

THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROCKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

If you have sold all your ordinary shares in AMMB Holdings Berhad (“AHB”), you should at once hand this Prospectus together with the application form to the agent through whom you effected the sale for onward transmission to the purchaser.

RESPONSIBILITY STATEMENTS

The Directors of Am ARA REIT Managers Sdn Bhd (“Am ARA”), AmInvestment Group Berhad (“AIGB”), AHB and AmProperty Trust Management Berhad (“AmPTMB”) have seen and approved this Prospectus and they collectively and individually accept full responsibility for the accuracy of the information contained herein and confirm that, having made all enquiries which are reasonable in the circumstances, that to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement herein misleading. The Directors of Am ARA hereby accept full responsibility for the profit forecasts and projections included in this Prospectus and confirm that the profit forecasts and projections have been prepared based on assumptions made.

AmMerchant Bank Berhad, being the Adviser, Managing Underwriter, Sole Bookrunner and Lead Arranger, acknowledges that, based on all available information, and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning the initial public offering and is satisfied that the profit forecasts and projections (*for which the Directors of Am ARA are fully responsible*) prepared for inclusion in this Prospectus have been stated by the Directors of Am ARA after due and careful enquiry and the profit forecasts and projections have been duly reviewed by the Reporting Accountants.

STATEMENTS OF DISCLAIMER

The Securities Commission (“SC”) has approved the issue, offer or invitation in respect of the initial public offering and the approval shall not be taken to indicate that the SC recommends the initial public offering.

The SC shall not be liable for any non-disclosure on the part of the Manager and takes no responsibility for the contents of this Prospectus, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from reliance upon the whole or any part of the contents of this Prospectus.

YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IN CONSIDERING THE INVESTMENT, IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

The valuation approved or accepted by the SC shall only be utilised for the purpose of the proposal in relation to the initial public offering of AmFIRST Real Estate Investment Trust (“AmFIRST REIT”) submitted to and approved by the SC and shall not be construed as an endorsement by the SC on the value of the subject assets for any other purposes.

Bursa Malaysia Securities Berhad (“**Bursa Securities**”) shall not be liable for any non-disclosure on the part of AmFIRST REIT and takes no responsibility for the contents of this Prospectus, makes no representation as to its correctness or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Prospectus. Admission to the Official List is not to be taken as an indication of the merits of the invitation, AmFIRST REIT or its securities.

A copy of this Prospectus has been registered and lodged with the SC. No Units will be issued or sold on the basis of this Prospectus later than one (1) year after the date of this Prospectus.

This Prospectus can also be viewed or downloaded from Bursa Securities' website at www.bursamalaysia.com. The contents of the electronic Prospectus are as per the contents of this Prospectus.

ADDITIONAL STATEMENTS

An application will be made to Bursa Securities for permission to deal in and for the listing of and quotation for all the units of AmFIRST REIT already issued as well as the IPO Units (*as defined herein*) which are the subject of this offer. Such permission will be granted when AmFIRST REIT has been admitted to the Official List of Bursa Securities. Acceptance of applications for the IPO Units will be conditional upon permission being granted to deal in and quotation for all the IPO Units of AmFIRST REIT. Monies paid in respect of any application for the IPO Units accepted will be returned if the said permission is not granted. Admission to the Official List is not to be taken as an indication of the merits of AmFIRST REIT or its units.

This Prospectus has not been and will not be made to comply with the laws of any jurisdiction other than Malaysia, and has not been and will not be lodged, registered or approved pursuant to or under any applicable securities or equivalent legislation or with or by any regulatory authority or other relevant body of any jurisdiction other than Malaysia.

This Prospectus is not intended to be and will not be issued, circulated or distributed and the offer of the IPO Units will not be made or deemed to be made in any country or jurisdiction other than Malaysia or to persons who are made subject to the laws of any country or jurisdiction other than the laws of Malaysia. The Initial Public Offering ("IPO") to which this Prospectus relates is only available to persons receiving this Prospectus electronically or otherwise within Malaysia. No action has been taken or will be taken to ensure that the Restricted Offer For Sale (*as defined herein*) to the entitled shareholders of AHB complies with the laws of any country or jurisdiction other than the laws of Malaysia. The entitled shareholders of AHB residing in countries or jurisdictions other than Malaysia should therefore immediately consult their legal advisers as to whether the acceptance of the Restricted Offer For Sale would result in the contravention of the laws of such countries or jurisdictions of their residence. AHB, Am ARA and AmMerchant Bank Berhad shall not accept any responsibility or liability in the event that any acceptance in respect of the Restricted Offer For Sale made by the entitled shareholders of AHB residing in countries or jurisdictions other than Malaysia is or shall become illegal, unenforceable, voidable or void.

The Manager, AIGB, AHB and AmPTMB will not, prior to acting on any acceptance in respect of the IPO, make or be bound to make any enquiry as to whether you have a registered address in Malaysia and will not accept or be deemed to accept any liability in relation thereto whether or not any enquiry or investigation is made in connection therewith. It shall be your sole responsibility if you are or may be subject to the laws of countries or jurisdictions other than Malaysia to consult your legal and/or other professional advisers as to whether the IPO would result in the contravention of any laws of such countries or jurisdictions.

Further, it shall also be your sole responsibility to ensure that your application for the IPO would be in compliance with the terms of the IPO and would not be in contravention of any laws of countries or jurisdiction other than Malaysia to which you may be subjected. The Manager, AIGB, AHB and AmPTMB will further assume that you have accepted the Offer For Sale and Restricted Offer For Sale in Malaysia and will at all applicable times be subjected only to the laws of Malaysia in connection therewith.

However, the Manager, AIGB, AHB and AmPTMB reserves the right, in its absolute discretion, to treat any acceptance as invalid if the Manager, AIGB, AHB and AmPTMB believes that such acceptance may violate any law or applicable legal or regulatory requirements.

No action has been or will be taken to ensure that this Prospectus complies with the laws of any country or jurisdiction other than the laws of Malaysia. It shall be your sole responsibility to consult your legal and/or other professional advisers on the laws to which the IPO you are or may be subjected to. The Manager, AIGB, AHB, AmPTMB, Adviser, Lead Arranger, Sole Bookrunner, Managing Underwriter or any other advisers in relation to the IPO shall not accept any responsibility or liability in the event that any application made by you shall become illegal, unenforceable, voidable or void in any country or jurisdiction.

In respect of any reference in this Prospectus to Third Party Internet Sites (such internet sites are hereinafter referred to as "**Third Party Internet Sites**"), whether by way of hyperlinks or by way of description of the Third Party Internet Sites, the applicant acknowledges and agrees that:-

- (i) the Manager does not endorse and is not affiliated in any way with the Third Party Internet Sites referred to in this Prospectus and is not responsible for the availability of, or the contents or any data, information, files or other material provided on the Third Party Internet Sites, and that the applicant bears all risks associated with the access to or use of the Third Party Internet Sites;
- (ii) the Manager is not responsible for the quality of the products or services provided in the Third Party Internet Sites, for fulfilling any of the terms of the applicant's agreement in connection with the Third Party Internet Sites, if any, and any loss or damage or costs that the applicant may suffer or incur in connection with or as a result of dealing with the Third Party Internet Sites and the reliance on any data, information, files or other material provided thereon, and
- (iii) any data, information, files or other material downloaded from the Third Party Internet Sites is done at the applicant's own discretion and risk. The Manager shall bear no responsibility, liability or obligation whatsoever in respect of any damage to the applicant's computer system or loss of data resulting from the downloading of any such data, information, files or other material.

Indicative Timetable

The indicative timing of events leading up to the listing of and quotation for AmFIRST REIT on the Main Board of Bursa Securities is set out below:

Event	Date
Opening of the IPO	9 November 2006
Closing for Cash Option and Restricted Offer For Sale	5 December 2006
Closing of the Offer For Sale	7 December 2006
Price determination	8 December 2006
Allotment/Transfer of Units to successful applicants	19 December 2006
Listing of AmFIRST REIT on Main Board of Bursa Securities	20 December 2006

THIS TIMETABLE IS TENTATIVE AND IS SUBJECT TO CHANGES WHICH MAY BE NECESSARY TO FACILITATE IMPLEMENTATION PROCEDURES. THE APPLICATION PERIOD FOR THE IPO WILL REMAIN OPEN UNTIL 5.00 P.M. ON 5 DECEMBER 2006 FOR CASH OPTION AND RESTRICTED OFFER FOR SALE AND UNTIL 5.00 P.M. ON 7 DECEMBER 2006 FOR THE OFFER FOR SALE OR FOR SUCH FURTHER PERIOD OR PERIODS AS THE DIRECTORS OF Am ARA, AHB, AmPTMB AND THE MANAGING UNDERWRITER IN THEIR ABSOLUTE DISCRETION MAY DECIDE.

SHOULD THE CLOSING DATES OF THE APPLICATION FOR THE IPO BE EXTENDED, THE DATES FOR PRICE DETERMINATION, ALLOTMENT AND LISTING OF AmFIRST REIT ON THE MAIN BOARD OF BURSA SECURITIES MIGHT BE EXTENDED ACCORDINGLY. ANY CHANGES TO THE APPLICATION PERIOD WILL BE NOTIFIED TO THE PUBLIC VIA AN ADVERTISEMENT IN A WIDELY CIRCULATED DAILY BAHASA MALAYSIA NEWSPAPER AND ENGLISH NEWSPAPER IN MALAYSIA.

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1. Definitions

In this Prospectus, unless where the context requires otherwise, the following words and abbreviations shall have the following meanings:

Acquisitions	: the Acquisition of Menara AmBank, Acquisition of BAG, Acquisition of AGLC and Acquisition of Menara Merais collectively
Acquisition of AGLC	: the acquisition of AGLC by AmFIRST REIT from Mayban Trustees Berhad (as trustee for AmFPT) for a total consideration of RM19,000,000 satisfied by issuance of 19,000,000 new Units at an issue price of RM1.00 per Unit
Acquisition of BAG	: the acquisition of BAG by AmFIRST REIT from Mayban Trustees Berhad (as trustee for AmFPT) for a total consideration of RM180,000,000 satisfied by issuance of 180,000,000 new Units at an issue price of RM1.00 per Unit
Acquisition of Menara AmBank	: the acquisition of Menara AmBank by AmFIRST REIT from AmBank for a total consideration of RM230,000,000 satisfied by issuance of 230,000,000 new Units at an issue price of RM1.00 per Unit
Acquisition of Menara Merais	: the acquisition of Menara Merais by AmFIRST REIT from Mayban Trustees Berhad (as trustee for AmFPT) for a cash consideration of RM57,000,000 which will be raised from bank borrowings
Act	: the Companies Act, 1965 of Malaysia and any statutory modification, amendment or re-enactment thereof for the time being in force
AGLC	: the freehold land held under Title No GRN 6312 for Lot 1153, Section 57, Town and District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, together with a 14-storey office building, comprising a 10-storey office tower block, a penthouse and a 3-level carpark known as "AmBank Group Leadership Centre" bearing the postal address AmBank Group Leadership Centre, Lorong P Ramlee, 50250 Kuala Lumpur
AHB	: AMMB Holdings Berhad (Company No: 223035-V)
AHB Group	: AHB, its subsidiary and associated companies
AIGB or the Sponsor	: AmInvestment Group Berhad (Company No: 657000-X)
Am ARA or the Manager	: Am ARA REIT Managers Sdn Bhd (Company No: 730964-X), being the Manager of AmFIRST REIT
AmBank	: AmBank (M) Berhad (Company No: 8515-D) (for illustration purposes in this Prospectus, AmBank, the vendor of Menara AmBank, will also be considered as a tenant of Menara AmBank prior to the completion of the Acquisition of Menara AmBank)
AmFIRST REIT	: AmFIRST Real Estate Investment Trust
AmFPT	: AmFirst Property Trust
AmMerchant Bank or the Adviser	: AmMerchant Bank Berhad (Company No: 23742-V) (a member of AmInvestment Group)
AmPTMB	: AmProperty Trust Management Berhad (Company No: 178289-D), being the manager of AmFPT

