

UOA REAL ESTATE INVESTMENT TRUST
CONDENSED BALANCE SHEET
FOR THE QUARTER ENDED 30 JUNE 2009 (UNAUDITED)

	AS AT END OF CURRENT QUARTER 30.06.2009 RM	AS AT PRECEDING FINANCIAL YEAR END 31.12.2008 RM
INVESTMENTS		
Real estate properties	481,072,205	481,011,461
PROPERTY, PLANT & EQUIPMENT	32,440	34,609
OTHER ASSETS		
Trade receivables	955,620	836,630
Other receivables	1,264,821	1,309,867
Current tax asset	114,510	118,313
Deposits with licensed financial institution	-	300,000
Cash and bank balances	856,821	314,753
	3,191,772	2,879,563
TOTAL ASSETS	484,296,417	483,925,633
LIABILITIES		
Other payables	891,809	2,377,895
Rental deposits	12,978,375	12,624,767
Amount due to Manager	162,555	162,456
Borrowings	113,700,000	113,600,000
Provision for income distribution	14,314,214	13,650,153
TOTAL LIABILITIES	142,046,953	142,415,271
NET ASSET VALUE	342,249,464	341,510,362
FINANCED BY:		
UNITHOLDERS' FUND		
Unitholders' capital	246,791,875	246,791,875
Undistributed income	95,457,589	94,718,487
	342,249,464	341,510,362
NET ASSET VALUE PER UNIT	1.3915	1.3885
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 2008 and the accompanying explanatory notes attached to the interim financial statements.

UOA REAL ESTATE INVESTMENT TRUST
CONDENSED INCOME STATEMENT
FOR THE QUARTER ENDED 30 JUNE 2009 (UNAUDITED)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.06.2009 RM	Preceding Year Corresponding Quarter 30.06.2008 RM	Current Year To Date 30.06.2009 RM	Preceding Year To Date 30.06.2008 RM
TOTAL INCOME				
Gross rental	11,216,051	10,839,306	22,651,653	20,204,976
Property operating expenses	(2,310,117)	(2,361,501)	(4,695,894)	(4,787,217)
Net rental income	8,905,934	8,477,805	17,955,759	15,417,759
Interest income	4,520	31,374	8,333	36,789
Other income	58,964	63,796	84,028	93,870
	8,969,418	8,572,975	18,048,120	15,548,418
TOTAL EXPENDITURE				
Manager's fees	(482,321)	(481,011)	(964,268)	(961,376)
Trustee's fee	(38,758)	(38,653)	(77,486)	(77,441)
Borrowing costs	(792,085)	(1,429,382)	(1,760,041)	(2,184,005)
Auditors' remuneration	(9,500)	(8,750)	(19,000)	(17,500)
Tax agent's fee	(2,500)	(1,000)	(5,000)	(4,000)
Valuation fee	-	(64,588)	-	(64,588)
Administrative expenses	(88,759)	(499,170)	(165,206)	(643,326)
	(1,413,923)	(2,522,554)	(2,991,001)	(3,952,236)
Net appreciation on fair values of Investment Properties	-	-	-	-
INCOME BEFORE TAXATION	7,555,495	6,050,421	15,057,119	11,596,182
TAXATION	-	-	(3,803)	-
INCOME AFTER TAXATION	7,555,495	6,050,421	15,053,316	11,596,182
INCOME DISTRIBUTION				
- Distributed income	-	-	-	-
- Provision for distribution	(7,187,671)	(5,750,029)	(14,314,214)	(11,018,502)
- Under provision of final distribution in prior year	-	(9,124)	-	(9,124)
	367,824	291,268	739,102	568,556
INCOME BEFORE TAXATION IS ANALYSED AS FOLLOWS				
- Realised	7,555,495	6,050,421	15,057,119	11,596,182
- Unrealised	-	-	-	-
EARNINGS PER UNIT				
- after managers' fees (sen)	3.07	2.46	6.12	4.71
- before managers' fees (sen)	3.27	2.66	6.51	5.11

