

UOA REAL ESTATE INVESTMENT TRUST
CONDENSED BALANCE SHEET
FOR THE QUARTER ENDED 31 MARCH 2008 (UNAUDITED)

	AS AT END OF CURRENT QUARTER 31.03.2008 RM	AS AT PRECEEDING FINANCIAL YEAR END 31.12.2007 RM
INVESTMENTS		
Real estate properties	425,435,101	425,346,423
PROPERTY, PLANT & EQUIPMENT	38,530	39,586
OTHER ASSETS		
Trade receivables	523,428	835,156
Other receivables	9,939,077	2,636,472
Current tax asset	118,313	118,313
Deposits with licensed financial institution	300,000	2,550,000
Cash and bank balances	499,195	326,030
	11,380,013	6,465,971
TOTAL ASSETS	436,853,644	431,851,980
LIABILITIES		
Other payables	4,876,068	4,395,287
Rental deposits	11,234,505	11,104,012
Amount due to Manager	2,575	162,419
Borrowings	74,200,000	64,300,000
Provision for taxation	-	-
Provision for income distribution	5,259,349	10,886,403
TOTAL LIABILITIES	95,572,497	90,848,121
NET ASSET VALUE	341,281,147	341,003,859
FINANCED BY:		
UNITHOLDERS' FUND		
Unitholders' capital	246,791,875	246,791,875
Revaluation reserve	-	-
Undistributed income	94,489,272	94,211,984
	341,281,147	341,003,859
NET ASSET VALUE PER UNIT	1.388	1.386
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 2007 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 2008 (UNAUDITED)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31.03.2008 RM	Preceding Year Corresponding Quarter 31.03.2007 RM	Current Year To Date 31.03.2008 RM	Preceding Year To Date 31.03.2007 RM
TOTAL INCOME				
Gross rental	9,365,670	8,600,752	9,365,670	8,600,752
Property operating expenses	(2,425,716)	(1,933,199)	(2,425,716)	(1,933,199)
Net rental income	6,939,954	6,667,553	6,939,954	6,667,553
Interest income	5,415	11,912	5,415	11,912
Other income	30,074	26,248	30,074	26,248
	6,975,443	6,705,713	6,975,443	6,705,713
TOTAL EXPENDITURE				
Manager's fees	(480,365)	(360,000)	(480,365)	(360,000)
Trustee's fee	(38,788)	(29,504)	(38,788)	(29,504)
Borrowing costs	(754,623)	(752,036)	(754,623)	(752,036)
Auditors' remuneration	(8,750)	(5,000)	(8,750)	(5,000)
Tax agent's fee	(3,000)	(3,000)	(3,000)	(3,000)
Administrative expenses	(144,156)	(68,140)	(144,156)	(68,140)
	(1,429,682)	(1,217,680)	(1,429,682)	(1,217,680)
Net appreciation on fair values of Investment Properties	-	-	-	-
INCOME BEFORE TAXATION	5,545,761	5,488,033	5,545,761	5,488,033
TAXATION	-	-	-	-
INCOME AFTER TAXATION	5,545,761	5,488,033	5,545,761	5,488,033
INCOME DISTRIBUTION				
- Distributed Income	-	-	-	-
- Provision for Distribution	(5,268,473)	(5,241,661)	(5,268,473)	(5,241,661)
	277,288	246,372	277,288	246,372
INCOME BEFORE TAXATION IS ANALYSED AS FOLLOWS				
- Realised	5,545,761	5,488,033	5,545,761	5,488,033
- Unrealised	-	-	-	-
EARNINGS PER UNIT				
- after managers' fees (sen)	2.25	2.23	2.25	2.23
- before managers' fees (sen)	2.45	2.38	2.45	2.38

The condensed income statement should be read in conjunction with the audited financial statements for the year ended 31 December 2007 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 2008 (UNAUDITED)**