1. Definitions (Cont'd)

BAG	: the leasehold land held under Title No. Pajakan Negeri 4512 for Lot No. 1200, Section 57, Town and District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, together with a 26-storey office building comprising a 21-storey office tower block, 1-level cafeteria, gymnasium and a multi-purpose hall and 4-upper level carpark and 3-basement level carpark known as "Bangunan AmBank Group" bearing the postal address No. 55, Jalan Raja Chulan, 50200 Kuala Lumpur
Board	: Board of Directors of Am ARA
Bursa Depository	: Bursa Malaysia Depository Sdn Bhd (Company No: 165570-W)
Bursa Securities	: Bursa Malaysia Securities Berhad (Company No: 635998-W)
Business Day	: a day on which Bursa Securities is open for trading
Cash Option	: the option given to the unitholders of AmFPT to tender to AmMerchant Bank up to 138,400,225 Units to be received by the unitholders of AmFPT pursuant to AmFPT's proposed distribution exercise, in exchange for cash of RM1.00 per Unit
CDS	: Central Depository System
CDS Account	: an account established at Bursa Depository for a Depositor for the recording of deposit of securities and for dealing in such securities by the Depositor
Central Depositories Act	: the Securities Industry (Central Depositories) Act, 1991 of Malaysia or any statutory modification, amendment or re-enactment thereof for the time being in force
CH Williams or the Independent Property Valuer	: CH Williams Talhar & Wong Sdn Bhd (Company No: 18149-U), a registered firm of independent valuers
Deed	: the trust deed dated 28 September 2006 made between the Trustee and Am ARA constituting AmFIRST REIT
Depositor	: a holder of a CDS Account
Entitlement Date	: the close of business at 5.00 p.m. on 3 November 2006, at which time the Record of Depositors is to be closed for the purpose of determining the entitlements of the shareholders of AHB pursuant to the Restricted Offer For Sale and the unitholders of AmFPT pursuant to Cash Option
FRS	: the Malaysian Financial Reporting Standards, the generally accepted accounting principles and policies of Malaysia as issued by the Malaysian Accounting Standards Board
FYE	: the financial year ended or, as the case may be, ending
IPO	: the initial public offering of the Units comprising the Offer for Sale and Restricted Offer For Sale
IPO Units	: Units to be offered pursuant to the Offer for Sale and Restricted Offer For Sale
JLW	: Jones Lang Wootton (proprietor : Singham Sulaiman Sdn Bhd) (Company No: 78217-X), being the property manager for BAG and AGLC
Lead Arranger	: Lead Arranger for the Offer for Sale, namely AmMerchant Bank

1. Definitions (Cont'd)

Listing	:	admission to the Official List and the listing of and quotation for 429,001,000 Units on the Main Board of Bursa Securities
Listing Requirements	:	Listing Requirements of Bursa Securities
Listing Scheme	:	the Acquisitions, IPO and Listing collectively
LPD	:	30 September 2006, being the latest practicable date for the purposes of ascertaining certain information contained in this Prospectus
Managing Underwriter	:	Managing Underwriter for the Restricted Offer For Sale and Units pursuant to the Cash Option, namely AmMerchant Bank
Mayban Trustees or the Trustee	:	Mayban Trustees Berhad (Company No: 5004-P), being the Trustee of AmFIRST REIT
Menara AmBank	:	the freehold land held under Title No. GRN 52468 for Lot No. 140, Section 44, Town and District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, together with a 46-storey office building comprising a 38-storey office tower block, a 1-level canteen and a 7-level carpark, bearing the postal address No. 8, Jalan Yap Kwan Seng, 50450 Kuala Lumpur
Menara Merais	:	the freehold land held under Title No. HSM 9104 for Lot No. PT No. 29649, Mukim of Sungai Buluh, District of Petaling, Selangor, together with a 22-storey purpose-built office building, a mezzanine floor, a 3-level basement car park and 1 block of 2-storey mechanical block and a Tenaga Nasional Berhad sub-station, bearing the postal address No. 1, Jalan 19/3, Section 19, 46300 Petaling Jaya, Selangor
NAV	:	net asset value of AmFIRST REIT, determined by deducting the value of all AmFIRST REIT's liabilities from the value of AmFIRST REIT's assets. For the purposes of computing the annual trustee fee, the NAV of AmFIRST REIT should be inclusive of the trustee fee for the relevant day
NAV per Unit	:	NAV of AmFIRST REIT divided by the number of Units in circulation at the valuation point
Net Lettable Area or NLA	:	area in a building that is to be let or leased or occupied, excluding: <ul style="list-style-type: none">(i) car park bays and driveways; and(ii) common areas such as common corridors, lift lobbies/areas, staircases, janitors' rooms, refuse chambers, generator sets rooms, pump rooms, water tank area and toilets
Occupancy or Occupancy Rate	:	area occupied by tenants based on Net Lettable Area
Offer for Sale	:	the offer for sale by the Offerors of up to 332,753,083 Units, subject to the terms and conditions described in this Prospectus
Offer Price	:	the price per Unit payable by institutional and selected investors pursuant to the Offer for Sale to be determined in accordance with Section 4.5 of this Prospectus

1. Definitions (Cont'd)

Offerors : the offerors of up to 332,753,083 Units pursuant to the Offer for Sale, namely:-

	No. of Units	No. of Units
AHB		*133,753,083
Mayban Trustees Berhad		
- pursuant to Cash Option	^138,400,225	
- on behalf of AmFPT	<u>60,599,775</u>	199,000,000
Total		<u>332,753,083</u>

* the final Units to be offered will be determined on the Entitlement Date for Restricted Offer For Sale

^ the final Units to be offered will be determined after the closing date for the Cash Option

Ordinary Resolution : a resolution of Unitholders proposed and passed by a simple majority of the votes of those present and entitled to vote, but with a quorum of at least five (5) Unitholders or proxy of Unitholders holding at least 10% of Units in issue carrying the right to vote

Promoter's Unit : the 1,000 Units issued on 28 September 2006 to the Manager at RM1.00 each for cash for the purpose of constituting AmFIRST REIT

Properties : the four (4) properties comprising BAG, AGLC, Menara AmBank and Menara Merais collectively and "Property" means any one of them

Prospectus : this prospectus dated 9 November 2006

Property Management Agreements : (i) the property management agreements both dated 12 October 2006 entered into between JLW, the Trustee and Am ARA pursuant to which JLW will provide certain property management services for BAG and AGLC; and

(ii) the property management agreements both dated 12 October 2006 entered into between Rahim & Co, the Trustee and Am ARA pursuant to which Rahim & Co will provide certain property management services for Menara AmBank and Menara Merais

Property Managers : JLW and Rahim & Co

Property Sale and Purchase Agreements : the agreements entered into between (a) the respective Vendors and (b) the Trustee (as trustee of AmFIRST REIT) as purchaser for the sale and purchase of the Properties

Rahim & Co : Rahim & Co. Chartered Surveyors Sdn Bhd (Company No: 69437-W), being the property manager for Menara AmBank and Menara Merais

REIT : real estate investment trust

REIT Guidelines : the Guidelines on Real Estate Investment Trusts (3rd edition, 3 January, 2005) issued by the SC including any amendments or reissue

Reporting Accountants : Ernst & Young (AF: 0039)

1. Definitions (Cont'd)

Restricted Offer For Sale	:	Renounceable restricted offer for sale by AHB of up to 96,246,917 Units at RM1.00 per Unit to the existing shareholders of AHB on the basis of 1 Unit for every 25 existing ordinary shares of RM1.00 each held in AHB as at Entitlement Date, of which RM0.85 per Unit will be paid in cash by the shareholders of AHB and the remaining RM0.15 per Unit will be paid by AHB
RM	:	Ringgit Malaysia
SC	:	Securities Commission of Malaysia
SC Act	:	the Securities Commission Act, 1993 of Malaysia and includes any amendments thereto from time to time
Sole Bookrunner	:	AmMerchant Bank
Special Resolution	:	a resolution of Unitholders proposed and passed by a majority consisting of 75% or more of the votes of those present and entitled to vote, but with a quorum of at least five (5) Unitholders or proxy of Unitholders holding at least 15% of Units carrying the right to vote
Sq. ft.	:	square foot (or feet)
Sq. m.	:	square metre
SSR or the Registrar	:	Symphony Share Registrars Sdn Bhd (Company No: 378993-D)
Taxation Adviser	:	PricewaterhouseCoopers Taxation Services Sdn Bhd (Company No: 464731-M)
Total Asset Value	:	as at any time, sum of the value of total assets of the AmFIRST REIT including all its authorised investment as set out in the Deed and other assets (after consulting with the Auditor) to be in the nature of assets in accordance with generally accepted accounting practices in Malaysia, for the time being held or deemed to be held upon the trusts of the Deed, as determined in accordance with the Deed based on the latest audited accounts or valuation report by a qualified valuer, whichever is more current
Underwriters	:	collectively, AmMerchant Bank and AmSecurities Sdn Bhd (Company No: 92977-U)
Underwriting Agreement for Cash Option and offer for sale by AmFPT	:	the underwriting agreement dated 12 October 2006 made between the Underwriters, AmPTMB and Mayban Trustees Berhad (on behalf of AmFPT) for the underwriting of 138,400,225 Units and 60,599,775 Units pursuant to the Cash Option and offer for sale by AmFPT respectively
Underwriting Agreement for Restricted Offer For Sale	:	the underwriting agreement dated 12 October 2006 made between the Underwriters and AHB for the underwriting of 96,246,917 Units pursuant to the Restricted Offer For Sale
Unit	:	an undivided interest in AmFIRST REIT
Unitholder	:	any person registered as holding a Unit including persons jointly registered in accordance with the provisions of the Deed
Vendors	:	the vendors of the Properties which consist of AmBank for Menara Ambank and Mayban Trustees Berhad (as trustee of AmFPT) for BAG, AGLC and Menara Merais

2. Corporate Directory

MANAGER	: Am ARA REIT Managers Sdn Bhd (730964-X)
<u>Registered Office</u>	: 22 nd Floor, Bangunan AmBank Group 55, Jalan Raja Chulan 50200 Kuala Lumpur Malaysia Telephone No. : 603-2078 2633
<u>Principal Place of Business</u>	: 17 th Floor, Bangunan AmBank Group 55, Jalan Raja Chulan 50200 Kuala Lumpur Malaysia Telephone No. : 603-2078 2633
<u>Board of Directors</u>	
Non-Independent Non-Executive Chairman	Dato' Azlan Hashim
Non-Independent Non-Executive Directors	Cheah Tek Kuang Lim Hwee Chiang Pushpa Rajadurai (<i>alternate director to Cheah Tek Kuang</i>) Anthony Ang Meng Huat (<i>alternate director to Lim Hwee Chiang</i>)
Independent Non-Executive Directors	Mohd Salleh Akram Dato' Teo Chiang Quan
<u>Management Team</u>	: Anthony Ooi Kwee Yang, Acting Chief Executive Officer and Chief Investment Officer Anthony Ang Meng Huat, Adviser Yusri Kamaruzaman Mohamed Yusof, Asset Manager Panneer Selvam Narayanan, Finance Manager Chan Weng Chuen, Assistant Finance Manager
<u>Company Secretary</u>	: Ho Li Chin (MAICSA 0867502) B1-09-4 Vista Komanwel Bukit Jalil 57700 Kuala Lumpur Malaysia
PROPERTY MANAGERS	: Jones Lang Wootton (proprietor : Singham Sulaiman Sdn Bhd) 8 Floor, Bangunan Getah Asli (Menara) 148 Jalan Ampang, 50450 Kuala Lumpur Malaysia Telephone No. : 603-2161 2522
	Rahim & Co. Chartered Surveyors Sdn Bhd (69437-W) Level 17, Menara Uni-Asia 1008 Jalan Sultan Ismail, 50250 Kuala Lumpur Malaysia Telephone No. : 603-2691 9922

2. Corporate Directory (Cont'd)

- TRUSTEE** : Mayban Trustees Berhad (5004-P)
34th Floor, Menara Maybank
100, Jalan Tun Razak
50050 Kuala Lumpur
Malaysia
Telephone No. : 603-2078 8363
- REGISTRAR AND TRANSFER OFFICE** : Symphony Share Registrars Sdn Bhd (378993-D)
Level 26 Menara Multi-Purpose
Capital Square
No 8 Jalan Munshi Abdullah
50100 Kuala Lumpur
Malaysia
Telephone No. : 603-2721 2222
- AUDITORS AND REPORTING ACCOUNTANTS** : Ernst & Young (AF: 0039)
Level 23A Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
50490 Kuala Lumpur
Malaysia
Telephone No. : 603-7495 8000
- TAXATION ADVISER** : PricewaterhouseCoopers Taxation Services Sdn Bhd
(464731-M)
11th Floor Wisma Sime Darby
Jalan Raja Laut
50706 Kuala Lumpur
Malaysia
Telephone No. : 603-2693 1077
- SOLICITORS FOR THE IPO** : Messrs Adnan, Sundra & Low
Level 11, Menara Olympia
8 Jalan Raja Chulan
50200 Kuala Lumpur
Malaysia
Telephone No. : 603-2070 0466
- PRINCIPAL BANKER** : AmBank (M) Berhad (8515-D)
Level 18, Menara Dion
Jalan Sultan Ismail
50250 Kuala Lumpur
Malaysia
Telephone No. : 603- 2026 3939
- INDEPENDENT PROPERTY VALUER AND PROPERTY MARKET CONSULTANT** : CH Williams Talhar & Wong Sdn Bhd (18149-U)
32nd Floor Menara Tun Razak
Jalan Raja Laut
P.O.Box 12157
50768 Kuala Lumpur
Malaysia
Telephone No. : 603- 2693 8888
- ADVISER, MANAGING UNDERWRITER, SOLE BOOKRUNNER & LEAD ARRANGER** : AmMerchant Bank Berhad (23742-V)
(a member of AmInvestment Group Berhad)
22nd Floor, Bangunan AmBank Group
55, Jalan Raja Chulan
50200 Kuala Lumpur
Malaysia
Telephone No. : 603-2078 2633 / 44 / 55

2. Corporate Directory (Cont'd)

UNDERWRITERS

: AmMerchant Bank Berhad (23742-V)
(a member of AmInvestment Group Berhad)
22nd Floor, Bangunan AmBank Group
55, Jalan Raja Chulan
50200 Kuala Lumpur
Malaysia
Telephone No. : 603-2078 2633 / 44 / 55

AmSecurities Sdn Bhd (92977-U)
(a member of AmInvestment Group Berhad)
15th Floor, Bangunan AmBank Group
55, Jalan Raja Chulan
50200 Kuala Lumpur
Malaysia
Telephone No. : 603-2078 2788

LISTING SOUGHT

: Main Board of Bursa Securities

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3. Executive Summary

The Fund Information described in this section introduces you to AmFIRST REIT and helps you decide whether AmFIRST REIT fits your investment objectives. This section provides only a summary of the salient information on AmFIRST REIT as derived from the full text of this Prospectus. You should bear in mind, however, that no fund can guarantee that it will meet its investment objective at all times, and no fund should be relied upon as a complete investment programme.

