TOWER REAL ESTATE INVESTMENT TRUST
CONDENSED BALANCE SHEET (UNAUDITED)
AS AT 30 SEPTEMBER 2006

	As at End of Current Quarter 30.09.06 RM
NON-CURRENT ASSETS	
Investment properties	351,354,491
CURRENT ASSETS	
Trade receivables	80,437
Other receivables	596,857
Cash and bank balances	19,065,242
	19,742,536
TOTAL ASSETS	371,097,027
CURRENT LIABILITIES	
Trade payables	576,462
Other payables	1,307,736
Rental deposits	8,871,014
TOTAL CURRENT LIABILITIES	10,755,212
NET ASSET VALUE	**360,341,816**
FINANCED BY:	
Unitholders' fund	251,631,180
Less: Establishment and issue expenses	(4,822,135)
Retained earnings	8,032,771
	254,841,816
NON-CURRENT LIABILITY	
Bank borrowings	105,500,000
	360,341,816
NET ASSET VALUE PER UNIT	**1.073**
NUMBER OF UNITS IN CIRCULATION	**237,500,000**

No comparative figures are available as this is the second quarterly report prepared by the Trust to Bursa Malaysia Securities Berhad in compliance with the Listing Requirements.

TOWER REAL ESTATE INVESTMENT TRUST
CONDENSED INCOME STATEMENTS (UNAUDITED)
FOR THE PERIOD ENDED 30 SEPTEMBER 2006

	Current Year Quarter 30.09.06 RM	Current Year To Date 30.09.06 RM
Revenue	8,277,324	14,815,758
Property operating expenses	(2,250,511)	(4,145,556)
Net property income	6,026,813	10,670,202
Trust expenses	(253,595)	(504,886)
Borrowing cost	(1,205,937)	(2,132,545)
Income before taxation	4,567,281	8,032,771
Taxation	-	-
Retained earnings	4,567,281	8,032,771
Earnings per unit (sen)	1.92	3.38

No comparative figures are available as this is the second quarterly report prepared by the Trust to Bursa Malaysia Securities Berhad in compliance with the Listing Requirements.

TOWER REAL ESTATE INVESTMENT TRUST
CONDENSED STATEMENT OF CHANGES IN NET ASSET VALUE (UNAUDITED)
FOR THE PERIOD ENDED 30 SEPTEMBER 2006

	Unitholders' Capital RM	Distributable Undistributed Income RM	Unitholders' Fund RM
At 17 April 2006	251,631,180	-	251,631,180
Establishment and issue expenses	(4,822,135)	-	(4,822,135)
Retained earnings	-	8,032,771	8,032,771
	246,809,045	8,032,771	254,841,816

No comparative figures are available as this is the second quarterly report prepared by the Trust to Bursa Malaysia Securities Berhad in compliance with the Listing Requirements.

TOWER REAL ESTATE INVESTMENT TRUST
CONDENSED CASH FLOW STATEMENT (UNAUDITED)
FOR THE PERIOD ENDED 30 SEPTEMBER 2006

	Cuurent Year To Date 30.09.06 RM
CASH FLOW FROM OPERATING ACTIVITIES	
Profit before taxation	8,032,771
Adjustments for:	
Interest income	(385,810)
Interest expense	2,132,545
Operating profit before changes in working capital	9,779,506
Increase in receivables	(677,294)
Increase in payables	10,755,212
Net cash generated from operating activities	19,857,423
CASH FLOW FROM INVESTING ACTIVITIES	
Establishment and issue expenses	(4,822,135)
Purchase of investment properties	(351,354,491)
Interest income	385,810
Net cash used in investing activities	(355,790,816)
CASH FLOW FROM FINANCING ACTIVITIES	
Interest paid	(2,132,545)
Borrowings	105,500,000
Unitholders' fund	251,631,180
Net cash generated from financing activities	354,998,635
NET INCREASE IN CASH AND CASH EQUIVALENTS	19,065,242
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	-
CASH AND CASH EQUIVALENTS AT END OF PERIOD	19,065,242
Cash and cash equivalents at end of period comprise of:	
Deposits with licensed financial institution	17,704,685
Cash and bank balances	1,360,557
	19,065,242

No comparative figures are available as this is the second quarterly report prepared by the Trust to Bursa Malaysia Securities Berhad in compliance with the Listing Requirements.

