

UOA REAL ESTATE INVESTMENT TRUST
CONDENSED BALANCE SHEET
FOR THE QUARTER ENDED 31 MARCH 2007 (UNAUDITED)

	AS AT END OF CURRENT QUARTER 31.03.2007 RM	AS AT PRECEEDING FINANCIAL YEAR END 31.12.2006 RM
INVESTMENTS		
Real estate properties	345,550,000	345,550,000
PROPERTY, PLANT & EQUIPMENT	2,623	-
OTHER ASSETS		
Trade receivables	821,671	436,686
Other receivables	1,496,633	926,934
Current tax asset	118,313	73,313
Deposits with licensed financial institution	-	1,550,000
Cash and bank balances	1,099,916	407,019
	3,536,533	3,393,952
TOTAL ASSETS	349,089,156	348,943,952
LIABILITIES		
Other payables	2,010,196	1,088,831
Rental deposits	9,804,799	9,679,948
Amount due to Manager	123,440	124,485
Borrowings	69,700,000	65,600,000
Provision for taxation	-	-
Provision for income distribution	5,241,661	10,488,000
TOTAL LIABILITIES	86,880,096	86,981,264
NET ASSET VALUE	262,209,060	261,962,688
FINANCED BY:		
UNITHOLDERS' FUND		
Unitholders' capital	246,791,875	246,791,875
Revaluation reserve	-	-
Undistributed income	15,417,185	15,170,813
	262,209,060	261,962,688
NET ASSET VALUE PER UNIT	1.066	1.065
NUMBER OF UNITS IN CIRCULATION	245,948,700	245,948,700

The condensed balance sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements.

UOA REAL ESTATE INVESTMENT TRUST
CONDENSED INCOME STATEMENT
FOR THE QUARTER ENDED 31 MARCH 2007 (UNAUDITED)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31.03.2007 RM	Preceding Year Corresponding Quarter 31.03.2006 RM	Current Year To Date 31.03.2007 RM	Preceding Year To Date 31.03.2006 RM
TOTAL INCOME				
Gross rental	8,600,752	7,230,188	8,600,752	7,230,188
Property operating expenses	(1,933,199)	(1,569,483)	(1,933,199)	(1,569,483)
Net rental income	6,667,553	5,660,705	6,667,553	5,660,705
Interest income	11,912	11,776	11,912	11,776
Other income	26,248	14,600	26,248	14,600
	6,705,713	5,687,081	6,705,713	5,687,081
TOTAL EXPENDITURE				
Manager's fees	(360,000)	(330,000)	(360,000)	(330,000)
Trustee's fee	(29,504)	(27,049)	(29,504)	(27,049)
Borrowing costs	(752,036)	(696,488)	(752,036)	(696,488)
Auditors' remuneration	(5,000)	(5,000)	(5,000)	(5,000)
Tax agent's fee	(3,000)	(3,000)	(3,000)	(3,000)
Administrative expenses	(68,140)	(30,518)	(68,140)	(30,518)
	(1,217,680)	(1,092,055)	(1,217,680)	(1,092,055)
Net appreciation on fair values of Investment Properties	-	-	-	-
INCOME BEFORE TAXATION	5,488,033	4,595,026	5,488,033	4,595,026
TAXATION	-	(50,000)	-	(50,000)
INCOME AFTER TAXATION	5,488,033	4,545,026	5,488,033	4,545,026
INCOME DISTRIBUTION				
- Distributed Income	-	-	-	-
- Provision for Distribution	(5,241,661)	(4,365,275)	(5,241,661)	(4,365,275)
	246,372	179,751	246,372	179,751
INCOME BEFORE TAXATION IS ANALYSED AS FOLLOWS				
- Realised	5,488,033	4,595,026	5,488,033	4,595,026
- Unrealised	-	-	-	-
EARNINGS PER UNIT				
- after managers' fees (sen)	2.23	1.99	2.23	1.99
- before managers' fees (sen)	2.38	2.14	2.38	2.14

The condensed income statement should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements.

