real estates	164,500	90.20	161,150	91.02
Real estate related-assets	189	0.10	220	0.12
Non-real estate-related assets	1,873	1.03	1,779	1.00
Deposits with financial institutions, cash and bank balances	15,813	8.67	13,914	7.86
	<u>182,375</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 December 31, 2013, the Trust recorded total revenue of RM2.943 million, representing a reduction of RM3.265 million or 52.59% from RM6.208 million achieved in the corresponding quarter in 2012.

Total expenditure for the quarter under review was RM1.956 million, representing a decrease of RM0.098 million or 4.77% from RM2.054 million recorded in the corresponding period in 2012.

For the quarter under review, the income before taxation recorded a reduction of RM3.167 million or 76.24% to RM0.987 million from RM4.154 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

	As at <u>31.12.2013</u>	As at <u>30.09.2013</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)	5,961	4,974
Earnings per unit (sen)	5.96	4.97
Net asset value (RM'000)	157,954	156,967
Net asset value per unit (RM)	1.5795	1.5697
Market price per unit (RM)	1.13	1.14

* 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 RM1.196 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 31 December 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 31 December 2013 is RM130,000 (2012: RM130,000).

B15. TRANSACTIONS WITH STOCK BROKING COMPANIES

No transaction recorded during the quarter ended December 31, 2013.

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	7	126,204	164,500	104.14
Real estate related-assets	66,058	151	189	0.12
Non-real estate related-assets	213,549	1,550	1,873	1.19
Deposits with financial institutions, cash and bank balances		15,813	15,813	10.01
Total	<u>279,614</u>	<u>143,718</u>	<u>182,375</u>	115.46

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>987</u>	<u>5,961</u>
Taxation at Malaysian statutory tax rate of 25%	247	1,490
Effect on income not subject to tax	133	35
Effect on expenses not deductible for tax purposes	10	57
Effect on income distribution exempted from tax at trust level	(390)	(1,574)
Utilisation of current year capital allowances	-	(8)
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
Final income distribution of 3.70 sen per unit (Payment date: 28 February 2014)	3,700	3,700
Total distribution for the period	<u>7,400</u>	<u>7,400</u>
Distribution per unit (sen)	<u>7.40</u>	<u>7.40</u>

B20. SOURCE OF DISTRIBUTION

Distribution to unit holders is from the following sources:

	RM'000
Net rental income	8,597
Gross dividends from investments in:	
Real estate-related assets	12
Non-real estate-related assets	83
Interest income from deposits with financial institutions	417
Gain on disposals of real estate	378
Gain on disposal of real estate/ non-real estate related asset	33
Other income	3
Retained earnings	<u>373</u>
	9,896
Less: Expenses	<u>(2,496)</u>
Total distribution	<u>7,400</u>
Gross income distribution per unit (sen)	7.40
Net income distribution per unit (sen)	<u>7.40</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 December 31, 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 January 29, 2014.

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
January 29, 2014