

AMANAH HARTA TANAH PNB

UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION

	AS AT END OF CURRENT QUARTER 30.09.2014 (Unaudited) RM'000	AS AT PRECEDING FINANCIAL YEAR ENDED 31.12.2013 (Audited) RM'000
INVESTMENTS		
Real estate	177,457	164,500
Real estate-related assets	531	189
Non-real estate-related assets	1,913	1,873
Deposits with financial institutions	7,923	15,780
	<u>187,824</u>	<u>182,342</u>
OTHER ASSETS		
Equipment, furniture and fittings	19	22
Tax recoverable	604	668
Trade receivables	597	716
Other receivables	698	185
Cash and bank balances	57	33
	<u>1,975</u>	<u>1,624</u>
TOTAL ASSETS	<u>189,799</u>	<u>183,966</u>
LIABILITIES		
Financing	29,586	20,767
Rental deposits	4,429	4,325
Other payables	722	785
Amount due to Manager	128	135
TOTAL LIABILITIES	<u>34,865</u>	<u>26,012</u>
EQUITY		
Unit holders' capital	100,000	100,000
Undistributed income	54,934	57,954
TOTAL EQUITY	<u>154,934</u>	<u>157,954</u>
TOTAL EQUITY AND LIABILITIES	<u>189,799</u>	<u>183,966</u>
NUMBER OF UNITS IN CIRCULATION	<u>100,000</u>	<u>100,000</u>
NET ASSET VALUE ("NAV")	<u>154,934</u>	<u>157,954</u>
NAV (EX-DISTRIBUTION) PER UNIT (RM)	<u>1.5493</u>	<u>1.5795</u>

(The Unaudited Condensed Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended December 31, 2013).

AMANAH HARTA TANAH PNB  
UNAUDITED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.09.2014 RM'000	Preceding Year Quarter 30.09.2013 RM'000	Current Year Quarter 30.09.2014 RM'000	Preceding Year Corresponding Quarter 30.09.2013 RM'000
<b>TOTAL REVENUE</b>	3,385	3,531	10,679	10,879
Gross rental income	3,248	3,487	10,212	10,453
Less: Assessment	(204)	(438)	(687)	(655)
Quit rent	(14)	(14)	(41)	(41)
Other property operating expenditure	(1,093)	(1,155)	(3,472)	(3,369)
Depreciation	(1)	(2)	(3)	(3)
Net rental income	1,936	1,878	6,009	6,385
Interest income from deposits with financial institutions	82	100	277	300
Net gain/(loss) on real estate/non-real estate-related asset:				
Realised gain on disposal	2	33	2	33
Unrealised gain/(loss) on valuation	17	(119)	89	12
Dividend income	36	30	99	81
	<u>2,073</u>	<u>1,922</u>	<u>6,476</u>	<u>6,811</u>
<b>EXPENSES</b>				
Manager's fee	393	398	1,170	1,183
Trustee's fee	33	33	98	98
Auditors' remuneration	3	4	10	10
Valuation fee	-	-	-	5
Professional fee	-	-	12	-
Printing, postage and general expenses	-	38	102	93
Financing costs	265	166	675	449
Allowance for impairment of trade receivable	-	-	-	(1)
Feasibility study	29	-	29	-
	<u>723</u>	<u>639</u>	<u>2,096</u>	<u>1,837</u>
<b>INCOME BEFORE TAXATION</b>	1,350	1,283	4,380	4,974
<b>TAXATION</b>	-	-	-	-
<b>INCOME AFTER TAXATION</b>	<u>1,350</u>	<u>1,283</u>	<u>4,380</u>	<u>4,974</u>
<b>OTHER COMPREHENSIVE INCOME</b>	-	-	-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<u>1,350</u>	<u>1,283</u>	<u>4,380</u>	<u>4,974</u>
<b>NET INCOME AFTER TAXATION</b>				
<b>IS MADE UP OF THE FOLLOWING:</b>				
- Realised	1,333	1,402	4,291	4,962
- Unrealised	17	(119)	89	12
	<u>1,350</u>	<u>1,283</u>	<u>4,380</u>	<u>4,974</u>
<b>EARNINGS PER UNIT (SEN)</b>	<u>1.35</u>	<u>1.28</u>	<u>4.38</u>	<u>4.97</u>

(The Unaudited Condensed Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended December 31, 2013).

AMANAH HARTA TANAH PNB

UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY  
THE PERIOD ENDED SEPTEMBER 30, 2014

	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>	
Current Year To-date				
At 1 January 2014	100,000	19,269	38,685	157,954
Transfer to realised income	-	(165)	165	-
Total comprehensive income for the period	-	4,291	89	4,380
Income distribution during the period:				
Final income distribution (Year ended Dec. 31, 2013)	-	(3,700)	-	(3,700)
Interim income distribution (Year ended Dec. 31, 2014)	-	(3,700)	-	(3,700)
At September 30, 2014	<u>100,000</u>	<u>15,995</u>	<u>38,939</u>	<u>154,934</u>
Preceding Year To-date				
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, 2013)	-	(3,700)	-	(3,700)
At September 30, 2013	<u>100,000</u>	<u>17,201</u>	<u>39,766</u>	<u>156,967</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, 2013).