3.1 Fund Information

Item	Brief Description
Name of Fund	AmFIRST REIT
Category of Fund	Real estate
Type of Fund	Income and growth
Investment Objective	The key objectives for AmFIRST REIT will be to own and invest in real estate whether directly or indirectly through the ownership of single-purpose companies whose principal assets comprise real estate and real estate-related assets.
Investment Strategies	<p>The principal strategies are as follows:-</p> <ul style="list-style-type: none">• invest in income-producing real estate and real estate-related assets directly or indirectly through the ownership of single-purpose companies whose principal assets comprise real estate;• active asset management;• improve rental rates while maintaining high occupancy rates;• attract new tenants and explore expansion needs of existing tenants;• raising the profile and visibility of the Properties through proactive marketing, advertising and promotional efforts;• develop close tenant-landlord relationships to optimise tenant retention;• monitor and minimise property expenses;• enhance the overall portfolio through the acquisition of properties that meet the Manager's investment criteria; and• employ an appropriate conservative capital structure with debt and equity financing policies.
Authorised Investments	<ul style="list-style-type: none">• at least 75% of AmFIRST REIT's total assets shall be invested in real estate, single-purpose companies, real estate-related assets or liquid assets;• at least 50% of AmFIRST REIT's total assets must be invested in real estate or single-purpose companies; and• the remaining 25% of AmFIRST REIT's total assets may be invested in other assets (i.e. real estate-related assets, non-real estate-related assets or asset-backed securities).
Borrowing Limit	Up to 50% of the Total Asset Value of AmFIRST REIT at the time the borrowings are incurred
Investors' Profile	AmFIRST REIT may appeal to investors with a long term investment horizon seeking sustainable distribution of income and long term capital growth
Approved Fund Size	429,001,000 Units

3. Executive Summary (Cont'd)

Item	Brief Description
Distribution Policy	<p>Distributions will be paid on a semi-annual basis (or such other intervals as the Manager shall determine) within two (2) months after AmFIRST REIT's book closure date. The Manager shall distribute all or at least 90% of the distributable income of AmFIRST REIT as determined by the Manager in its absolute discretion.</p> <p>Barring any unforeseen circumstances, it is the intention of the Manager to distribute 100% of the distributable income of AmFIRST REIT for the 5-month period ending 31 March 2007 and the 3 financial years ending 31 March 2008 to 31 March 2010. Thereafter, the Manager intends to distribute at least 90% of the distributable income for the relevant financial year or such other intervals as determined by the Manager at their discretion.</p>
Revaluation Policy	<p>In accordance with the applicable approved accounting standards in Malaysia, the real estates will be stated at their respective fair values at each balance sheet date. If there is no change to the fair values, the real estates will be revalued at least once every three (3) years from the date of last valuation.</p>
Redemption Policy	<p>Unitholders have no right to request Am ARA to redeem their Units while the Units are listed. It is intended for Unitholders to only deal in their listed Units through trading on Bursa Securities. However, the listing of the Units on the Main Board of Bursa Securities does not guarantee a liquid market for the Units.</p>
Board Lot	<p>100 Units per board lot.</p> <p>Investors may buy and/or sell the minimum of one (1) Board Lot (i.e. a minimum of 100 Units). Any additional investment in AmFIRST REIT will be in Board Lot incrementals.</p>

3.2 Overview of Properties

A brief description of the Properties which form the initial investments of AmFIRST REIT is set out below:-

- (a) Menara AmBank, comprising office premises with a Net Lettable Area measuring 458,882 sq ft plus 795 car parking bays within Menara AmBank. Menara AmBank is erected on land held under Title No. GRN 52468 for Lot No. 140, Section 44, Town and District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur;
- (b) BAG, comprising office premises with a Net Lettable Area measuring 360,166 sq ft plus 522 car parking bays within BAG. BAG is erected on land held under Pajakan Negeri 4512 for Lot No. 1200, Section 57, Town and District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur;
- (c) AGLC, comprising office premises with a Net Lettable Area measuring 57,801 sq ft plus 57 car parking bays within AGLC. AGLC is erected on land held under GRN 6312 for Lot No. 1153, Section 57, Town and District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur; and
- (d) Menara Merais, comprising office premises with a Net Lettable Area measuring 159,002 sq ft plus 324 car parking bays within Menara Merais. Menara Merais is erected on land held under Title No. HSM 9104 for Lot No. PT No. 29649, Mukim of Sungai Buluh, District of Petaling, Selangor.

The tenancy arrangement with its major tenants in respect of the Properties are disclosed in Sections 7.2.7, 7.3.7, 7.4.7 and 7.5.7 of this Prospectus.

3. Executive Summary (Cont'd)

A summary of the information on the Properties are as follows:

Menara AmBank			
Address	No. 8, Jalan Yap Kwan Seng, 50450 Kuala Lumpur		
Description	46-storey office building, comprising a 38-storey office tower block, a 1-level canteen and a 7-level carpark		
Year of completion	1997		
Occupancy snapshot	As at 31 March 2006	As at 31 March 2005	As at 31 March 2004
	92%	92%	89%
Gross revenue	FYE 31 March 2006 (RM'000)	FYE 31 March 2005 (RM'000)	FYE 31 March 2004 (RM'000)
	17,879	16,604	16,343
Land area	80,420 sq ft (7,471sq m)		
Net Lettable Area (as at the LPD)	458,882 ft		
Appraised value (as at 7 March 2006)	RM230,000,000		
Purchase consideration	RM230,000,000 satisfied by issuance of 230,000,000 new Units at an issue price of RM1.00 per Unit		
Number of tenants (as at the LPD)	17		
Top three tenants (in terms of monthly gross rent as at the LPD)	<ul style="list-style-type: none"> • AmBank * • MBf Cards (Malaysia) Sdn Bhd • Acer Sales & Services Sdn Bhd 		
	<p>Note: * For illustration purposes in this Prospectus, AmBank, the vendor of Menara AmBank, will also be considered as a tenant of Menara AmBank prior to the completion of the Acquisition of Menara AmBank.</p>		
Tenure	Freehold		
Encumbrances (as at the LPD)	None		
Restriction in interest*	None		

Note:-

- * As determined from the land search report obtained from the Wilayah Persekutuan Kuala Lumpur Land Registry.

Further information on Menara AmBank is set out in Section 7.2 of this Prospectus.

BAG	
Address	No 55, Jalan Raja Chulan, 50200 Kuala Lumpur
Description	26-storey office building, comprising a 21-storey office tower block, 1-level cafeteria, gymnasium and a multi-purpose hall, 4-upper level carpark and 3-basement level carpark
Year of completion	1986

3. Executive Summary (Cont'd)

BAG			
Occupancy snapshot	As at 31 March 2006	As at 31 March 2005	As at 31 March 2004
	95%	98%	95%
Gross revenue	FYE 31 March 2006 (RM'000)	FYE 31 March 2005 (RM'000)	FYE 31 March 2004 (RM'000)
	18,321	18,180	18,033
Land area	47,600 sq ft (4,422sq m)		
Net Lettable Area (as at the LPD)	360,166 sq ft		
Appraised value (as at 7 March 2006)	RM180,000,000		
Purchase consideration	RM180,000,000 satisfied by issuance of 180,000,000 new Units at an issue price of RM1.00 per Unit		
Number of tenants (as at the LPD)	9		
Top three tenants (in terms of monthly gross rent as at the LPD)	<ul style="list-style-type: none"> • AHB Group • Messrs Shook Lin & Bok • Messrs Syed Alwi, Ng & Co 		
Tenure	Leasehold 99 years expiring on 3 June 2084 with remaining lease period of 78 years		
Encumbrances (as at the LPD)	None		
Restriction in interest *	None		

Note:-

* As determined from the land search report obtained from the Wilayah Persekutuan Kuala Lumpur Land Registry.

Further information on BAG is set out in Section 7.3 of this Prospectus.

AGLC			
Address	AmBank Group Leadership Centre, Lorong P Ramlee, 50250, Kuala Lumpur		
Description	14-storey office building comprising a 10-storey office tower block, a penthouse and a 3-level carpark		
Year of completion	1990 (Certificate of Fitness for Occupation was obtained on 30 October 1990)		
Occupancy snapshot	As at 31 March 2006	As at 31 March 2005	As at 31 March 2004
	83%	83%	83%
Gross revenue	FYE 31 March 2006 (RM'000)	FYE 31 March 2005 (RM'000)	FYE 31 March 2004 (RM'000)
	1,209	1,178	968
Land area	15,371 sq ft (1,428 sq m)		
Net Lettable Area (as at the LPD)	57,801 sq ft		
Appraised value (as at 7 March 2006)	RM19,000,000		

3. Executive Summary (Cont'd)

AGLC	
Purchase consideration	RM19,000,000 satisfied by issuance of 19,000,000 new Units at an issue price of RM1.00 per Unit
Number of tenants (as at the LPD)	3
Top three tenants (in terms of monthly gross rent as at the LPD)	<ul style="list-style-type: none"> • AmMerchant Bank • Jade San Realty Sdn Bhd • BZ Bees Florist
Tenure	Freehold
Encumbrances (as at the LPD)	None
Restriction in interest*	None

Note:-

* As determined from the land search report obtained from the Wilayah Persekutuan Kuala Lumpur Land Registry.

Further information on AGLC is set out in Section 7.4 of this Prospectus.

Menara Merais			
Address	No 1, Jalan 19/3, Section 19/3, 46300 Petaling Jaya, Selangor		
Description	22-storey purpose-built office building, a mezzanine floor, a 3-level basement car park and 1 block of 2-storey mechanical block and a Tenaga Nasional Berhad sub-station		
Year of completion	1997		
Occupancy snapshot	As at 31 March 2006	As at 31 March 2005	As at 31 March 2004
	99%	99%	92%
Gross revenue	FYE 31 March 2006 (RM'000)	FYE 31 March 2005 (RM'000)	FYE 31 March 2004 (RM'000)
	5,581	5,154	4,824
Land area	48,569 sq ft (4,512 sq m)		
Net Lettable Area (as at the LPD)	159,002 sq ft (excluding the ground floor space of 2,844.65 sq ft within the 2-storey mechanical block)		
Appraised value (as at 8 March 2006)	RM58,000,000		
Purchase consideration	RM57,000,000 million to be satisfied in cash which will be raised from bank borrowings		
Number of tenants (as at the LPD)	31		
Top three tenants (in terms of monthly gross rent as at the LPD)	<ul style="list-style-type: none"> • Merck Sharp & Dohme (I.A.) Corporation • KAO (Malaysia) Sdn Bhd • Agfa Film (Asean) Sdn Bhd 		
Tenure	Freehold		
Encumbrances (as at the LPD)	#		
Restriction in interest*	None		

3. Executive Summary (Cont'd)

Note:-

- * As determined from land search report obtained from the Petaling District Land Office.
The presentation for the withdrawal of the private caveat and the discharge of charge both held in favour of Malaysia National Insurance Berhad was presented for registration on 8 September 2006. The presentation is pending registration.

Further information on Menara Merais is set out in Section 7.5 of this Prospectus.

3.3 Fees and Expenses

There are fees and charges involved and investors are advised to consider the fees and charges before investing in AmFIRST REIT.

