

AL-‘AQAR KPJ REIT
CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE QUARTER
ENDED 31 MARCH 2009

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31.3.2009	Preceding Year Corresponding Quarter 31.3.2008	Current Year To date 31.3.2009	Preceding Year To Date 31.3.2008
	RM	RM	RM	RM
Gross Revenue	12,695,994	10,242,360	12,695,994	10,242,360
Property expenses	(1,282,397)	(1,303,902)	(1,282,397)	(1,303,902)
Net rental income	11,413,597	8,938,458	11,413,597	8,938,458
Investment revenue	139,670	49,871	139,670	49,871
Total income	11,553,267	8,988,329	11,553,267	8,988,329
Manager’s fees	164,876	144,665	164,876	144,665
Trustee’s fees	34,166	28,933	34,166	28,933
Accretion of long-term borrowings	600,194	614,592	600,194	614,592
Administration expenses	714,814	376,736	714,814	376,736
Acquisition expenses	190,252	-	190,252	-
Profit sharing expenses on financing	2,755,375	1,882,840	2,755,375	1,882,840
Income before tax	7,093,590	5,940,563	7,093,590	5,940,563
Tax expense	-	-	-	-
Net income for the period	7,093,590	5,940,563	7,093,590	5,940,563
Net income for the period is made up as follows:				
Realised	7,093,590	5,940,563	7,093,590	5,940,563
Unrealised	-	-	-	-
	7,093,590	5,940,563	7,093,590	5,940,563
Earnings per unit (sen)	1.65	1.55	1.65	1.55
Provision for income Distribution	6,430,815	-	6,430,815	-
Distribution per unit (sen)	1.50	-	1.50	-

(The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2008)

AL-'AQAR KPJ REIT
CONDENSED CONSOLIDATED BALANCE SHEET FOR THE QUARTER ENDED
31 MARCH 2009

	AS AT END OF CURRENT QUARTER 31.3.2009 (Unaudited) RM	AS AT PRECEDING FINANCIAL YEAR ENDED 31.12.2008 (Audited) RM
ASSETS		
Non-Current Assets		
Investment properties	663,450,000	663,450,000
	<u>663,450,000</u>	<u>663,450,000</u>
Current Assets		
Receivables and Prepaid expenses	1,964,322	1,151,688
Bank balances	25,703,094	39,172,397
	<u>27,667,416</u>	<u>40,324,085</u>
TOTAL ASSETS	<u>691,117,416</u>	<u>703,774,085</u>
LIABILITIES		
Current Liabilities		
Other payables and accrued expenses	8,028,293	10,193,797
Provision for income distribution	6,432,815	17,579,561
	<u>14,461,108</u>	<u>27,773,358</u>
Non-Current Liability		
Long-term borrowings	234,279,427	234,279,427
TOTAL LIABILITIES	<u>248,740,535</u>	<u>262,052,785</u>
NET ASSETS VALUE	<u>442,376,881</u>	<u>441,721,300</u>
UNITHOLDERS' FUNDS		
Unitholders' capital	417,806,945	417,814,139
Undistributed income	24,569,936	23,907,161
TOTAL UNITHOLDERS' FUNDS	<u>442,376,881</u>	<u>441,721,300</u>
NUMBER OF UNITS IN CIRCULATION		
	<u>428,721,000</u>	<u>428,721,000</u>
NET ASSETS VALUE PER UNIT	<u>1.03</u>	<u>1.03</u>

(The Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2008).

AL-'AQAR KPJ REIT
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS
VALUE FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2009

	Unit Holders' Capital RM	Undistributed Income RM	Total RM
Balance as of January 1, 2008	333,930,117	14,779,821	348,709,938
Operations for the year:			
Net income for the year	-	43,853,741	43,853,741
Proposed Dividend		(34,726,401)	(34,726,401)
Increase in net assets resulting from Unitholders' transactions	<u>83,884,022</u>	<u>-</u>	<u>83,884,022</u>
Balance as of December 31, 2008	<u>417,814,139</u>	<u>23,907,161</u>	<u>441,721,300</u>
Balance as of January 1, 2009	417,814,139	23,907,161	441,721,300
Operations for the year:			
Net income for the period	-	7,093,590	7,093,590
Proposed Dividend	-	(6,430,815)	(6,430,815)
Decrease in net assets resulting From Unit holders' transactions	<u>(7,194)</u>	<u>-</u>	<u>(7,194)</u>
Balance as of March 31, 2009	<u>417,806,945</u>	<u>24,569,936</u>	<u>442,376,881</u>

(The Condensed Consolidated Statement of changes in net asset value should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2008).