AMANAH HARTA TANAH PNB

UNAUDITED CONDENSED STATEMENT OF  
CASH FLOW FOR THE PERIOD ENDED SEPTEMBER 30, 2014

	Current Year To-date 30.09.2014 (RM'000)	Preceding Year To-date 30.09.2013 (RM'000)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income before taxation	4,380	4,974
Adjustments for non-cash flow:		
Non-cash items	(86)	(9)
Non-operating items	297	34
Operating profit before working capital changes	<u>4,591</u>	<u>4,999</u>
Changes in working capital		
Net change in current assets	(348)	(592)
Net change in current liabilities	33	1,082
Net cash generated from operating activities	<u>4,276</u>	<u>5,489</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Real estate	(13,757)	(5,179)
Equipment, furniture and fittings	-	(15)
Real estate-related asset/non-real estate-related asset	600	1,068
Interest received	291	302
Net cash generated from investing activities	<u>(12,866)</u>	<u>(3,824)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Payment of income distribution	(7,400)	(7,400)
Proceed from revolving credit facility	8,819	6,377
Financing costs paid	(662)	(409)
Net cash used in financing activities	<u>757</u>	<u>(1,432)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	(7,833)	233
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	<u>15,813</u>	<u>13,914</u>
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	<u>7,980</u>	<u>14,147</u>

(The Unaudited Condensed Statement of Cash Flow should be read in conjunction with the Annual Financial Report for the year ended December 31, 2013).

AMANAH HARTA TANAH PNB

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

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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, 2013.

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 2013.

A2. AUDIT REPORT FOR PRECEDING FINANCIAL YEAR

The audit report of the financial statements for the preceding year ended December 31, 2013, 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

An income distribution of RM3.70 million or 3.70 sen a unit (tax exempt at trust level) for the six-month period ended June 30, 2014, 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 ESTATE

The value of the real estate has been brought forward from the previous annual financial statements without amendment. During the quarter under review, AHP has capitalised an amount of RM7.398 million, being the upgrading and renovation costs of Plaza VADS 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 end of current quarter		Audited as at preceeding financial year end	
	(RM'000)	(%)	(RM'000)	(%)
Real estate	177,457	94.45	164,500	90.20
Real estate related-assets	531	0.28	189	0.10
Non-real estate-related assets	1,913	1.02	1,873	1.03
Deposits with financial institutions, cash and bank balances	7,980	4.25	15,813	8.67
	<u>187,881</u>	<u>100.00</u>	<u>182,375</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

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B1. REVIEW OF PERFORMANCE

For the quarter ended September 30, 2014, the Trust recorded total revenue of RM3.385 million, representing a decrease of RM0.146 million or 4.13% from RM3.531 million achieved in the corresponding quarter in 2013.

Total expenditure for the quarter under review was RM2.035 million, representing a decrease of RM0.213 million or 9.48% from RM2.248 million recorded in the corresponding period in 2013.

For the quarter under review, the income before taxation recorded an increase of RM0.067 million or 5.22% to RM1.350 million from RM1.283 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 Year To-date	As at Preceding Financial Year End
Authorised units ('000)	1,000,000	1,000,000
Number of units in issue ('000)	100,000 *	100,000 *
Total comprehensive income (RM'000)	4,380	5,961
Earnings per unit (sen)	4.38	5.96
Net asset value (RM'000)	154,934	157,954
Net asset value per unit (RM)	1.5493	1.5795
Market price per unit (RM)	1.17	1.13

\* 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 stable as the take-up space and occupancy rates increased steadily as demand growth is catching up with the supply growth. 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 annualized 5.0% and 5.1% in third and fourth 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 RM7.398 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 current quarter is 1% (2013: 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 current quarter is RM32,500 (2013: RM32,500).

B15. TRANSACTIONS WITH STOCKBROKING COMPANIES

No transaction recorded during the current quarter.

B16. COMPOSITION OF THE INVESTMENT PORTFOLIO

<u>Investments</u>	<u>Units</u>	Total <u>Cost</u> (RM'000)	Fair <u>Value</u> (RM'000)	Percentage of Fair Value Over Net Asset <u>Value</u> (%)
Real estate	6	138,996	177,457	114.54
Real estate related-assets	186,714	423	531	0.34
Non-real estate related-assets	216,065	1,571	1,913	1.23
Deposits with financial institutions, cash and bank balances		7,980	7,980	5.15
Total		<u>148,970</u>	<u>187,881</u>	121.27

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>1,350</u>	<u>4,380</u>
Taxation at Malaysian statutory tax rate of 25%	338	1,095
Effect on income not subject to tax	(34)	(116)
Effect on expenses not deductible for tax purposes	13	44
Effect on income distribution exempted from tax at trust level	(317)	(1,020)
Utilisation of current year capital allowances	-	(3)
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 : 29 August 2014)	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	5,418
Gross dividends from investments in:	
Real estate-related assets	18
Non-real estate-related assets	74
Interest income from deposits with financial institutions	277
Gain on disposals of real estate	2
Gain on disposal of real estate/ non-real estate related asset	-
Other income	7
	<hr/>
	5,796
Less: Expenses	(2,096)
Total distribution	<hr/> <u>3,700</u>
Gross income distribution per unit (sen)	3.70
Net income distribution per unit (sen)	<hr/> <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, 2014 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 26, 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)