This table describes the fees and expenses payable by AmFIRST REIT are as follows:-

Management fee	<p><u>Base fee</u> Up to 0.5% per annum of the Total Asset Value of the Fund (excluding any taxes payable), accruing monthly and payable every 6 months. For the 5-month period ending 31 March 2007 and the 3 financial years ending 31 March 2008 to 31 March 2010, the base fee payable by AmFIRST REIT is 0.3% per annum</p> <p><u>Performance fee</u> 3% per annum of net property income (excluding any taxes payable) determined by Am ARA in consultation with the Auditor, if appropriate, as representing all rental income less operating expenses pertaining to the real estate (except management fees), whether held directly or indirectly through single-purpose companies, but before deduction of property management fees payable to any property manager appointed to manage any real estate, payable every 6 months</p>
Property management fees	<ul style="list-style-type: none">- 5.0% of the gross annual rent on the first RM30,000;- 3.0% of the gross annual rent on the residue up to RM100,000;and- 2.0% of the gross annual rent on the residue over RM100,000 with permissible discount in accordance with the Valuers, Appraisers and Estate Agents Act 1981, payable monthly
Acquisition fee	1% of the acquisition price of any asset of AmFIRST REIT being real estate or a single-purpose company acquired by the Trustee for AmFIRST REIT (pro rated if applicable to the proportion of the interest in real estate or single-purpose company purchased by the Trustee for AmFIRST REIT)
Divestment fee	0.5% of the sale price of any asset of AmFIRST REIT being real estate or a single-purpose company sold or divested by the Trustee (pro rated if applicable to the proportion of the interest of AmFIRST REIT in the asset of AmFIRST REIT sold)
Trustee fee	Up to 0.10% per annum of the NAV, accruing monthly and payable every 6 months. For the 5-month period ending 31 March 2007 and the 3 financial years ending 31 March 2008 to 31 March 2010, the trustee fee payable by AmFIRST REIT is 0.04% per annum of the NAV

3. Executive Summary (Cont'd)

A list of other expenses directly or indirectly related to AmFIRST REIT:-	- Auditor's fees
	- Valuation fees
	- Related professional fees
	- Interest expense
	- Printing, postage, other general and operating expenses for the administration of the AmFIRST REIT

Other than the charges you may incur arising from the trading of the Units on Bursa Securities, e.g. clearing fee and stamp duty, there are no other charges imposed on the sale and purchase of Units.

Further information on the charges you may incur from the trading of the Units on Bursa Securities may be found at Bursa Securities' website at www.bursamalaysia.com.

Please refer to Section 9 of this Prospectus for further details.

3.4 Financial Highlights

The summary of the proforma financial data of AmFIRST REIT comprising the Properties for the five (5) FYE 31 March 2002 to FYE 31 March 2006 set out below are based on the information extracted from the audited financial statements of the Vendors. As for Menara AmBank, the information is extracted from the management record of AmBank with the assumption that AmBank has been a tenant in Menara AmBank and paying rental based on the rental rate of RM3.50 per sq. ft for the five (5) FYE 31 March 2002 to FYE 31 March 2006.

The extractions are made based on the Vendors' representation and opinion that the revenues, expenses and receivables stated below are directly related to the operation of the Properties.

	←-----Year ended 31 March----->				
	2002	2003	2004	2005	2006
	RM'000	RM'000	RM'000	RM'000	RM'000
Rental revenue	36,293	38,820	40,168	41,116	42,990
Expenses:					
Operating expenses	7,988	9,426	9,544	8,330	8,798
Assessment and quit rent	3,751	3,774	3,752	3,704	3,694
Property management fee	1,064	1,123	1,182	1,302	1,405
Water and sewerage charges	608	584	666	642	734
Insurance	500	512	520	493	555
Rental commission	46	48	86	21	26
Total expenses	13,957	15,467	15,750	14,492	15,212
Net Property Income	22,336	23,353	24,418	26,624	27,778

The extraction of expenses above consists of expenses directly related to the operations of the Properties. In view that AmFIRST REIT is assumed to commence business in fourth quarter of 2006, the property income does not include the expenses specifically incurred by a REIT, e.g. trustee fees.

Please refer to Section 8.1 of this Prospectus for further details on the financial highlights.

3. Executive Summary (Cont'd)

3.5 Proforma Balance Sheets of AmFIRST REIT

The proforma balance sheets set out below have been prepared for illustrative purposes only to show the effects of the Listing Scheme on the balance sheet of AmFIRST REIT.

	Proforma I As at date of registration of the Deed (unaudited) RM'000	Proforma II After the Acquisitions RM'000
ASSETS		
Investments		
Investment properties	-	486,000
Other Assets		
Cash and bank balance	1	8,467
TOTAL ASSETS	1	494,467
LIABILITY		
Current Liabilities		
Other payables	-	6,666
Revolving credit facilities	-	4,000
Non-current Liabilities		
Fixed rate term loan	-	57,000
TOTAL LIABILITY	-	67,666
NET ASSET VALUE	-	426,801
Financed by:		
Unit holders' capital	1	429,001
Undistributed deficit	-	(2,200)
Unitholders' funds	1	426,801
NAV	1	426,801
NAV per Unit (RM)	1	0.99

Please refer to Section 8.8 of this Prospectus for further details on the proforma balance sheets of AmFIRST REIT as well as the Reporting Accountants' letter thereon.

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3. Executive Summary (Cont'd)

3.6 Risk Factors

Am ARA's key objectives for AmFIRST REIT are to deliver stable distributions to Unitholders and to achieve long term growth in the NAV per Unit. Accordingly, you should not expect to obtain short-term capital gains. You should be aware that the price of units in a collective investment scheme, and the income from them, may rise or fall. You should note that you may not get back your original investments and that you may not receive any distributions.

In evaluating an investment in AmFIRST REIT and before deciding to invest in the Units, you should carefully consider all information contained in this Prospectus including but not limited to the general and specific risks of the following investment considerations as well as to seek professional advice from your relevant advisers about your particular circumstances.

(i) Risks relating to AmFIRST REIT's organisation and operating environment

- Economic and political risks;
- Changes to regulatory regime;
- Certain regulations that apply to other securities and investments in Malaysia do not apply to the Units and AmFIRST REIT;
- Am ARA's operations are subject to regulations;
- Am ARA may not be able to implement strategies of AmFIRST REIT successfully;
- There are limitations on the use of leverage by AmFIRST REIT;
- There are risks associated with bank borrowings;
- Am ARA may change AmFIRST REIT's investment strategies;
- The performance of AmFIRST REIT is dependent on Am ARA's key executives;
- AmFIRST REIT may not be able to control or exercise any influence over entities in which it has minority interests;
- AmFIRST REIT is dependent on the AHB Group for a high proportion of its revenue; and
- Neither AmFIRST REIT nor the Manager, as new entities, has an established operating history.

(ii) Risks relating to investments in real estate

- General risks attached to investments in real estate;
- Properties held by AmFIRST REIT may be subject to increases in operating and other expenses;
- AmFIRST REIT is dependent on the performance of its tenants and its ability to make distributions may be adversely affected by the loss of its tenants or a downturn in the business of its tenants;
- There may be uninsured or under-insured losses;
- AmFIRST REIT may be adversely affected by the illiquidity of real estate investments; and
- The Properties or part thereof may be acquired compulsorily.

(iii) Risks relating to AmFIRST REIT's Properties

- Transfer of the Properties may not be registered;
- The Properties are subject to the risk of non-renewal of expiring tenancies;
- Losses or liabilities from latent building or equipment defects may adversely affect earnings and cash flow;
- AmFIRST REIT's properties are located entirely in Malaysia within Klang Valley, which exposes AmFIRST REIT to geographic and market concentration risk;
- Malaysia's commercial properties market is highly competitive; and
- Buildings acquired or to be acquired may not possess certifications and/or licences required under the law.

(iv) Risks relating to an investment in the Units

- The price of the Units may decline after the IPO;
- Unitholders will be effectively subordinated to all existing and future claims of creditors of AmFIRST REIT;

3. Executive Summary (Cont'd)

- Distributions to Unitholders will be subject to cash flow availability of AmFIRST REIT;
- Property yield on real estate to be held by AmFIRST REIT is not equivalent to yield on the Units;
- The NAV of the Units may be diluted if further issues are priced below the NAV;
- Unitholders have no right to require the redemption of their Units;
- Failure and/or delay in the Listing;
- The Units may be delisted from Bursa Securities;
- No assurance of achievability in respect of forward-looking statements;
- Changes to accounting standards may result in changes in the future as to how AmFIRST REIT's results and financial position are prepared and presented; and
- Changes to tax treatment to REIT.

Please refer to Section 6.1.3 of this Prospectus for further details on the risk factors.

3.7 Principal Statistics Relating to the IPO

3.7.1 Total Issued Units

	No. of Units
Approved fund size	<u>429,001,000</u>
Promoter's Units	1,000
Units issued pursuant to Acquisition of Menara AmBank, Acquisition of BAG and Acquisition of AGLC	429,000,000
Total issued Units upon Listing	<u>429,001,000</u>

3.7.2 Information on the IPO

IPO	The IPO comprises:- <ul style="list-style-type: none">(i) Offer for sale pursuant to Cash Option The offer for sale of up to 138,400,225 Units pursuant to Cash Option available for placement to institutional and selected investors at the offer price to be determined by way of bookbuilding.(ii) Offer for sale by Mayban Trustees Berhad (on behalf of AmFPT) The offer for sale of 60,599,775 Units available for placement by AmFPT to institutional and selected investors at the offer price to be determined by way of bookbuilding.(iii) Offer for sale by AHB The offer for sale of a minimum of 133,753,083 Units but not exceeding 144,778,452 Units available for placement by AHB to institutional and selected investors at the offer price to be determined by way of bookbuilding.(iv) Restricted Offer For Sale The restricted offer for sale of a minimum of 85,221,548 Units but not exceeding 96,246,917 Units to the existing shareholders of AHB on a renounceable basis of 1 Unit for every 25 existing ordinary shares of RM1.00 each held in AHB at the offer price of RM1.00 per Unit payable in full upon application of which RM0.85 per Unit will be paid in cash by the shareholders of AHB and the remaining RM0.15 per Unit will be paid by AHB.
-----	--

3. Executive Summary (Cont'd)

Minimum Subscription	There is no minimum subscription to be raised from the IPO.
Clawback and Reallocation	In the event of over-application in the Offer For Sale by investors and a corresponding under-application in the Restricted Offer For Sale, the AmFIRST REIT Units may be clawed back and reallocated to the Offer For Sale.
Offer Price	To be determined via a bookbuilding process as agreed between the Sole Bookrunner and Am ARA

Please refer to Section 4 of this Prospectus for further details on the IPO.

3.7.3 Proforma NAV

Proforma NAV (after taking into consideration the estimated listing expenses of RM2.2 million) (RM'000) 426,801

Proforma NAV per Unit (based on total issued Units upon listing) (RM) 0.99

3.7.4 Profit Forecasts and Projections

The summary of the profit forecast for the period of 5 months from 1 November 2006 to 31 March 2007 and for FYE 31 March 2008 as well as profit projections for FYEs 31 March 2009 and 31 March 2010 of AmFIRST REIT are set out below:-

	[^] Forecast 5-month period ending 31 March 2007 (RM'000)	Forecast FYE 31 March 2008 (RM'000)	Projections FYE 31 March 2009 (RM'000)	FYE 31 March 2010 (RM'000)
Revenue	20,972	51,301	52,145	54,315
Property expenses:				
- Operating expenses	(3,954)	(9,377)	(9,514)	(9,977)
- Property management expenses	(633)	(1,577)	(1,694)	(1,787)
- Assessment and quit rent	(1,595)	(3,829)	(3,828)	(3,828)
	(6,182)	(14,783)	(15,036)	(15,592)
Net property income	14,790	36,518	37,109	38,723
Interest expense	(1,268)	(3,044)	(3,044)	(3,044)
Interest income	199	659	726	744
Management fee	(1,072)	(2,616)	(2,636)	(2,685)
Trustee fees	(72)	(175)	(175)	(176)
Audit Fee	(9)	(15)	(15)	(15)
Others	(102)	(247)	(259)	(272)
Profit before taxation	12,466	31,080	31,706	33,275
Taxation	-	-	-	-
Profit after taxation	12,466	31,080	31,706	33,275

Note:-

[^] AmFIRST REIT is assumed to commence business on 1 November 2006.

3. Executive Summary (Cont'd)

Please refer to Sections 8.2 to 8.3 of this Prospectus for further details on the profit forecasts and projections, the Reporting Accountants' letter on the profit forecasts and projections as well as the principal bases and assumptions upon which the profit forecasts and projections of AmFIRST REIT are based on.