UOA REAL ESTATE INVESTMENT TRUST

**CONDENSED STATEMENT OF CHANGES IN NET ASSET VALUE
FOR THE QUARTER ENDED 31 MARCH 2007 (UNAUDITED)**

	Attributable to Unitholders' Funds			Total Unitholders' Funds	
	Unitholders' Capital RM	Distributable Undistributed Income Realised RM	Unrealised RM	Current Year To Date 31.03.2007 RM	Preceding Year To Date 31.03.2006 RM
Balance as at 1 January	246,791,875	1,120,813	14,050,000	261,962,688	240,330,580
Movements during the period					
Creation of new units	-	-	-	-	-
Adjustment to Listing Expenses	-	-	-	-	1,752
Net income for the period	-	5,488,033	-	5,488,033	4,545,026
Distribution to unitholder	-	(5,241,661)	-	(5,241,661)	(4,365,275)
Balance carried forward as at 31 March	<u>246,791,875</u>	<u>1,367,185</u>	<u>14,050,000</u>	<u>262,209,060</u>	<u>240,512,083</u>

The condensed statement of changes in net asset value should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements.

UOA REAL ESTATE INVESTMENT TRUST
CONDENSED CASH FLOW STATEMENT
FOR THE QUARTER ENDED 31 MARCH 2007 (UNAUDITED)

	Current Year To Date 31.03.2007 RM	Preceding Year To Date 31.03.2006 RM
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	5,488,033	4,595,026
Adjustment for:		
Listing expenses	-	1,752
Interest income	(11,912)	(11,776)
Interest expense	752,036	696,488
Depreciation	67	-
Allowance for Doubtful Debt	85,780	-
Gain on revaluation of investment properties	-	-
Operating profit before changes in working capital	6,314,004	5,281,490
Decrease/ (Increase) in receivables	(1,085,464)	2,015,555
Increase/ (Decrease) in payables	1,045,171	(801,335)
Net cash generated from operating activities	6,273,711	6,495,710
CASH FLOW FROM INVESTING ACTIVITY		
Interest income	11,912	11,776
Purchase of Property, Plant & Equipment	(2,690)	-
Investment in Investment Properties	-	-
Net cash generated from investing activity	9,222	11,776
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(752,036)	(696,488)
Distribution to Unitholders	(10,488,000)	-
Net Drawdown/ (Repayment) of borrowings	4,100,000	(11,500,000)
Net cash used in financing activities	(7,140,036)	(12,196,488)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(857,103)	(5,689,002)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	1,957,019	9,917,815
CASH AND CASH EQUIVALENTS AT END OF PERIOD	1,099,916	4,228,813
Cash and cash equivalents at end of period comprises:		
Deposits with licensed financial institution	-	2,200,000
Cash and bank balances	1,099,916	2,028,813
	1,099,916	4,228,813

The condensed cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements.

UOA REAL ESTATE INVESTMENT TRUST

EXPLANATORY NOTES TO THE QUARTERLY REPORT FOR THE QUARTER ENDED 31 MARCH 2007 (UNAUDITED)

A EXPLANATORY NOTES PURSUANT TO FRS 134

A1 BASIS OF PREPARATION

The quarterly financial report is unaudited and has been prepared in accordance with Financial Reporting Standard ("FRS") 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2006. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Trust since the year ended 31 December 2006.

A2 CHANGES IN ACCOUNTING POLICIES

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2006.

Nevertheless, the FRS that will be effective in the annual financial statements for the year ended 31 December 2006 may be affected by the issue of additional interpretation(s) or other changes announced by the MASB subsequent to the date of issuance of this quarterly report. Therefore the policies that will be applied in the UOA-REIT's financial statements for the period cannot be determined with certainty at the date of issuance of this quarterly financial report.

A3 QUALIFIED AUDIT REPORT

The auditors' report on the financial statements for the year ended 31 December 2006 was not qualified.

A4 COMMENTS ON SEASONALITY OR CYCLICALITY OF OPERATIONS

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

A5 UNUSUAL ITEMS

There were no unusual items affecting assets, liabilities, unitholders' funds, net income or cash flows for the quarter under review.