The condensed income statement should be read in conjunction with the audited financial statements for the year ended 31 December 2008 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 30 JUNE 2009 (UNAUDITED)**

	Attributable to Unitholders' Funds			Total Unitholders' Funds	
	Unitholders' Capital RM	Distributable Undistributed Income		Current Year To Date 30.06.2009 RM	Preceding Year To Date 30.06.2008 RM
		Realised RM	Unrealised RM		
Balance as at 1 January	246,791,875	12,918,487	81,800,000	341,510,362	341,003,859
Movements during the period					
Net income for the period	-	15,053,316	-	15,053,316	11,596,182
Distribution to unitholder	-	(14,314,214)	-	(14,314,214)	(11,027,626)
Balance carried forward as at 30 June	<u>246,791,875</u>	<u>13,657,589</u>	<u>81,800,000</u>	<u>342,249,464</u>	<u>341,572,415</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 2008 and the accompanying explanatory notes attached to the interim financial statements.

UOA REAL ESTATE INVESTMENT TRUST
CONDENSED CASH FLOW STATEMENT
FOR THE QUARTER ENDED 30 JUNE 2009 (UNAUDITED)

	Current Year To Date 30.06.2009 RM	Preceding Year To Date 30.06.2008 RM
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	15,057,119	11,596,182
Adjustment for:		
Interest income	(8,333)	(36,789)
Interest expense	1,760,041	2,184,005
Depreciation	2,169	2,073
Fixed assets written off	-	3,117
Allowance for doubtful debts	(7,243)	76,029
Operating profit before changes in working capital	16,803,753	13,824,617
Increase in receivables	(66,701)	(505,929)
(Decrease)/Increase in payables	(1,040,609)	1,455,150
Net cash generated from operating activities	15,696,443	14,773,838
CASH FLOW FROM INVESTING ACTIVITIES		
Interest income	8,333	36,789
Purchase of property, plant & equipment	-	(2,150)
Purchase of investment properties and subsequent expenditure	(60,744)	(84,426,902)
Proceeds from disposal of an investment property	-	28,800,000
Net cash used in investing activities	(52,411)	(55,592,263)
CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(1,851,811)	(2,264,720)
Distribution to Unitholders	(13,650,153)	(10,895,527)
Net drawdown of borrowings	100,000	51,800,000
Net cash (used in)/generated from financing activities	(15,401,964)	38,639,753
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	242,068	(2,178,672)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	614,753	2,876,030
CASH AND CASH EQUIVALENTS AT END OF PERIOD	856,821	697,358
Cash and cash equivalents at end of period comprises:		
Deposits with licensed financial institution	-	-
Cash and bank balances	856,821	697,358
	856,821	697,358

The condensed cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2008 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 30 JUNE 2009 (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 2008. 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 2008.

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 2008.

Nevertheless, the FRS that will be effective in the annual financial statements for the year ended 31 December 2008 may be affected by the issue of additional interpretation(s) or other changes announced by the Malaysian Accounting Standards Board 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 2008 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 27 February 2009 paid a final income distribution for the year ended 31 December 2008 amounting to RM13,650,153.

For the quarter under review, the Trust is declaring a 95% distribution of the income before taxation (unaudited) for the first half year ended 30 June 2009 amounting to RM14,314,214 to be distributed by end of August 2009 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 2008 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 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 30 June 2009, the Trust registered a total income of RM11,279,535 inclusive of interest income and other income of RM4,520 and RM58,964 respectively. Total expenditure for the quarter under review amounted to RM3,724,020 with RM2,310,117 attributable to property operating expenses and RM1,413,923 attributable to non-property operating expenses. Income before taxation available for distribution for the quarter under review was RM7,555,495. Taking into consideration a 95% distribution, the Trust has set aside RM7,187,671 as provision for income distribution.