3.7.5 Distribution Forecasts and Projections

Barring any unforeseen circumstances, it is the intention of Am ARA to distribute 100% of the distributable income of AmFIRST REIT to the Unitholders for the 5-month period ending 31 March 2007 and the 3 financial years ending 31 March 2008 to 31 March 2010. Thereafter, Am ARA intends to distribute at least 90% of the distributable income of AmFIRST REIT for the relevant financial year or such other percentage and at such other intervals as determined by Am ARA at its discretion. Based on the profit forecasts and projections set out in Section 8.6 of this Prospectus, the Board forecasts and projects that the distributions to Unitholders from the 5-month period ending 31 March 2007 and the 3 financial years ending 31 March 2008 to 31 March 2010 to be as follows:-

		Forecast 5-month period ending 31 March 2007	Forecast FYE 31 March 2008	Projections FYE 31 March 2009 2010	
Distributable income ⁽¹⁾	(RM'000)	12,466	31,080	31,706	33,275
Distribution per Unit ⁽²⁾	Sen	6.97 ⁽⁴⁾	7.24	7.39	7.76
Distribution yield ⁽³⁾	(%)	6.97 ⁽⁴⁾	7.24	7.39	7.76
Distribution rate ⁽⁵⁾	(%)	100	100	100	100
Distribution cover ⁽⁵⁾	(%)	100	100	100	100

Notes:-

- (1) The distributable income of AmFIRST REIT is expected to be the same as the net income after taxation as set out in Section 8.2 of this Prospectus.
- (2) Distribution per Unit is calculated by dividing the distributable income of AmFIRST REIT by the enlarged Units in issue of 429,001,000 Units.
- (3) Distribution yield is calculated by dividing distribution per Unit by the assumed price of RM1.00 per Unit.
- (4) Annualised for comparative purposes. AmFIRST REIT is assumed to commence business on 1 November 2006.
- (5) Computed based on the assumption that AmFIRST REIT will distribute 100% of its distributable income to Unitholders.

3.8 Utilisation of Proceeds

Assuming the Units are subscribed at RM1.00, the Offer for Sale will raise gross proceeds of RM332,753,083 but not exceeding RM343,778,452. This amount shall accrue to the Offerors only in the proportion of the Units they offer only and AmFIRST REIT would receive no part of the proceeds. AHB and AmFPT shall bear all expenses incidental to the Offer For Sale, such as underwriting commission, professional advisory fees, registration fee and unit transfer fees in respect of the Units under the Offer For Sale.

AmFIRST REIT is not raising any proceeds from the IPO save for the RM1,000 pursuant to the issuance of the Promoter Units which will be utilised as working capital of AmFIRST REIT. AmFIRST REIT will have a RM4,000,000 revolving credit facility which will be utilised for working capital purposes (RM1,800,000) and to defray listing expenses (RM2,200,000) for which the details of the total estimated listing expenses is set out below:-

	(RM'000)
Regulatory fees	100
Professional fees *	1,000
Registrar fee and disbursement	100
Printing, advertising and other miscellaneous expenses	1,000
Total	#2,200

3. Executive Summary (Cont'd)

* Includes fees for the Adviser, Reporting Accountant, Solicitors, Tax Consultant and other professional advisers.

Any unutilised amount shall be used for working capital purposes of AmFIRST REIT.

3.9 Unitholdings of the Sponsor, substantial Unitholders and Directors, Key Management and substantial shareholders of Am ARA in AmFIRST REIT

As at 29 September 2006, save as disclosed below, none of the Directors, key management and substantial shareholders of Am ARA will hold any Unit upon Listing:-

Directors	* No. of Units	(%)
Dato' Azlan Hashim	3,600	Negligible
Cheah Tek Kuang	952	Negligible
Pushpa Rajadurai	16,925	Negligible

* Assuming full subscription of entitlements pursuant to the Restricted Offer for Sale without AHB's warrants being exercised.

The Sponsor will not hold any Unit directly upon Listing. However, upon Listing, the Sponsor's subsidiary company, AmMerchant Bank and AHB's subsidiary company, AmAssurance Berhad, will hold a total of 2,008,000 units and 4,305,500 units in AmFIRST REIT respectively representing 0.47% and 1.00% in AmFIRST REIT respectively based on its present unitholding in AmFPT. AmAssurance is involved in life and general insurance business.

As at 29 September 2006, the unitholdings of the substantial Unitholders (if the Cash Option is not being exercised and the Restricted Offer For Sale being exercised without AHB's warrants being exercised) in AmFIRST REIT upon Listing are as follows:-

Unitholders	←-----Direct-----→		←-----Indirect-----→	
	No. of Units (^{'000})	(%)	No. of Units (^{'000})	(%)
RCE Synergy Sdn Bhd (formerly known as Verbundsoft Sdn Bhd) ("RCE Synergy")	58,264	13.58	-	-
RCE Resources Sdn Bhd ("RCE Resources")	-	-	58,264*	13.58
RCE Capital Berhad ("RCE Capital")	-	-	58,264*	13.58
Cempaka Empayar Sdn Bhd ("Cempaka")	-	-	58,264*	13.58
AmcorpGroup Berhad (formerly known as Arab-Malaysian Corporation Berhad) ("AmCorp")	28,029	6.53	58,281* [#]	13.59
Slan Sdn Bhd ("Slan")	-	-	86,643* [^] [#]	20.20
RCE Ventures Sdn Bhd ("RCE Ventures")	333	0.08	-	-
Tan Sri Dato' Azman Hashim	500	0.12	86,643* [^] [#]	20.20
AMDB Equipment Trading Sdn Bhd ("AMDB")	17	negligible	-	-

* RCE Synergy is a wholly-owned subsidiary of RCE Resources which in turn a wholly owned subsidiary of RCE Capital. AMCorp owns 40.81% in RCE Capital through its wholly owned subsidiary Cempaka. AMCorp is 25.89% owned by Slan. In turn, Slan is 100% owned by Tan Sri Dato' Azman Hashim and his family.

[^] RCE Ventures is a wholly owned subsidiary of Redi Management Group Sdn Bhd which in turn is 40% owned by Ginagini Sdn Bhd ("Ginagini"). In turn, Ginagini is 100% owned by Slan whilst Slan is 100% owned by Tan Sri Dato' Azman Hashim and his family.

[#] Deemed interested through AMDB.

Please refer to Sections 11.1.2 and 11.1.3 of this Prospectus for further details on the Directors and key management of Am ARA respectively.

Prospective Unitholders should read and understand the contents of the Prospectus and, if necessary, consult their adviser(s).

Unit prices and distribution payable, if any, may go down as well as up.

Please also note that:-

- **The rental yield on real estate held by AmFIRST REIT is not equivalent to the yield of the Units.**
- **The current rental receipts and yields may not sustain.**
- **The value of the real estate may rise as well as fall.**

4. Particulars of the IPO

4.1 Total Issued Units

	No. of Units
Approved fund size	429,001,000
Promoter's Units	1,000
Units issued pursuant to Acquisition of Menara AmBank, Acquisition of BAG and Acquisition of AGLC	429,000,000
Total issued Units upon Listing	429,001,000

For breakdown details of the Offer for Sale and Restricted Offer For Sale, please refer to Section 4.2 (ii) of this Prospectus.

There is only one class of Units in AmFIRST REIT.

Each Unitholder shall be entitled to vote in person or by proxy at any meeting of Unitholders. On a show of hands, every Unitholder or his proxy, shall have one vote, whereas on a poll, every Unitholder or his proxy shall have one vote for each Unit held.

A Unitholder shall be entitled to attend and vote at any meeting of Unitholders, and shall be entitled to appoint another person (*whether a Unitholder or not*) as his proxy to attend and vote on his behalf.

4.2 Details of the Cash Option and IPO

(i) Cash Option

Pursuant to its proposed winding up, AmFPT shall undertake a proposed distribution of the following:-

- (a) 138,400,225 Units to its existing unitholders on the basis of one (1) Unit of AmFIRST REIT for every one (1) unit held in AmFPT based on Entitlement Date. The unitholders of AmFPT can elect to either:-
 - (i) exercise the Cash Option by tendering to AmMerchant Bank, the Units to be received in exchange for cash of RM1.00 per Unit; or
 - (ii) retain the Units to be received;

and

- (b) cash distribution of RM55,360,090 to the existing unitholders of AmFPT on the basis of RM0.40 for every one (1) unit held in AmFPT based on Entitlement Date. The cash distribution of RM55,360,090 shall be funded from the placement of the 60,599,775 Units.

(ii) IPO

The IPO of up to 429,000,000 Units comprises the following:-

- (i) the offer for sale of up to 138,400,225 Units representing approximately 32% of the total fund size of AmFIRST REIT, to institutional and selected investors at the offer price to be determined by way of bookbuilding;
- (ii) the offer for sale of 60,599,775 Units representing approximately 14% of the total fund size of AmFIRST REIT available for placement by AmFPT, to institutional and selected investors at the offer price to be determined by way of bookbuilding;

4. Particulars of the IPO (Cont'd)

- (iii) the offer for sale of a minimum of 133,753,083 Units but not exceeding 144,778,452 Units representing approximately 31% to 34% respectively of the total fund size of AmFIRST REIT, available for placement by AHB to institutional and selected investors at the offer price to be determined by way of bookbuilding; and
- (iv) the restricted offer for sale of a minimum of 85,221,548 Units but not exceeding 96,246,917 Units representing approximately 20% to 23% respectively of the total fund size of AmFIRST REIT to the existing shareholders of AHB on a renounceable basis of 1 Unit for every 25 existing ordinary shares of RM1.00 each held in AHB on Entitlement Date at the offer price of RM1.00 per Unit payable in full upon application of which RM0.85 per Unit will be paid in cash by the shareholders of AHB and the remaining RM0.15 per Unit will be paid by AHB.

There is no minimum subscription to be raised from the IPO.

If the IPO is not completed, monies paid in respect of any application for the IPO Units will be returned to the applicants without interest. Thereafter, AmFIRST REIT shall be terminated in accordance with the Deed.

All the Units made available for application by placement pursuant to the offer for sale by Mayban Trustees Berhad on behalf of AmFPT and its unitholders pursuant to Cash Option and the Restricted Offer For Sale have been fully underwritten.

Clause 8.03(1) of the REIT Guidelines requires *inter-alia* that underwriting arrangements must be in place before the offering of units is made (*for offerings to the general public and restricted issues/offers*).

However, the SC has granted a waiver for the underwriting arrangements to be entered into only after the completion of the bookbuilding exercise (*please refer to Section 15.2.2(ii) of this Prospectus for information on the waiver from the SC*). Hence, the underwriting arrangements for the Units pursuant to the offer for sale by AHB will be entered into only after the closing of the Offer for Sale and the determination of the Offer Price in accordance with Section 4.5 of this Prospectus.

4.2.1 Further details on the Offer for Sale

An offer for sale of a minimum of 332,753,083 Units but not exceeding 343,778,452 Units will be made available to institutional and selected investors under the Offer for Sale (*subject, in each case, to reallocation on the basis described under Section 4.3 of this Prospectus*). Breakdown of which is set down below:-

	Maximum scenario (assuming none of AHB's warrants are exercised) No. of Units	Minimum scenario (assuming that all AHB's warrants are exercised) No. of Units
AHB	*144,778,452	*133,753,083
Mayban Trustees Berhad		
- pursuant to Cash Option	^138,400,225	^138,400,225
- on behalf of AmFPT	60,599,775	60,599,775
Total	343,778,452	332,753,083

* The final Units to be offered will be determined on the Entitlement Date of the Restricted Offer For Sale. The amount of Units to be offered represent the balancing figure after taking into consideration the actual number of Units to be offered to the shareholders of AHB pursuant to the Restricted Offer For Sale.

^ The final Units to be offered will be determined after the closing date for the Cash Option.

4. Particulars of the IPO (Cont'd)

The Offer for Sale will involve the selective marketing of Units to institutional and selected investors anticipated to have a sizeable demand for such Units. Selected investors generally include brokers, dealers, companies (*including fund managers*) whose ordinary business involves dealing in shares, units and other securities, and corporate entities which regularly invest in shares, units and other securities.

As part of the Offer for Sale process, prospective institutional and selected investors will be required to specify the number of Units they would be prepared to acquire either at different prices or at a particular price. This process, known as "bookbuilding", is expected to continue up to, and to cease on or about, 7 December 2006.

Allocation of the Units pursuant to the Offer for Sale will be determined by the Sole Bookrunner and Am ARA and will be based on a number of factors including the level and timing of demand, total size of the relevant investor's invested assets or equity assets in the relevant sector and whether or not it is expected that the relevant investors are likely to buy further, and/or hold or sell, its Units after the listing of the Units on the Bursa Securities. Such allocation is intended to result in a distribution of the Offer for Sale on a basis which would lead to the establishment of a solid unitholder base to the benefit of AmFIRST REIT and the Unitholders as a whole.