A6 CHANGES IN ESTIMATES

There were no changes in estimates that have had a material effect in the current quarter results.

A7 DEBT AND EQUITY SECURITIES

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

A8 INCOME DISTRIBUTION

The Trust had on 28 February 2007 paid a final income distribution for the year ended 31 December 2006 amounting to RM10,488,000.

No income distribution was declared for the quarter under review but provision was made to distribute 95% of the income before tax (unaudited) for the quarter ended 31 March 2007 to be distributed by end of August 2007 as described under Section B12, Income Distribution.

A9 SEGMENTAL REPORTING

Not applicable.

A10 VALUATION OF PROPERTY, PLANT AND EQUIPMENT

The value of the investment properties brought forward from the financial statement for the year ended 31 December 2006 have not been revalued for the current quarter under review.

A11 MATERIAL EVENTS

There was no material event as at the latest practicable date from the date of this report.

A12 EFFECT OF CHANGES IN THE COMPOSITION OF THE TRUST

There was no changes in the composition of the Trust for the current quarter. The fund size stands at 245,948,700.

A13 CONTINGENT LIABILITIES OR CONTINGENT ASSETS

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

B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD.

B1 REVIEW OF PERFORMANCE

For the quarter ended 31 March 2007, the Trust registered a total income of RM8,600,752 inclusive of interest income and other income of RM11,912 and RM26,248 respectively. Total expenditure for the quarter under review amount to RM3,150,879 with RM1,933,199 attributable to property operating expenses and RM1,217,680 attributable to non-property operating expenses. Income before taxation available for distribution for the quarter under review was RM5,488,033. Taking into consideration a 95% distribution, the Trust has set aside RM5,241,661 as provision for income distribution.

Against the corresponding period last year, gross rental has improved by approximately 18.96% or RM1,370,564, attributed mainly to the improvements in occupancy and rental rate (RM844,591) as well as contribution from the newly acquired property (RM529,973). Meanwhile, operating expenses has increased by approximately 18.39%, arising mainly from the maintenance costs of the new property (RM147,630), an allowance of doubtful debt amounting to RM85,780 (or approximately 1% of the gross rental) as well as increased borrowing costs (RM55,548) due to higher interest rate. The net improvement in income before taxation amount to RM893,007 or approximately 19.4% and earnings per unit has improved by 12% from RM1.99 to RM2.23.

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

There were no material changes in the income before taxation for the quarter under review.

B3 PROSPECTS

The Manager expects the properties to continue enjoying good occupancy and improvement in rental rates for the remaining part of the year (buoyed by a positive outlook in the commercial real estate in Malaysia).

The Manager will continue to adopt an active operating and capital management strategy to enhance the yields and returns of the existing Properties Parcels. The Manager will further seek opportunities to acquire real estate that meet the objectives of the Trust.

B4 VARIANCES

This is not applicable as there was no profit forecast or profit guarantee issued for this financial quarter.

B5 TAXATION

The breakdown of the tax components is as follows:

	Current Quarter		Year To Date	
	31.03.2007	31.03.2006	31.03.2007	31.03.2006
	RM	RM	RM	RM
Taxation on current period's profit	-	50,000	-	50,000
Deferred tax relating to originating and reversal of temporary differences	-	-	-	-
Tax expense for the period	-	50,000	-	50,000

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

	Current Quarter		Year To Date	
	31.03.2007	31.03.2006	31.03.2007	31.03.2006
	RM	RM	RM	RM
Income before taxation	5,488,033	4,595,026	5,488,033	4,595,026
Taxation at Malaysian statutory tax rate of 27%*	1,481,769	1,286,607	1,481,769	1,286,607
Effect of income not subject to tax	(1,154,351)	(1,222,277)	(1,154,351)	(1,222,277)
Expenses not deductible for tax purposes	10,181	370	10,181	370
Utilisation of capital allowances	(283,493)	(14,700)	(283,493)	(14,700)
Tax Exemption **	(54,106)	-	(54,106)	-
Tax expense for the period	-	50,000	-	50,000

* For the year of 2007, corporate tax rate has been revised from 28% to 27%.