Against the six (6) months corresponding period last year, gross rental has improved by approximately 12.11% or RM2,446,677 attributed mainly to the improvements in rental rates. Meanwhile, operating expenses have decreased by approximately 12.04%, mainly due to stamping fees, professional and legal fees incurred in the corresponding period last year, in relation to the acquisition of Wisma UOA Pantai in April 2008, and a reduction in borrowing costs. The net improvement in income before taxation amounted to RM3,460,937 or approximately 29.85% and earnings per unit has improved 29.94% from 4.71 sen to 6.12 sen.

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 reasonable occupancy and tenancy rates for the remaining part of the year. However, rental income may be affected due to the slowdown in the economy.

The Manager will continue to adopt an active operating and capital management strategy to enhance the yields and returns of the existing Property 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	
	30.06.2009	30.06.2008	30.06.2009	30.06.2008
	RM	RM	RM	RM
Taxation on current period's profit	-	-	-	-
Under provision of tax expense in prior years	-	-	3,803	-
Deferred tax relating to originating and reversal of temporary differences	-	-	-	-
Tax expense for the period	-	-	3,803	-

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	
	30.06.2009	30.06.2008	30.06.2009	30.06.2008
	RM	RM	RM	RM
Income before taxation	7,555,495	6,050,421	15,057,119	11,596,182
Taxation at Malaysian statutory tax rate of 25%*	1,888,874	1,573,109	3,764,280	3,015,007
Effect of income not subject to tax	(1,518,805)	(1,163,687)	(3,002,929)	(2,405,885)
Expenses not deductible for tax purposes	32,408	142,754	43,772	270,640
Utilisation of capital allowances	(324,795)	(491,466)	(649,380)	(754,128)
Under provision of tax expense in prior years	-	-	3,803	-
Tax exemption **	(77,682)	(60,710)	(155,743)	(125,634)
Tax expense for the period	-	-	3,803	-

* For the year of 2009, the corporate tax rate has been revised from 26% to 25%.

** In year 2009, 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

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

B9 BORROWINGS AND DEBT SECURITIES

	Current Quarter 30.06.2009 RM	Year ended 31.12.2008 RM
Revolving credit - Secured	113,700,000	113,600,000

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 RM7,187,671 as income distribution for Second Quarter ended 30 June 2009. This translates into approximately 2.92 sen per unit for the quarter under review and includes a non-taxable portion of approximately 0.45 sen per unit (representing 15.41% of the gross distribution) deriving mainly from utilisation of capital allowances.

The total declared income distribution for the six (6) months period ended 30 June 2009 amounted to RM14,314,214, equivalent to 5.82 sen per unit and includes a non-taxable portion of approximately 0.94 sen (representing 16.15% of the gross distribution). The income distribution for the six (6) months period ended 30 June 2009 is 29.91% higher than the corresponding period last year (4.48 sen per unit).

Pursuant to the amended Part X, Schedule 1 of the Income Tax Act, 1967 under the Finance Act 2009 which was gazetted on 8 January 2009, 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 10% (up to year 2011).
- b) Foreign institutional investors are subject to a final withholding tax at the rate of 10% (up to year 2011).
- c) Foreign corporate investors are subject to a final withholding tax at the rate of 25% for year 2009.
- d) Local corporate investors are subject to the existing tax treatment and tax rates (corporate tax rate is 25% for year 2009).

B13 DISTRIBUTION PER UNIT - PROVISIONAL

	Current Quarter ended 30.06.2009 RM	Year To Date ended 30.06.2009 RM	Year To Date ended 30.06.2008 RM
Provision for income distribution	7,187,671	14,314,214	11,018,502
Number of units issued	245,948,700	245,948,700	245,948,700
Basic earnings per unit (sen)	3.07	6.12	4.71
Distribution per unit (DPU) (sen)	2.92	5.82	4.48
Diluted earnings per unit (sen)	N/A	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	
	30.06.2009	30.06.2008	30.06.2009	30.06.2008
	RM	RM	RM	RM
Income after taxation	7,555,495	6,050,421	15,053,316	11,596,182
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)	3.07	2.46	6.12	4.71

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
15 JULY 2009