

AL-‘AQAR KPJ REIT
CONDENSED INCOME STATEMENT FOR THE QUARTER ENDED
31 MARCH 2007 (UNAUDITED)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31.03.2007	Preceding Year Corresponding Quarter 31.03.2006	Current Year To date 31.03.2007	Preceding Year To Date 31.03.2006
	RM	RM	RM	RM
Gross Revenue	8,925,381	N/A	8,925,381	N/A
Property expenses	(480,538)	N/A	(480,538)	N/A
Net rental income	8,444,843	N/A	8,444,843	N/A
Investment revenue	42,004	N/A	42,004	N/A
Total income	8,486,847	N/A	8,486,847	N/A
Manager’s fees	130,468	N/A	130,468	N/A
Trustee’s fees	26,054	N/A	26,054	N/A
Accretion of long-term borrowings	40,462	N/A	40,462	N/A
Administration expenses	21,890	N/A	21,890	N/A
Profit sharing expenses on financing	1,853,376	N/A	1,853,376	N/A
Income before tax	6,414,597	N/A	6,414,597	N/A
Tax expense	-	N/A	-	N/A
Net income for the period	6,414,597	N/A	6,414,597	N/A
Net income for the period is made up as follows:				
Realised	6,414,597	N/A	6,414,597	N/A
Unrealised	-	N/A	-	N/A
	<u>6,414,597</u>	N/A	<u>6,414,597</u>	N/A
Earnings per unit (sen)	1.89		1.89	N/A
Provision for income Distribution	6,350,451		6,350,451	
Distribution per unit (sen)	1.87		1.87	N/A

(The Condensed Income Statement should be read in conjunction with the Audited Financial Statements for the period ended 31 December 2006)

AL-'AQAR KPJ REIT**CONDENSED BALANCE SHEET FOR THE QUARTER ENDED
31 MARCH 2007 (UNAUDITED)**

	AS AT END OF CURRENT QUARTER 31.03.2007	AS AT PRECEDING FINANCIAL YEAR ENDED 31.12.2006 (Audited)
	RM	RM
Investment		
Investment properties	481,000,000	481,000,000
Current Asset		
Fixed deposits with licensed banks	2,000,000	14,637,765
Cash and bank balances	4,483,003	389,011
Other Debtor	679,165	-
	7,162,159	15,026,776
Total Assets	488,162,159	496,026,776
LIABILITIES		
Current Liabilities		
Other payables and accrued expenses	165,565	5,237,231
Provision for income distribution	6,350,412	9,248,000
	6,516,016	14,485,231
Long-Term Liability		
Long-term borrowings	133,298,667	133,258,206
TOTAL LIABILITIES	133,464,270	147,743,437
NET ASSET VALUE	348,347,485	348,283,339
UNIT HOLDERS' FUNDS		
Unit holders' capital	333,951,575	333,951,575
Undistributed income	14,395,910	14,331,764
	348,347,485	348,283,339
NUMBER OF UNITS IN CIRCULATION ('000)	340,000,000	340,000,000
NET ASSET VALUE PER UNIT (RM)	1.02	1.02

(The Condensed Balance Sheet should be read in conjunction with the Audited Financial Statements for the period ended 31 December 2006).

AL-‘AQAR KPJ REIT**STATEMENT OF CHANGES IN NET ASSETS VALUE
FROM 31 DECEMBER 2006 TO 31 MARCH 2007 (UNAUDITED)**

	Unit Holders’ Capital RM	Undistributed Income RM	Total RM
Balance as of January 01, 2007	333,951,575	14,331,764	348,283,339
Operations for the period:			
Net income for the period	-	6,414,597	6,414,597
Unit Holders’ transactions:			
Provision of Distribution to Unit Holders	-	6,350,451	6,350,451
Decrease in net assets resulting from Unit Holders’ transactions	-	-	-
Balance as of March 31, 2007	<u>333,951,575</u>	<u>14,395,910</u>	<u>348,347,485</u>

AL-‘AQAR KPJ REIT**CONDENSED CASH FLOW STATEMENT
FOR THE QUARTER ENDED 31 MARCH 2007 (UNAUDITED)**

	31.03.2007	31.03.2006
	RM	RM
Cash Flow From/(Used In) Operating Activities		
Net profit for the period	6,414,558	N/A
Adjustments for:		
Profit sharing expenses on financing	1,853,376	N/A
Accretion of long-term borrowings	40,462	N/A
Investment revenue	(42,004)	N/A
	<hr/>	<hr/>
Operating Profit Before Working Capital Changes	8,266,392	N/A
Increase in other payables and accrued expenses	(5,750,793)	N/A
	<hr/>	<hr/>
Net Cash From Operating Activities	2,515,599	N/A
	<hr/>	<hr/>
Cash Flow From/(Used In) Investing Activities		
Profit sharing income on investment received	42,004	N/A
	<hr/>	<hr/>
Net Cash Used In Investing Activities	42,004	N/A
	<hr/>	<hr/>
Cash Flow From/(Used In) Financing Activities		
Profit sharing expenses on financing paid	(1,853,376)	N/A
Distribution paid to unitholders	(9,248,000)	N/A
	<hr/>	<hr/>
Net Cash From Financing Activities	(11,101,376)	N/A
	<hr/>	<hr/>
Net Decrease In Cash And Cash Equivalent	(8,543,773)	N/A
Cash And Cash Equivalent At Beginning Of Period	15,026,776	N/A
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Cash And Cash Equivalent At End Of Period	6,483,003	N/A
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AL-'AQAR KPJ REIT