4.3 Clawback and Reallocation

In the event of over-application in the Offer For Sale by investors and a corresponding under-application in the Restricted Offer For Sale, the AmFIRST REIT Units may be clawed back and reallocated to the Offer For Sale.

4.4 Indicative Timetable

The indicative timing of events leading up to the listing of and quotation for AmFIRST REIT on the Main Board of Bursa Securities is set out below:

Event	Date
Opening of the IPO	9 November 2006
Closing for Cash Option and Restricted Offer For Sale	5 December 2006
Closing of the Offer For Sale	7 December 2006
Price determination	8 December 2006
Allotment of Units to successful applicants	19 December 2006
Listing of AmFIRST REIT on the Main Board of Bursa Securities	20 December 2006

This timetable is tentative and is subject to changes which may be necessary to facilitate implementation procedures.

The application for the IPO will open at 10.00 a.m. on 9 November 2006 and will remain open until 5.00 p.m. on such dates as specified in the table above or for such further period or periods as the Directors of Am ARA, AHB, AmPTMB and the Managing Underwriter in their absolute discretion may decide. Late applications will not be accepted.

Should the closing dates for the application of the IPO be extended, the dates for the price determination, allotment and listing of AmFIRST REIT on the Main Board of Bursa Securities might be extended accordingly. Any changes to the application period will be announced to the public via an advertisement in a widely circulated daily Bahasa Malaysia and English newspapers in Malaysia.

4. Particulars of the IPO (Cont'd)

4.5 Basis of Arriving at the Offer Price

The Offer Price will be determined via the "bookbuilding" process where prospective selected investors specify the number of Units they would be prepared to acquire at different prices. This "bookbuilding" process is expected to continue up to and ceases on or about 7 December 2006. Following the bookbuilding process, the Offer Price will be determined by agreement between the Sole Bookrunner and Am ARA on the price determination date which is expected to be or about 8 December 2006. Among the factors that will be taken into account in determining the Offer Price are the allocation criteria for the Units under the Offer for Sale as set out in Section 4.2 of this Prospectus, the demand for the Units and the prevailing market conditions.

You should note that the price at which the Units will trade on Bursa Securities upon the Listing is subject to various market forces and other uncertainties which may affect the price of the Units when they are traded.

4.6 The Listing Scheme

In conjunction with, and as an integral part of the listing of and quotation for the entire fund size of AmFIRST REIT on the Main Board of Bursa Securities, Am ARA had undertaken/will undertake the Listing Scheme, as follows:-

(i) Acquisition of Menara AmBank

On 12 October 2006, Mayban Trustees (*as the trustee for AmFIRST REIT*) entered into the Property Sale and Purchase Agreement with AmBank for the acquisition of Menara AmBank for a total consideration of RM230,000,000 satisfied by the issuance of 230,000,000 new Units to AmBank or its nominee (including AHB) at an issue price of RM1.00 per Unit.

The purchase consideration of RM230,000,000 for Menara AmBank was arrived at on a "willing buyer willing seller" basis with reference to the market value of Menara AmBank of RM230,000,000 based on the valuation performed by the Independent Property Valuer on 7 March 2006.

The audited net book value of Menara AmBank was RM197,105,000 as at 31 March 2006.

The Acquisition of Menara AmBank will be completed on the date of the Listing or such other date as the parties may agree.

(ii) Acquisition of BAG

On 12 October 2006, Mayban Trustees (*as the trustee for AmFIRST REIT*) entered into the Property Sale and Purchase Agreement with Mayban Trustees Berhad (*as the trustee for AmFPT*) for the acquisition of BAG for a total consideration of RM180,000,000 satisfied by the issuance of 180,000,000 new Units at an issue price of RM1.00 per Unit.

The purchase consideration of RM180,000,000 for BAG was arrived at on a "willing buyer willing seller" basis with reference to the market value of BAG of RM180,000,000 based on the valuation performed by the Independent Property Valuer on 7 March 2006.

The unaudited net book value of BAG was RM180,000,000 as at 31 March 2006.

The Acquisition of BAG will be completed on the date of the Listing or such other date as the parties may agree.

4. Particulars of the IPO (Cont'd)

(iii) Acquisition of AGLC

On 12 October 2006, Mayban Trustees (*as the trustee for AmFIRST REIT*) entered into the Property Sale and Purchase Agreement with Mayban Trustees Berhad (*as the trustee for AmFPT*) for the acquisition of AGLC for a total consideration of RM19,000,000 satisfied by the issuance of 19,000,000 new Units at an issue price of RM1.00 per Unit.

The purchase consideration of RM19,000,000 for AGLC was arrived at on a "willing buyer willing seller" basis with reference to the market value of AGLC of RM19,000,000 based on the valuation performed by the Independent Property Valuer as at 7 March 2006.

The unaudited net book value of AGLC was RM19,000,000 as at 31 March 2006.

The Acquisition of AGLC will be completed on the date of the Listing or such other date as the parties may agree.

(iv) Acquisition of Menara Merais

On 12 October 2006, Mayban Trustees (*as the trustee for AmFIRST REIT*) entered into the Property Sale and Purchase Agreement with Mayban Trustees Berhad (*as the trustee for AmFPT*) for the acquisition of Menara Merais for a total consideration of RM57,000,000 to be satisfied by a cash consideration of RM57,000,000 which will be raised from bank borrowings.

The purchase consideration of RM57,000,000 for Menara Merais was arrived at on a "willing buyer willing seller" basis and is at a discount of 1.7% from the market value of Menara Merais of RM58,000,000 based on the valuation performed by the Independent Property Valuer on 8 March 2006.

The unaudited net book value of Menara Merais was RM62,877,598 as at 31 March 2006.

The Acquisition of Menara Merais will be completed on on the date of the Listing or such other date as the parties may agree.

(v) IPO

Please refer to Section 4.2 of this Prospectus for details of the IPO.

(vi) Proposed Listing and Quotation on the Main Board of Bursa Securities

Upon completion of the IPO, AmFIRST REIT will seek a listing of and quotation for its enlarged fund size comprising 429,001,000 Units on the Main Board of Bursa Securities. The board lot sizes for the enlarged fund size of AmFIRST REIT upon its listing will be standardised at 100 Units per board lot.

4.6.1 Bank Borrowings

AmBank has granted a fixed term loan of RM57,000,000 to finance the Acquisition of Menara Merais. The interest rate of the fixed term loan is estimated to be 5% per annum.

In addition, AmBank has also granted a revolving credit facility of RM4,000,000 which will be utilised to defray the estimated listing expenses of RM2,200,000 with the balance of RM1,800,000 available as the working capital of AmFIRST REIT. The interest rate of the revolving credit facilities is estimated to be 0.50% per annum above AmBank's cost of funds of matching tenure.

4. Particulars of the IPO (Cont'd)

4.7 Purposes of the IPO

The IPO will enable the following objectives to be fulfilled:-

- (i) to facilitate the listing and quotation of the total fund size of AmFIRST REIT on the Main Board of Bursa Securities;
- (ii) to enable AmFIRST REIT to gain access to the capital market to raise funds for future real estate acquisitions thus allowing the continual growth of AmFIRST REIT;
- (iii) to provide you with an opportunity to invest in a real estate investment trust that will provide stable returns and potential capital appreciation in the long term and to participate in the future growth prospects of AmFIRST REIT; and
- (iv) to enhance the development of the real estate market in Malaysia through listed REITs which is relatively more liquid as compared to the underlying physical properties of the REIT.

4.8 Estimated Proceeds from the IPO

Assuming the Units are subscribed at RM1.00, the Offer for Sale will raise gross proceeds of minimum of RM332,753,083 but not exceeding RM343,778,452. This amount shall accrue to the Offerors only in the proportion of the Units they offer and AmFIRST REIT would receive no part of the proceeds. AHB and AmFPT shall bear all expenses incidental to the Offer For Sale, such as underwriting commission, professional advisory fees, registration fee and unit transfer fees in respect of the Units under the Offer For Sale.

AmFIRST REIT is not raising any proceeds from the IPO save for the RM1,000 pursuant to the issuance of the Promoter Units which will be utilised as working capital of AmFIRST REIT. AmFIRST REIT will have a RM4,000,000 revolving credit facility which will be utilised for working capital purposes (RM1,800,000) and to defray listing expenses (RM2,200,000) for which the details of the total estimated listing expenses is set out below:-

	(RM'000)
Regulatory fees	100
Professional fees *	1,000
Registrar fee and disbursement	100
Printing, advertising and other miscellaneous expenses	1,000
Total	#2,200

* Includes fees for the Adviser, Reporting Accountant, Solicitors, Tax Consultant and other professional advisers.

Any unutilised amount shall be used for working capital purposes of AmFIRST REIT.

4.9 Commission

The Underwriters have agreed to underwrite the following Units:-

- (i) pursuant to the Cash Option at the underwriting commission rate of 1.25% at RM1.00 per Unit payable by AmFPT;
- (ii) pursuant to the offer for sale of 60,599,775 Units by Mayban Trustees Berhad on behalf of AmFPT at the underwriting commission rate of 1.50% at RM1.00 per Unit payable by AmFPT; and
- (iii) pursuant to the Restricted Offer For Sale at the underwriting commission rate and arranger fee of 1.50% at RM0.85 per Unit payable by AHB.

4. Particulars of the IPO (Cont'd)

In consideration of the Managing Underwriter arranging for the underwriting of the aforesaid, the Managing Underwriter is entitled to the fees as follows:-

- (a) 0.50% at RM1.00 per unit for the offer for sale of 60,500,775 Units by Mayban Trustees Berhad on behalf of AmFPT; and
- (b) 0.50% at RM08.5 per unit for the 96,246,917 Units under the Restricted Offer for Sale.

There is no brokerage fee payable by AmFIRST REIT as all the Offer For Sale Units will be offered by way of placement to institutional and selected investors.

In respect of the offer for sale to be undertaken by AHB, AHB will bear the selling commission and arranger fee of 1.50% and 0.50% respectively at the Offer Price in respect of Units made available pursuant to the Offer For Sale by AHB.

4.10 Salient Terms of the Underwriting Agreements

- (i) **Offer for sale by Mayban Trustees Berhad on behalf of AmFPT and the unitholders of AmFPT ("Offer for Sale by Mayban Trustees")**

The Underwriting Agreement for Offer for Sale by Mayban Trustees was entered into between Mayban Trustees Berhad (*as trustee of AmFPT*), AmPTMB and the Underwriters on 12 October 2006 to severally and jointly underwrite 138,400,225 Units and 60,599,775 Units for an underwriting commission of 1.25% and 1.50% respectively of RM1.00 per Unit multiplied by 138,400,225 Units and 60,599,775 Units respectively.

Subject to certain conditions precedent, each of the Underwriters and the Managing Underwriter has agreed to underwrite the subscription and sale of 199,000,000 Units.

The salient terms of the Underwriting Agreement for the Offer for Sale by Mayban Trustees Berhad on behalf of AmPTMB and its unitholders are set out below:

Clause 2.1

In consideration of AmMerchant Bank ("**Managing Underwriter**") arranging for the Managing Underwriter and AmSecurities Sdn Bhd (collectively "**Underwriters**") to undertake 199,000,000 Units ("**Underwritten Units**") and the Underwriters agreeing to underwrite the Underwritten Units, AmPTMB hereby represents, warrants and undertakes to the Managing Underwriter and each of the Underwriters, amongst others, the following:

- (a) that the Manager will apply for the approval in principle of Bursa Securities for the listing of and quotation for the entire Units on the Main Board of Bursa Securities and it is a term of the Prospectus that the Manager shall submit or cause to be submitted an application to Bursa Securities for admission to the Official List, and the listing of and quotation for the entire Units, on the Main Board of Bursa Securities;
- (b) that all consents, approvals, authorisations or other orders required under the laws of Malaysia for or in connection with the issue and offering of the Units will be obtained and be in force and all other actions will be taken by AmPTMB to comply with all legal and other requirements necessary to ensure that the issue and offering of the Units will not infringe any existing laws or the terms of any such consent, approval or authorisation;

4. Particulars of the IPO (Cont'd)

- (c) that the offering and issue of the Cash Option Units and Remaining Units (both as defined in the Underwriting Agreement) on the terms and conditions of the Prospectus and the compliance by the AmPTMB with the terms of the Prospectus and the terms of this Agreement will not result in a default in, or breach of, any of the covenants, terms, conditions or provisions of the Memorandum and Articles of Association of AmPTMB or any agreement or other instrument or any order or obligations to which AmPTMB is a party or by which it is bound;
- (d) that AmPTMB will promptly and without any delay whatsoever notify the Managing Underwriter who shall thereupon inform the other Underwriters of any facts, information, situations or circumstances which it believes may adversely affect the success of the offer for sale of the Cash Option Units and Remaining Units and in particular and without prejudice to the generality of the foregoing of any material change affecting any of the aforesaid representations, warranties or agreements at any time prior to the Second Closing Date (as hereinafter defined) and take such steps as may be reasonably required by the Underwriters or any of them to remedy and/or publicise the same;
- (e) that AmPTMB will up to the Second Closing Date give to the Managing Underwriter who shall thereupon inform the other Underwriters any or all information which the Underwriters or any of them may reasonably need or require affecting the issue and offering of the Units; and
- (f) that the Cash Option Units and Remaining Units to be issued to MTB-AmFPT (as defined below) shall be free from any claims, charges, lien or encumbrances together with all rights attaching thereto and will rank pari passu with each other.