AL-‘AQAR KPJ REIT
CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE QUARTER ENDED 31 MARCH 2009

	31.3.2009 RM	31.3.2008 RM
Cash Flow From/(Used In) Operating Activities		
Net profit for the period	7,093,590	5,940,
Adjustments for:		
Profit sharing expenses on financing	2,755,375	1,882,840
Accretion of long-term borrowings	-	614,51
Investment revenue	(139,670)	(49,8
	<hr/>	<hr/>
Operating Profit Before Working Capital Changes	9,709,295	8,388
Increase in other receivables and prepaid expenses (Decrease)/Increase in other payables and accrued expenses	(812,634) <hr/> (2,165,504)	(1,156,506) <hr/> 5,629
Net Cash From Operating Activities	<hr/> 6,731,157	<hr/> 12,861,168
Cash Flow From/(Used In) Investing Activities		
Profit sharing income on investment received	139,670	49,871
Purchase of investment properties	-	(170,290,000)
Net Cash Used In Investing Activities	<hr/> 139,670	<hr/> (170,240,129)
Cash Flow From/(Used In) Financing Activities		
Dividend Paid	(17,577,561)	(10,948,000)
Proceeds from issuance of Sukuk	-	232,956,023
Repayment of Term loan	-	(133,420,052)
Profit sharing expenses on financing paid	(2,755,375)	(2,497,4
Proceeds from issue of Units		84,081,088
Listing expenses paid	(7,194)	-
Net Cash Used In Financing Activities	<hr/> (20,340,130)	<hr/> 170,171,6
Net (Decrease)/ Increase In Cash And Cash Equivalent	(13,469,303)	12,792,
Cash And Cash Equivalent At Beginning Of Period	<hr/> 39,172,397	<hr/> 13,440,240
Cash And Cash Equivalent At End Of Period	<hr/> 25,703,094	<hr/> 26,232,906

(The Condensed Consolidated Cash Flow should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2008).

AL-'AQAR KPJ REIT

Quarterly Unaudited Financial Results for the 1st Quarter ended 31 March 2009

NOTES TO THE QUARTERLY 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 financial year ended 31 December 2008 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 an issuance of RM235,000,000 in nominal value Islamic Commercial Paper (ICP) under Sukuk Ijarah Programme facility and repayment of Bai' Bithamin Ajil Financing facility amounting RM134,000,000. The maturity of Sukuk Ijarah facility will be on 2013 and comprises the following tranches :

Tranche	Amount RM	Profit Rate (%)
Class A Islamic Medium Term Notes	155,000,000	4.78
Class B Islamic Medium Term Notes	25,000,000	5.05
Class C Islamic Medium Term Notes	55,000,000	4.28
Total	235,000,000	

A7. INCOME DISTRIBUTION

Income distribution of final dividend 2008 declared at 4.10 sen per unit amounting to RM 17,577,561 has been paid in March 2009. In current quarter ended March 31, 2009 interim dividend 2009 has been declared at 1.50 sen per unit amounting to RM 6,430,815.

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

The acquisition of 5 properties, namely, Perdana Specialist Hospital Building, Kuantan Specialist Hospital Building, Sentosa Medical Centre Building, KPJ Kajang Specialist Hospital Building and Kedah Medical Centre Building were successfully completed on 5 March 2008.

A11. CHANGES IN THE COMPOSITION OF THE TRUST

There were changes in the composition of the Trust and the fund size increased from 340,000,000 units to 428,721,000 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 current period ended March 31, 2009, Al-'Aqar KPJ REIT recorded a total revenue of RM11,553,267 inclusive of income from placement in Islamic money market of RM139,670.

Total expenditure for the current period ended March 31, 2009 was RM5,742,074 of which RM1,282,397 was attributable to property expenses. For the period under review, income before taxation available for distribution amounted to RM7,093,590.

**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 enjoy 100% rate of occupancy and collections. The Fund has completed the second (2nd) acquisition of 5 new hospitals bringing the total number of hospitals to 11 with a total value of RM663,450,00 on 31 March 2009. These hospitals are having similar leasing arrangement as per the current hospitals. The arrangement will enhance rental income in future years which will provide favorable returns to the unitholders.

On 19th August, 2008 an announcement was made to acquire additional 9 assets with total value of RM383,400,000. The proposed assets are Seremban Specialist Hospital Building, Taiping Medical Centre Building, Kota Kinabalu Specialist Hospital Building, Bukit Mertajam Specialist Hospital, KPJ Tawakal Hospital Building, KPJ Penang Specialist Hospital Building, International College of Nursing and Health Sciences (PNC), Tawakal Hospital existing Building and Hotel Selesa (JB) and Metropolis Building. These new hospitals will have similar leasing arrangement and will increase the value of the Al-'Aqar KPJ REIT.

**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	Preceding Quarter
	RM	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	7,093,590
Tax at statutory tax rate of 26%	
Tax effects of:	1,844,333
Income distributed exempted from tax at trust level	(1,844,333)
	-

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

On 19th August, 2008 an announcement was made to acquire additional 9 assets with total value of RM383,400,000. The proposed assets are Seremban Specialist Hospital Building, Taiping Medical Centre Building, Kota Kinabalu Specialist Hospital Building, Bukit Mertajam Specialist Hospital, KPJ Tawakal Hospital Building, KPJ Penang Specialist Hospital Building, International College of Nursing and Health Sciences (PNC), Tawakal Hospital existing Building and Hotel Selesa (JB) and Metropolis Building. These new hospitals will have similar leasing arrangement and will increase the value of the Al-'Aqar KPJ REIT. This proposal is yet to be completed.

B9. LONG –TERM BORROWINGS

	Current Quarter	Preceding Financial Year End RM
Sukuk Al-Ijarah (Islamic Commercial Paper)	<u>234,279,427</u>	<u>234,279,427</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.