Quarterly Unaudited Financial Results for the 1st Quarter ended 31 March 2007

NOTES TO THE QUARTELY REPORT

A DISCLOSURE REQUIREMENTS AS PER FINANCIAL REPORTING STANDARDS (“FRS”) 134 (FORMERLY KNOWN AS MALAYSIAN ACCOUNTING STANDARDS BOARD (“MASB”) 26)

A1. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of Al-'Aqar KPJ REIT have been prepared in accordance with the provisions of the Deed and the applicable Malaysian Accounting Standards Board approved accounting standards for entities other than private entities in Malaysia modified by the Securities Commission's Guidelines on Real Estate Investment Trust.

The accounting policies and methods of computation used in the preparation of the quarterly financial report are consistent with those adopted in preparation of the proforma financial information presented in the Prospectus of Al-'Aqar KPJ REIT dated 24 July 2006.

A2. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The audit report of the financial statements for the preceding year, for the period ended 31 December 2006 was not qualified.

A3. SEASONALITY OR CYCLICALITY OF OPERATIONS

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

A4. UNUSUAL ITEMS DUE TO NATURE, SIZE OF INCIDENCE

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

A5. CHANGES IN ACCOUNTING ESTIMATES

This is not applicable as no estimates were previously reported.

A6. DEBT AND EQUITY SECURITIES

There was no issuance, cancellation, repurchase, resale and repayment of debt and equities security for the current quarter and year to date.

A7. INCOME DISTRIBUTION

During the quarter under review, Al-'Aqar KPJ REIT paid final income distributions of 2.72 sen per unit, totaling RM 9,248,000, in respect of the financial period ended 31 December 2006 on 23 February 2007.

A8. SEGMENTAL REPORTING

No segment information is prepared as the Trust's activities are predominantly in one industry segment.

A9. VALUATIONS OF PROPERTY

For the quarter under review, there were no changes in the values of the investment properties held.

A10. MATERIAL EVENTS

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

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 340,000,000 units.

A12. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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

B ADDITIONAL INFORMATION PURSUANT TO PARAGRAPH 9.22 OF BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS

B1. REVIEW OF PERFORMANCE OF THE TRUST

For the quarter ended 31 March 2007, Al-'Aqar KPJ REIT recorded a total revenue of RM 8,967,385 inclusive of income from placement in Islamic money market of RM 42,004.

Total expenditure for the quarter was RM 2,552,788 of which RM 480,538 was attributable to property expenses. For the quarter under review, income before taxation available for distribution amounted to RM 6,414,597.

B2. MATERIAL CHANGES IN THE QUARTERLY RESULTS COMPARED TO IMMEDIATE PRECEDING QUARTER

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

B3. PROSPECTS

Al-'Aqar KPJ REIT, after considering the strength of the Healthcare real estate portfolio invested, will continue to enjoy 100% rate of occupancy and collections.

B4. VARIANCES OF ACTUAL PROFIT FROM FORECASTED/GUARANTEED PROFIT

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

B5. TAXATION

The breakdown of the tax components is as follows:-

	Current Quarter RM	Year to date RM
Estimated tax payable	-	-

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

	Year to date RM
Income before tax	<u>6,414,597</u>
Tax at statutory tax rate of 27%	1,731,941
Tax effects of:	
Income distributed exempted from tax at trust level	(1,714,622)
Tax exempt income	<u>(17,319)</u>
	<u>-</u>

B6. GAIN/(LOSS) ON SALE OF UNQUOTED INVESTMENT AND OR/ PROPERTIES

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

B7. QUOTED SECURITIES

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

B8. STATUS OF CORPORATE PROPOSALS ANNOUNCED BUT NOT COMPLETED

There was no corporate proposal announced during the current quarter.

B9. LONG –TERM BORROWINGS

	Current Quarter	Preceding Quarter RM
Bai' Bithamin Ajil financing facility	134,000,000	134,000,000
Less: Direct issue costs	<u>(701,333)</u>	<u>(741,794)</u>
Net	<u>133,298,667</u>	<u>133,258,206</u>

B10. FINANCIAL INSTRUMENTS WITH OFF BALANCE SHEET RISK

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

B11. MATERIAL LITIGATION

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

B12. INCOME DISTRIBUTION

A provisional of income distributions for the quarter have been provided in this quarter results and there is none for previous corresponding period.

	Provisional Current Quarter Ended 31.03.2007 RM	Actual 17 August to 31 December 2006 RM
Net rental income	8,903,239	12,499,119
Investment revenue	<u>-</u>	<u>833,528</u>
	8,903,239	13,332,647
Less: Expenses	<u>(2,552,788)</u>	<u>(4,084,647)</u>

Income distribution (Tax exempt at trust level)	<u>6,350,451</u>	<u>9,248,000</u>
Gross distribution per unit (sen)	<u>1.87</u>	<u>2.72</u>
Net distribution per unit (sen)	<u>1.87</u>	<u>2.72</u>