	Attributable to Unitholders' Funds			Total Unitholders' Funds	
	Unitholders' Capital RM	Distributable Undistributed Income Realised RM	Unrealised RM	Current Year To Date 31.03.2008 RM	Preceding Year To Date 31.03.2007 RM
Balance as at 1 January	246,791,875	1,411,984	92,800,000	341,003,859	261,962,688
Movements during the period					
Net income for the period	-	5,545,761	-	5,545,761	5,488,033
Distribution to unitholder	-	(5,268,473)	-	(5,268,473)	(5,241,661)
Balance carried forward as at 31 March	<u>246,791,875</u>	<u>1,689,272</u>	<u>92,800,000</u>	<u>341,281,147</u>	<u>262,209,060</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 2007 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 2008 (UNAUDITED)

	Current Year To Date 31.03.2008 RM	Preceding Year To Date 31.03.2007 RM
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	5,545,761	5,488,033
Adjustment for:		
Interest income	(5,415)	(11,912)
Interest expense	754,623	752,036
Depreciation	1,056	67
Allowance for Doubtful Debts	44,976	85,780
Operating profit before changes in working capital	<u>6,341,001</u>	<u>6,314,004</u>
Increase in receivables	(7,035,853)	(1,085,464)
Increase in payables	451,430	1,045,171
Net cash (used in)/generated from operating activities	<u>(243,422)</u>	<u>6,273,711</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Interest income	5,415	11,912
Purchase of Property, Plant & Equipment	-	(2,690)
Investment in Investment Properties	<u>(88,678)</u>	<u>-</u>
Net cash (used in)/generated from investing activities	<u>(83,263)</u>	<u>9,222</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(754,623)	(752,036)
Distribution to Unitholders	(10,895,527)	(10,488,000)
Net Drawdown/ (Repayment) of borrowings	<u>9,900,000</u>	<u>4,100,000</u>
Net cash used in financing activities	<u>(1,750,150)</u>	<u>(7,140,036)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(2,076,835)	(857,103)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	2,876,030	1,957,019
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>799,195</u>	<u>1,099,916</u>
Cash and cash equivalents at end of period comprises:		
Deposits with licensed financial institution	300,000	-
Cash and bank balances	499,195	1,099,916
	<u>799,195</u>	<u>1,099,916</u>

The condensed cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2007 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 2008 (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 2007. 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 2007.

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 2007.

Nevertheless, the FRS that will be effective in the annual financial statements for the year ended 31 December 2007 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 2007 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 29 February 2008 paid a final income distribution for the year ended 31 December 2007 amounting to RM10,895,527.

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 2008 to be distributed by end of August 2008 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 2007 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 except as disclosed in Item B8, Status of Corporate Proposal.

A12 EFFECT OF CHANGES IN THE COMPOSITION OF THE TRUST

There were 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 2008, the Trust registered a total income of RM9,401,159 inclusive of interest income and other income of RM5,415 and RM30,074 respectively. Total expenditure for the quarter under review amounted to RM3,855,398 with RM2,425,716 attributable to property operating expenses and RM1,429,682 attributable to non-property operating expenses. Income before taxation available for distribution for the quarter under review was RM5,545,761. Taking into consideration a 95% distribution, the Trust has set aside RM5,268,473 as provision for income distribution.

Against the corresponding period last year, gross rental has improved by approximately 8.89% or RM764,918, attributed mainly to the improvements in occupancy and rental rates. Meanwhile, operating expenses have increased by approximately 22.36%, arising mainly from professional and legal fees incurred in respect of the acquisition of UOA Pantai (RM124,588), legal fees and stamp duty in respect of obtaining additional bank borrowings (RM317,858) and an increase in the Manager's fees (RM120,365). The net improvement in income before taxation amounted to RM57,728 or approximately 1.05% and earnings per unit has improved marginally by 0.90% from RM2.23 to RM2.25.