Clause 2.2

In consideration of the Managing Underwriter arranging for the Underwriters to undertake the Underwritten Units and the Underwriters agreeing to underwrite the Underwritten Units, the Mayban Trustees Berhad as trustee for AmFPT ("**MTB-AmFPT**") represents, warrants and undertakes to the Managing Underwriter and each of the Underwriters, amongst others, the following:

- (a) MTB-AmFPT has full capacity, power and authority to implement the Proposals (i.e. the disposal of Bangunan AmBank Group, AmBank Group Leadership Centre, Menara Merais, the proposed distribution to the AmFPT unitholders the proposed delisting and proposed liquidation of AmFPT) and to accept the offer for sale of the Cash Option Units and Remaining Units on the terms and basis of the Prospectus and has full power and authority to execute, deliver, enter into and perform its obligations under this Agreement and the Trust Deed and all other relevant documents to which it is a party; and
- (b) MTB-AmFPT together with the Managing Underwriter shall fix two closing dates which shall not exceed a period of three (3) months from the date of the registration of the Prospectus for:-
 - (i) closing of the exercise of the Cash Option (the "**First Closing Date**"); and
 - (ii) closing of the IPO and the Offer for Sale (the "**Second Closing Date**"),

and will not change the First Closing Date or the Second Closing Date without the prior consent of the Managing Underwriter and the relevant authorities, if required.

4. Particulars of the IPO (Cont'd)

Clause 2.3

Upon any material breach or material failure to perform any of the warranties representations or agreements set out in Clause 2.1 or Clause 2.2 above or any change rendering any of the said warranties representations or agreements inaccurate in any material respect coming to the notice of the Managing Underwriter or the Underwriters or any of them prior to the Second Closing Date, the Underwriters or any of them shall be entitled (but not bound) by written notice to AmPTMB or MTB-AmFPT or both (as applicable) to require the breach to be remedied within thirty (30) days from the date of the notice or such longer period as may be reasonable in the circumstances, in respect of a breach which is capable of being remedied. If such breach, failure or change is not remedied by AmPTMB or MTB-AmFPT or both (as applicable) within the aforesaid period, the Managing Underwriter or the Underwriters or any of them shall be entitled to elect to treat such breach, failure or change as releasing and discharging them from their obligations hereunder PROVIDED THAT the defaulting party (which may be AmPTMB or MTB-AmFPT or both (as applicable)) shall remain liable for the payment of the costs and expenses referred to in Clause 14 which are incurred prior to or in connection with such release and discharge.

Clause 4.1

The obligations of the Underwriters under this Agreement shall further be conditional upon:-

- (a) Bursa Securities having agreed in principle to the listing of and quotation for the entire 429,001,000 Units on the Main Board of Bursa Securities; and
- (b) the registration with the SC of the Prospectus in accordance with the requirements under Section 41 of the SC Act together with copies of all documents required for submission under Section 42 of the SC Act within two (2) months or such later date as the Managing Underwriter may agree with MTB-AmFPT from the date of this Agreement.

If any of the foregoing conditions is not satisfied on or before the Second Closing Date or such other date as may be mutually extended by the parties in writing, the Underwriters or any of them acting through the Managing Underwriter shall thereupon be entitled to terminate this Agreement by notice in writing delivered to MTB-AmFPT and AmPTMB and in that event the Underwriters shall be released and discharged from their obligations hereunder PROVIDED THAT in such event MTB-AmFPT shall remain liable for the payment of the costs and expenses referred to in Clause 14 hereof which are incurred prior to or in connection with such termination and such release and discharge AND PROVIDED HOWEVER THAT the Underwriters or any of them may at its discretion and subject to such conditions as the Underwriters may impose, waive compliance with any of the provisions of this Clause.

Clause 4.2

Notwithstanding anything herein contained the Underwriters or any of them acting through the Managing Underwriter may at any time before the Second Closing Date by notice in writing delivered to MTB-AmFPT and after due consultation with the MTB-AmFPT and AmPTMB terminate its obligations under this Agreement if in the reasonable opinion of the Managing Underwriter or the Underwriters or any of them any of the following events shall have occurred:-

- (i) any material breach by MTB-AmPTMB and/or AmPTMB of any of its representations, warranties, obligations or undertakings under this Agreement;

4. Particulars of the IPO (Cont'd)

- (ii) any event or series of events beyond the reasonable control of the Managing Underwriters and the Underwriters (including without limitation acts of government, fire, explosion, flooding, civil commotion, acts of war or sabotage, terrorism, riot, natural catastrophe including but not limited to earthquake, storm, lightning, tempest or other acts of God) which has or will have the effect of making any material part of this Agreement incapable of performance with its terms; or
- (iii) that there shall have been such a major and fundamental change in national or international monetary, financial or political conditions or exchange control or currency exchange rates as would in the reasonable opinion of the Managing Underwriter and the Underwriters prejudice materially the success of the issue and offering of the Units and its distribution or sale (whether in the primary market or in respect of dealings in the secondary market),

thereupon the Managing Underwriter or the Underwriters and MTB-AmFPT shall (except for the liability of MTB-AmFPT in the payment of costs and expenses referred to in Clause 14 incurred prior to or in connection with such termination) be released and discharged from their respective obligations hereunder.

Clause 5.1

If on the Second Closing Date or such later date as the Directors of the Trustee may determine in agreement with the Managing Underwriter, the whole of the Underwritten Units shall not have been accepted by the Entitled Unitholders (as defined in the Underwriting Agreement) in that some or all of the Entitled Unitholders have exercised the Cash Option to exchange the Units to be distributed to it for cash and/or have not been fully subscribed by the selected foreign and institutional investors, then the Underwriters shall be bound to subscribe or procure the subscription for the Underwritten Units in accordance with its commitment in Clause 1.1.

Clause11.1

In consideration of their respective obligations hereunder, each Underwriter shall be entitled to receive:-

- (a) One Point Two Five per cent (1.25%) at RM1.00 per Unit of the Cash Option Units (138,400,225 Units); and
- (b) one point five per cent (1.5%) at RM1.00 per Unit of the Remaining Units (60,599,775 Units),

underwritten by each Underwriter.

Clause11A.1

In consideration of the Managing Underwriter arranging for the Underwriters to undertake the Underwritten Units, the Managing Underwriter shall be entitled to receive zero point five per cent (0.5%) at RM1.00 per Unit of the Remaining Units and the total amount of the fee payable to the Managing Underwriter is RM302,999.00.

(ii) Restricted Offer For Sale

The Underwriting Agreement for the Restricted Offer For Sale was entered into between AHB and the Underwriters on 12 October 2006 to severally and jointly underwrite 96,246,917 Units for an underwriting commission of 1.50% at RM0.85 per Unit multiplied by 96,246,917 Units.

Subject to certain conditions precedent, each of the Underwriter and the Managing Underwriter has agreed to underwrite the subscription and sale of 96,246,917 Units.

4. **Particulars of the IPO (Cont'd)**

The salient terms of the Underwriting Agreement for the Restricted Offer For Sale are set out below:

Clause 2.1

In consideration of AmMerchant Bank ("**Managing Underwriter**") arranging for the AmMerchant Bank and AmSecurities Sdn Bhd (collectively "**Underwriters**") to undertake 96,246,917 Units ("**Underwritten Units**") and the Underwriters agreeing to underwrite the Underwritten Units, AHB hereby represents, warrants and undertakes to the Managing Underwriter and each of the Underwriters, amongst others, the following:

- (a) AHB has full capacity, power and authority to accept the Units and to implement the Proposed Offers (as defined in the Underwriting Agreement) on the terms and basis of the Prospectus and has full power and authority to execute, deliver, enter into and perform its obligations under this Agreement and all other relevant documents to which it is a party;
- (b) all corporate and other approvals and authorisations required by AHB to accept the Consideration Units and to implement the Proposed Offers on the terms and basis of the Prospectus, execute and perform its obligations under this Agreement and all other relevant documents to which AHB is a party, have been obtained and are unconditional and are in full force and effect;
- (c) that the Consideration Units to be issued to AHB shall be free from any claims, charges, lien or encumbrances together with all rights attaching thereto and will rank pari passu with each other;
- (d) AHB together with the Managing Underwriter shall fix a closing date which shall not exceed a period of three (3) months from the date of the registration of the Prospectus for closing of the ROS ("**Closing Date**") and will not change the Closing Date without the prior consent of the Managing Underwriter and the relevant authorities, if required; and
- (e) in respect of Menara Ambank to be disposed to AmFIRST REIT, it has at all material times been and are at the date hereof adequately insured against fire and other risks normally insured against by companies carrying on similar businesses or owning property of a similar nature. In respect of such insurances, all premiums have been duly paid to date and all the policies are in force and AHB is not aware of any act, omission or non-disclosure on the part of the insured party which may render the policies void;

Clause 2.2

Upon any material breach or material failure to perform any of the warranties representations or agreements set out in Clause 2.1 or any change rendering any of the said warranties representations or agreements inaccurate in any material respect coming to the notice of the Managing Underwriter or the Underwriters or any of them prior to the Closing Date, the Underwriters or any of them shall be entitled (but not bound) by written notice to AHB to require the breach to be remedied within thirty (30) days from the date of the notice or such longer period as may be reasonable in the circumstances, in respect of a breach which is capable of being remedied. If such breach, failure or change is not remedied by AHB within the aforesaid period, the Managing Underwriter or the Underwriters or any of them shall be entitled to elect to treat such breach, failure or change as releasing and discharging them from their obligations hereunder PROVIDED THAT the defaulting party shall remain liable for the payment of the costs and expenses referred to in Clause 14 which are incurred prior to or in connection with such release and discharge.

4. Particulars of the IPO (Cont'd)

Clause 4.1

The obligations of the Underwriters under this Agreement shall further be conditional upon:-

- (a) Bursa Securities having agreed in principle to the listing of and quotation for the entire 429,001,000 Units on the Main Board of Bursa Securities; and
- (b) the registration with the SC of the Prospectus in accordance with the requirements under Section 41 of the SC Act 1993 together with copies of all documents required for submission under Section 42 of the SC Act 1993 within two (2) months or such later date as the Managing Underwriter may agree with AHB from the date of this Agreement.

If any of the foregoing conditions is not satisfied on or before the Closing Date or such other date as may be mutually extended by the parties in writing, the Underwriters or any of them acting through the Managing Underwriter shall thereupon be entitled to terminate this Agreement by notice in writing delivered to AHB and in that event the Underwriters shall be released and discharged from their obligations hereunder PROVIDED THAT in such event AHB shall remain liable for the payment of the costs and expenses referred to in Clause 14 which are incurred prior to or in connection with such termination and such release and discharge AND PROVIDED HOWEVER THAT the Underwriters or any of them may at its discretion and subject to such conditions as the Underwriters may impose, waive compliance with any of the provisions of this Clause.

Clause 4.2

Notwithstanding anything herein contained the Underwriters or any of them acting through the Managing Underwriter may at any time before the Closing Date by notice in writing delivered to AHB and after due consultation with AHB terminate its obligations under this Agreement if in the reasonable opinion of the Managing Underwriter or the Underwriters or any of them any of the following events shall have occurred:-

- (i) any material breach by AHB of any of its representations, warranties, obligations or undertakings under this Agreement;
- (ii) any event or series of events beyond the reasonable control of the Managing Underwriters and the Underwriters (including without limitation acts of government, fire, explosion, flooding, civil commotion, acts of war or sabotage, terrorism, riot, natural catastrophe including but not limited to earthquake, storm, lightning, tempest or other acts of God) which has or will have the effect of making any material part of this Agreement incapable of performance with its terms; or
- (iii) that there shall have been such a major and fundamental change in national or international monetary, financial or political conditions or exchange control or currency exchange rates as would in the reasonable opinion of the Managing Underwriter and the Underwriters prejudice materially the success of the issue and offering of the Units and its distribution or sale (whether in the primary market or in respect of dealings in the secondary market),

thereupon the Managing Underwriter or the Underwriters and AHB shall (except for the liability of AHB in the payment of costs and expenses referred to in Clause 14 hereof incurred prior to or in connection with such termination) be released and discharged from their respective obligations hereunder.