TOWER REAL ESTATE INVESTMENT TRUST
NOTES TO THE QUARTERLY REPORT - 30 SEPTEMBER 2006

A. Explanatory Notes Pursuant to Financial Reporting Standards ("FRS") 134

A1. Basis of Preparation

The quarterly financial report is unaudited and has been prepared in accordance with FRS 134: Interim Financial Reporting and Chapter 9 Part K of the Listing Requirements of Bursa Malaysia Securities Berhad.

The accounting policies and methods of computation used in the preparation of the quarterly financial report are consistent with those adopted in the preparation of the proforma financial information presented in the prospectus of Tower Real Estate Investment Trust ("Tower REIT" or "Trust") dated 22 March 2006.

A2. Audit Report of Preceding Financial Year

There was no annual report of preceding financial year ended 31 December 2005 as Tower REIT was established on 21 February 2006 and commenced operations on 17 April 2006.

A3. Seasonality or Cylicality 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

There were no unusual items to be disclosed for the quarter under review.

A6. 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.

A7. Income Distribution

No income distrbution has been recommended for the quarter and period-to-date as the Trust only commenced operations on 17 April 2006.

A8. Segmental reporting

Not applicable.

A9. Valuation of Investment Properties

The valuations of investment properties have been brought forward without any amendments from the valuation reports dated 10 June 2005 and 15 June 2005 for HP Towers and Menara HLA respectively.

A10. Material Events Subsequent to the End of the Interim Period

There is no material event subsequent to the end of the interim period.

A11. Changes in the Composition of the Trust

There was no change in the composition of the Trust during the current quarter and the Fund size stands at 237,500,000 units.

A12. Contingent Liabilities and Contingent Assets

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

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B. Additional Information Pursuant to Paragraph 9.22 of Bursa Malaysia Securities Berhad Listing Requirements

B1. Review of Performance

The Trust recorded RM14,815,758 and RM8,032,771 revenue and income before taxation respectively for the period from 17 April 2006 to 30 September 2006.

B2. Material Changes in Income Before Taxation for the Quarter as Compared with the Immediate Preceding Quarter

	Current Quarter 30.09.06 RM	Preceding Quarter 30.06.2006 RM
Revenue	8,277,324	6,538,434
Income Before Taxation	4,567,281	3,465,490

The revenue and income before taxation for the current quarter increased by RM1,738,890 and RM1,101,791 respectively as compared to preceding quarter. The favourable variance was mainly due to the short period in the preceding quarter i.e. from 17 April 2006 (date of commencement of operation) to 30 June 2006 compared to the current full quarter.

B3. Prospects

The Trust, after considering the strength of the real estate portfolio invested, is expected to achieve satisfactory performance for the financial period ending 31 December 2006.

B4. Taxation

There was no tax payable as the Trust, barring any unforseen circumstances, intends to distribute 100% of the distributable income to unitholders for the period from 17 April 2006 to 31 December 2006.

B5. Sales of Unquoted Investment and/or Properties

There was no sale of unquoted investment or properties during the current quarter.

B6. Quoted Investment

There was no purchase or disposal of quoted investment during the current quarter.

B7. Corporate Developments

There was no corporate proposal announced during the current quarter.

B8. Borrowings and Debt Securities

The borrowing of RM105,500,000 is long term and secured.

B9. Off Balance Sheet Financial Instruments

No off balance sheet financial instruments were utilised for the current quarter.

B10. Material Litigation

There was no material litigation as at the end of the current quarter.

B11. Income Distribution

No income distribution has been recommended for the quarter and period-to-date as the Trust only commenced operations on 17 April 2006.

B12. Distribution per Unit

	Period 17.04.06 to 30.09.06
Net income attributable to unitholders	8,032,771
Number of units in issue	237,500,000
Distribution per unit (sen)	NIL

By Order of the Board
GLM REIT Management Sdn Bhd
(as the Manager of Tower Real Estate Investment Trust)

LIM YEW YOKE
LEE SOW YEANG
Secretaries

Kuala Lumpur
22 November 2006