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	
	31.03.2008	31.03.2007	31.03.2008	31.03.2007
	RM	RM	RM	RM
Taxation on current period's profit	-	-	-	-
Deferred tax relating to originating and reversal of temporary differences	-	-	-	-
Tax expense for the period	-	-	-	-

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	
	31.03.2008	31.03.2007	31.03.2008	31.03.2007
	RM	RM	RM	RM
Income before taxation	5,545,761	5,488,033	5,545,761	5,488,033
Taxation at Malaysian statutory tax rate of 26%*	1,441,898	1,481,769	1,441,898	1,481,769
Effect of income not subject to tax	(1,241,836)	(1,154,351)	(1,241,836)	(1,154,351)
Expenses not deductible for tax purposes	127,886	10,181	127,886	10,181
Utilisation of capital allowances	(262,662)	(283,493)	(262,662)	(283,493)
Tax Exemption **	(65,286)	(54,106)	(65,286)	(54,106)
Tax expense for the period	-	-	-	-

* For the year of 2008, corporate tax rate has been revised from 27% to 26%.

** In year 2008, 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 PROFIT 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

- a) The Trustee had on 16 January 2008 entered into a Sale and Purchase Agreement for the acquisition of an investment property, Wisma UOA Pantai, from Magna Tiara Development Sdn Bhd for a cash consideration of RM86,000,000.00. The acquisition was completed on 2 April 2008.
- b) UOA Asset Management Sdn Bhd, the manager of the UOA-REIT, had on 7 November 2007 received and accepted an offer from Makmal Capital Sdn Bhd to purchase from UOA-REIT an office building namely Wisma UOA Bangsar for a total cash consideration of RM32,000,000.00. Wisma UOA Bangsar is an office building consisting of 43,743 sq. ft net lettable area and 33 car park bays. The Sale & Purchase Agreement was executed on 29 November 2007 and the transaction is expected to be completed by the second quarter of 2008.

B9 BORROWINGS AND DEBT SECURITIES

	Current Quarter 31.03.2008 RM	Year Ended 31.12.2007 RM
Revolving credit - Secured	74,200,000	64,300,000

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 RM5,268,473 as income distribution for 1st Quarter ended 31 March 2008. This translates into approximately 2.14 sen per unit for the quarter under review and includes a non-taxable portion of approximately 0.20 sen per unit (representing 9.3% of the gross distribution) deriving mainly from utilisation of capital allowances. Provision for income distribution for the quarter under review is 0.51% higher than corresponding period last year (2.13 sen per unit).

Pursuant to the amended Section 109D(2) of the Income Tax Act, 1967 and the announced Budget 2008, 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% (up to year 2011).
- b) Foreign institutional investors are subject to a final withholding tax at the rate of 20% (up to year 2011).
- c) Foreign corporate investors are subject to a final withholding tax at the rate of 26% for year 2008.
- d) Local corporate investors are subject to the existing tax treatment and tax rates (corporate tax rate is 26% for year 2008).

B13 DISTRIBUTION PER UNIT - PROVISIONAL

	Current Quarter Ended 31.03.2008 RM	Year To Date ended 31.03.2008 RM	Year To Date ended 31.03.2007 RM
Provision for income distribution	5,268,473	5,268,473	5,241,661
Number of units issued	245,948,700	245,948,700	245,948,700
Basic earnings per unit (sen)	2.25	2.25	2.23
Distribution per unit (DPU) (sen)	2.14	2.14	2.13
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	
	31.03.2008	31.03.2007	31.03.2008	31.03.2007
	RM	RM	RM	RM
Income after taxation	5,545,761	5,488,033	5,545,761	5,488,033
Weighted average number of units in issue	245,948,700	245,948,700	245,948,700	245,948,700
Basic earnings per unit (after managers' fee) (sen)	<u>2.25</u>	<u>2.23</u>	<u>2.25</u>	<u>2.23</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
23 APRIL 2008