** In year 2007, Real Estate Investment Trusts (REIT) are exempted from taxes on all income provided that at least 90% of their total income is distributed to the investors. UOA REIT is expected to enjoy the tax exemption given its distribution policies of at least 95% of its total income. Therefore, no tax expense is recognised for the quarter under review.

**B6 PROFITS ON SALE OF INVESTMENT IN UNQUOTED SECURITIES/
PROPERTIES**

There was no disposal of investment in unquoted securities during the current quarter and financial period-to-date.

**B7 PARTICULARS OF PURCHASE OR DISPOSAL OF INVESTMENT IN QUOTED
SECURITIES**

There was no purchase or disposal of investment in quoted securities during the current quarter and financial period-to-date.

B8 STATUS OF CORPORATE PROPOSAL

There were no corporate proposals announced but not completed at the latest practicable date.

B9 BORROWINGS AND DEBT SECURITIES

	Current Quarter 31.03.2007 (RM)	Year Ended 31.12.2006 (RM)
Revolving credit - Secured	69,700,000	65,600,000

B10 OFF BALANCE SHEET FINANCIAL INSTRUMENTS

The Trust has no financial instrument 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.

B11 MATERIAL LITIGATION

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

B12 INCOME DISTRIBUTION

A provision was made to distribute RM5,241,661 as income distribution for 1st Quarter ended 31 March 2007. This translate into approximately 2.13 sen per unit for the quarter under review and includes a non-taxable portion of approximately 0.40 sen per unit (representing 18.8% of the gross distribution) deriving mainly from utilisation of capital allowance. Provision for income distribution for the quarter under review is 11.52% higher than corresponding period last year (1.91 sen per unit).

Pursuant to the amended Section 109D(2) of the Income Tax Act, 1967 under the Finance Act 2006 which was gazetted on 31 December 2006, the following withholding tax rates would be applicable on distribution of income which is tax exempt at Trust's level:

- a) Non-corporate investors and local institutional investors are subject to a final withholding tax at the rate of 15% from year 2007 to 2011.
- b) Foreign institutional investors are subject to a final withholding tax at the rate of 20% from year 2007 to 2011.
- c) Foreign corporate investors are subject to a final withholding tax at the rate of 27%.
- d) Local corporate investors are subject to the existing tax treatment and tax rates (corporate tax rate is 27% for year 2007).

B13 DISTRIBUTION PER UNIT - PROVISIONAL

	Current Quarter Ended 31.03.2007 RM	Year To Date ended 31.03.2007 RM	Year To Date ended 31.03.2006 RM
Provision for income distribution	5,241,661	5,241,661	4,365,275
Number of units issued	245,948,700	245,948,700	228,000,000
Basic earnings per unit (sen)	2.23	2.23	1.99
Distribution per unit (DPU) (sen)	2.13	2.13	1.91
Diluted earnings per unit (sen)	NA	N/A	N/A

B14 EARNINGS PER UNIT

(a) Basic

Basic earnings per unit amounts are calculated by dividing income for the period attributable to unitholders by the weighted average number of units in issue during the period.

	Current Quarter		Year To Date	
	31.03.2007	31.03.2006	31.03.2007	31.03.2006
	RM	RM	RM	RM
Income after taxation	5,488,033	4,545,026	5,488,033	4,545,026
Weighted average number of units in issue	245,948,700	228,000,000	245,948,700	228,000,000
Basic earnings per unit (after managers' fee) (sen)	<u>2.23</u>	<u>1.99</u>	<u>2.23</u>	<u>1.99</u>

BY ORDER OF THE BOARD

YAP KAI WENG
Company Secretary
UOA ASSET MANAGEMENT SDN BHD
(As the Manager of UOA REAL ESTATE INVESTMENT TRUST)

Kuala Lumpur
8 MAY 2007