4. **Particulars of the IPO (Cont'd)**

Clause 5.1

If on the Closing Date or such later date as the Directors of AHB may determine in agreement with the Managing Underwriter, the whole of the Underwritten Units shall have been subscribed by the shareholders of AHB on the Entitlement Date (the "**Entitled Shareholders**"), then no allotment shall be made to the Underwriters, but if on such aforesaid date the Underwritten Units shall not have been accepted in full by the Entitled Shareholders and/or the rights of provisional allotment in respect of any Underwritten Units have not been taken up by any parties, then the Underwriters shall be bound to subscribe or procure the subscription for the Underwritten Units in accordance with its Commitment in Clause 1.1.

Clause 11.1

In consideration of their respective obligations hereunder, each Underwriter shall be entitled to receive one point five per cent (1.5%) of the issue price of the Underwritten Units underwritten by each Underwriter as set out in the Underwriting Agreement (the "**Underwriting Commission**") and the total unit of Underwriting Commission payable to each Underwriter are as stipulated in the Underwriting Agreement.

Clause 11A.1

In consideration of the Managing Underwriter arranging for the Underwriters to undertake the Underwritten Units, the Managing Underwriter shall be entitled to receive zero point five per cent (0.5%) at RM0.85 per Unit of the Underwritten Units and the total amount of the fee payable to the Managing Underwriter is RM409,049.00.

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5. Introduction To REITs

5.1 Introduction to REITs

A REIT is an investment vehicle that invests primarily in income-producing real estate, real estate related assets and/or single purpose companies whose principal assets comprise real estates, and uses the income from the properties, net of expenses, to provide returns to its unitholders. A portion of a REIT's funds can also be invested in other asset classes, such as cash or deposits. In purchasing a unit in a REIT, you share the benefits and risks of owning the real estate assets held by the REIT. REITs are an attractive asset class for investors seeking strong dividend yields as REITs tend to distribute most of their distributable income (*net of expenses*) to unitholders in the form of dividends at regular intervals. A REIT may be listed or unlisted.

5.2 Objective of REITs

The key objective of a REIT is to provide unitholders with stable distributions per unit with the potential for sustainable long-term growth of such distributions.

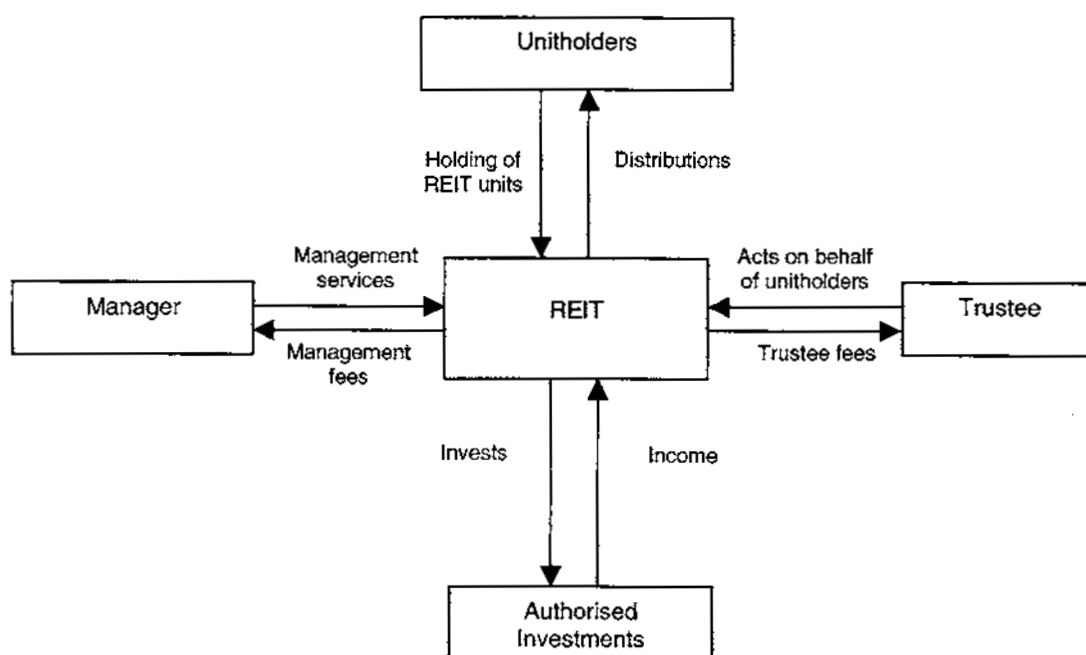
The manager of a REIT aims to achieve this objective by optimising the performance and enhancing the overall quality of a large and geographically diversified portfolio of real estate assets through various investment and business strategies.

Any material changes to the objective of a REIT will need the approval of Unitholders.

5.3 Structure and Organisation of REITs

A REIT is constituted by a deed entered into between the manager and the trustee. The deed sets out the general administration of the REIT and regulates the actions of the manager and trustee within the guiding principle of protecting the interests of the unitholders. In this regard, the deed is an embodiment of rules and conditions for the valuation and pricing of units, the keeping of proper accounts and records of the REIT, the collection and distribution of income, among other things. The deed also spells out the rights and obligations of unitholders, and the duties and responsibilities of the manager and trustee as they relate to the operations of the REIT.

A schematic illustration of the structure and organisation of a typical REIT is as follows:-



5. Introduction To REITs (Cont'd)

5.4 The Regulatory Regime

The SC Act and REIT Guidelines are the principal legislations governing the establishment, administration and operation of REITs in Malaysia. The legislations must be complied with at all times. This requires, amongst others, that the manager and the trustee execute a deed which is registered with the SC and which incorporates the covenants required under the SC Act and the REIT Guidelines.

The appointments of the manager, the trustee, the manager's directors and Chief Executive Officer as well as the members of the investment committee, if any, must be approved by the SC.

(i) The Manager

The manager is obliged under the deed, SC Act and REIT Guidelines to manage and administer the REIT in a proper, diligent and efficient manner, as well as to ensure high standards of integrity and fair dealing in managing the REIT to the best and exclusive interest of the unitholders. The manager administers the REIT in accordance with the objectives and investment policies of the REIT. The manager is independent of the trustee and is required to observe high standards of corporate governance.

(ii) The Trustee

The trustee is obliged under the deed, SC Act and REIT Guidelines to act as the custodian for all the assets owned by the REIT. The trustee is appointed for safe guarding the interests of the unitholders and must ensure that the manager administers the REIT in accordance with the objectives of the REIT and adheres strictly to the provisions of the deed, SC Act and REIT Guidelines, particularly with regard to the exercise of investment powers of the REIT, collection and distribution of income, proper record keeping of administrative, investment and unitholders' transactions and in upholding unitholders' interests.

5.5 General Benefits of Investing in REITs

(i) Mixed portfolio of assets

REITs enable investors to diversify their risk profile by participating in a range of real estate and real estate-related assets, which would otherwise not be achievable by the investment in a single physical property. In addition, as a REIT is structured in units, unitholders will be able to tailor the exact amount of funds of their portfolio which they wish to devote to real estate investment.

(ii) Professional management

REITs provide investors with the opportunity to buy into real estate that is maintained and managed by experienced and professional property manager(s) whose primary role is to maximise the operating income of the properties in the REIT. Further, such manager(s) are overseen by an independent trustee and the property management profession is regulated actively by the SC.

(iii) Liquidity

REITs are often more tradable than physical properties especially if they are listed. This feature makes it easier for investors to quickly and efficiently adjust their portfolio's desired exposure to real property as compared to the buying and selling of real estate which can be a cumbersome and lengthy process.

5. Introduction To REITs (Cont'd)

(iv) High dividend distribution to unitholders

The tax incentives accorded by the regulatory guidelines encourage REITs to distribute most of their distributable income to unitholders as dividends, which makes REITs an attractive asset class for investors who seek stable dividend yields. This is because the income that is distributed by a REIT to its unitholders in the same basis period will not be subject to tax at the REIT level.

(v) Stable returns

A REIT is typically able to generate stable, sustainable income, which can be used to continually pay regular dividends. This is particularly true for REITs which qualify for listing on the stock exchange, as they normally own investment grade assets which generate recurring cash flows through profitable tenancy agreements for specific durations.

(vi) Affordability

REITs allow investors to participate in the real estate market with a smaller capital outlay as compared to the outright purchase of real estate.

(vii) Potential capital appreciation

REITs have a potential for capital appreciation via an increase in the values of the underlying properties held in its portfolio.

(viii) Ownership of high quality real estate

A REIT is also an effective means of gaining investment exposure to large, commercial properties. Depending on the quality of the real estate, holding REIT units is akin to holding stakes in high-grade real estate, which may otherwise have been difficult or impossible for a retail investor to hold.

(ix) Inflation hedge

The value of real estate is expected to generally increase in tandem with inflation rate. Thus, as real estate is the underlying asset in a REIT, investment in REIT thus provides a hedge against inflation.

Apart from the benefits, you should also note that investing in REITs is subject to the risks as described in Section 6.1.3 of this Prospectus.

5.6 Profile of REIT Investors

REITs may appeal to investors with a long-term investment horizon seeking sustainable distribution of income and long-term capital growth.

5. Introduction To REITs (Cont'd)

5.7 Comparison with Alternative Investment

An investment can be analysed using two aspects, namely, risk and return. The higher the risk of an investment, the higher the expected return from that investment, and vice versa. Investments in REITs can be compared with several other forms of investments such as cash, fixed deposit, shares, property and financial derivative products. In general, the comparison of the risk and return on investments may be illustrated as follows:

No.	Types of Investment	Risk Level	Expected Return Level
1.	Financial Derivative Products	High	High
2.	Equities	↓ ↓ ↓ ↓ ↓ ↓ ↓	↓ ↓ ↓ ↓ ↓ ↓ ↓
3.	Preference Shares		
4.	REIT		
5.	Bonds		
6.	Fixed Deposit		
7.	Cash		

An investment in a REIT provides you with the opportunity to pool your resources into a fund to acquire a selected portfolio which primarily invests in high quality properties managed by qualified managers at a relatively low cost and provides opportunities for capital and/or income growth. The potential for capital appreciation, the ability to borrow, the willingness and ability to take a long-term position all add up to an attractive form of investment.

5.8 Fees and Charges

(i) Charges imposed on purchases and redemption of units in a REIT

For listed REITs, other than the charges you may incur arising from the trading of the Units on Bursa Securities, e.g. clearing fee and stamp duty, there are no other charges imposed on the sale and purchase of Units.

Further information on the charges you may incur from the trading of the Units on Bursa Securities may be found at Bursa Securities' website at www.bursamalaysia.com.

(ii) Fees and expenses that a REIT may incur

The following table describes the types of main fees that a REIT may incur:-

Fees	Details
Management fee	The manager receives a management fee for managing a REIT.
Property management fee	The property manager receives property management fee for managing the properties. The fee is based on a certain graduated scale as provided in the provisions of the Valuers, Appraisers and Estate Agents Act 1981.

5. Introduction To REITs (Cont'd)

Fees	Details
Trustee fee	The trustee receives trustee fee for acting as trustee and custodian of the assets a REIT invests in and to safeguard the interests of unitholders.

There may be other expenses incurred on a REIT. The manager may also impose other fees and charges on the REIT.

5.9 REIT Performance Indicators

In reviewing the performance of a REIT, you may consider the following definitions of fund returns or performance indicators:

(i) Management expense ratio

The management expense ratio of a REIT is the total of all the fees and expenses incurred in a financial year and deducted directly from that REIT's income (*including the annual management fee, the annual trustee fee, the auditor's fees and other professional fees and expenses*) and all the expenses not recovered from and/or charged to the REIT (*including the costs of printing, stationery and postage*) expressed as a percentage of the average value of that fund.

The management expense ratio is a useful way to compare the costs of investment in a REIT with the costs of other investments of similar nature. The management expense ratio of a REIT is calculated as follows:

$$\text{management expense ratio} = \frac{\text{Fees + Non-Recoverable Expenses}}{\text{Average value of a REIT calculated on a daily basis}} \times 100$$

(ii) Total Returns

Total return is computed based on the actual gross income distribution and the net change in the weighted average market price for the year, over the weighted average market price of the REIT for the respective year.

(iii) Average Annual Return

The percentage change in a REIT's price (after adjusting for distributions payout) for the period to the number of years under review. This indicator allows investors to compare the annualised return of the REIT with other forms of investment which is most often expressed in 'per cent per annum'.

(iv) Distribution Yield

The ratio of distribution paid to unitholders to the price paid by an investor for the units of a REIT or the prevailing market price of the units of a REIT, as the case may be.

(v) NAV

The net market value of a company's assets, including but not limited to its properties, after subtracting all its liabilities and obligations.