



## CONDENSED FINANCIAL STATEMENTS

SECOND QUARTER ENDED 30 SEPTEMBER 2015

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# AmFIRST REAL ESTATE INVESTMENT TRUST

## UNAUDITED CONDENSED STATEMENT OF COMPREHENSIVE INCOME

	Current Year Quarter 30.09.2015 RM'000	Preceding Year Corresponding Quarter 30.09.2014 RM'000	Current Year To Date 30.09.2015 RM'000	Preceding Year To Date 30.09.2014 RM'000
<b>Gross revenue</b>	24,702	26,903	49,588	54,392
Property expenses	(10,080)	(9,447)	(19,444)	(19,434)
<b>Net property income</b>	14,622	17,456	30,144	34,958
Interest income	23	23	54	48
Other income	17	56	22	83
	14,662	17,535	30,220	35,089
<b>Administrative expenses</b>				
Manager's fee	(1,511)	(1,539)	(3,031)	(3,093)
Trustee's fee	(84)	(84)	(168)	(169)
Valuation fee	(69)	2	(155)	(70)
Auditors' remuneration	(14)	(8)	(36)	(15)
Tax agent's fee	(3)	16	(9)	13
Others expenses	829	(78)	(551)	(315)
Interest expense	(6,325)	(5,332)	(12,344)	(10,190)
	(7,177)	(7,023)	(16,294)	(13,839)
<b>Net trust income</b>	7,485	10,512	13,926	21,250
Unrealized gain on revaluation of derivative	1,463	-	2,033	-
Gain/(loss) from initial recognition, net of amortization of financial liabilities	32	142	(27)	21
<b>Income before taxation</b>	8,980	10,654	15,932	21,271
Taxation	-	-	-	-
<b>Income for the period</b>	8,980	10,654	15,932	21,271
Other comprehensive income, net of tax	-	-	-	-
<b>Total comprehensive income for the period</b>	8,980	10,654	15,932	21,271
Distribution adjustment	(1,495)	(142)	(2,006)	(21)
<b>Total income available for distribution</b>	7,485	10,512	13,926	21,250
<b>Total comprehensive income for the period is made up as follows:-</b>				
- Realized	7,485	10,512	13,926	21,250
- Unrealized	1,495	142	2,006	21
	8,980	10,654	15,932	21,271
<b>Number of units in circulation (Unit) ('000)</b>	686,402	686,402	686,402	686,402
<b>Basic earnings per unit (EPU) (sen)</b>	1.31	1.55	2.32	3.10

The Condensed Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 March 2015 and the accompanying explanatory notes.

# AmFIRST REAL ESTATE INVESTMENT TRUST

## UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION

	As At 30.09.2015 (Unaudited) RM'000	As At 31.03.2015 (Audited) RM'000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Investment properties	1,347,509	1,332,200
Derivative	417	-
<b>Current Assets</b>		
Receivables	64,024	33,228
Deposits with financial institution	3,554	4,197
Cash and bank balances	200	506
	67,778	37,931
<b>TOTAL ASSETS</b>	1,415,704	1,370,131
<b>LIABILITIES</b>		
<b>Non-Current Liabilities</b>		
Rental deposits	12,470	10,540
Borrowings	395,400	365,200
Derivative	-	1,419
	407,870	377,159
<b>Current Liabilities</b>		
Payables	8,217	9,045
Rental deposits	11,996	15,617
Borrowings	146,424	126,100
Derivative	416	613
	167,053	151,435
<b>TOTAL LIABILITIES</b>	574,923	528,594
<b>NET ASSET VALUE</b>	<b>840,781</b>	<b>841,537</b>
<b>FINANCED BY:</b>		
<b>UNITHOLDERS' FUNDS</b>		
Unitholders' capital	636,625	636,625
Undistributed income - Realized	13,977	16,799
Undistributed income - Unrealized	190,179	188,173
	<b>840,781</b>	<b>841,597</b>
<b>Number of Units In Circulation (Unit) ('000)</b>	<b>686,402</b>	<b>686,402</b>
<b>Net Asset Value per unit (RM)</b>		
- Before income distribution	1.2249	1.2261
- After income distribution	1.2046	1.2017

The Condensed Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 March 2015 and the accompanying explanatory notes.

# AmFIRST REAL ESTATE INVESTMENT TRUST

## UNAUDITED CONDENSED STATEMENT OF CHANGES IN NET ASSET VALUE

	Unitholders' Capital RM'000	← Distributable →		Unitholders' Fund RM'000
		Undistributed Income Realized RM'000	Unrealized RM'000	
<b><u>Current Period To Date</u></b>				
<b>As At 1 April 2015</b>	636,625	16,799	188,173	841,597
Total comprehensive income for the period	-	13,926	2,006	15,932
<u>Unitholders' transactions</u>				
Distribution to Unitholders				
- Final FYE 2014/15	-	(16,748)	-	(16,748)
<b>As At 30 September 2015</b>	<u>636,625</u>	<u>13,977</u>	<u>190,179</u>	<u>840,781</u>
<b><u>Preceding Period To Date</u></b>				
<b>As At 1 April 2014</b>	636,625	25,462	187,777	849,864
Total comprehensive income for the period	-	21,250	21	21,271
<u>Unitholders' transactions</u>				
Distribution to Unitholders				
- Final FYE 2013/14	-	(25,397)	-	(25,397)
<b>As At 30 September 2014</b>	<u>636,625</u>	<u>21,315</u>	<u>187,798</u>	<u>845,738</u>

The Condensed Statement of Changes in Net Asset Value should be read in conjunction with the audited financial statements for the financial year ended 31 March 2015 and the accompanying explanatory notes.

# AmFIRST REAL ESTATE INVESTMENT TRUST

## UNAUDITED CONDENSED STATEMENT OF CASH FLOWS

	Current Year To Date 30.09.2015 RM'000	Preceding Year To Date 30.09.2014 RM'000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Income before taxation	15,932	21,271
<i>Adjustment for :-</i>		
Interest income	(54)	(48)
Provision/(reversal) of impairment loss on trade receivables	103	(108)
Interest expenses	12,344	10,190
Unrealised gain on revaluation of derivative	(2,033)	-
Loss/(gain) from initial recognition, net amortisation of financial liabilities	27	(21)
Operating income before working capital changes	26,319	31,284
<b>Changes in working capital</b>		
Increase in receivables	(30,898)	(17,075)
Decrease in payables	(901)	(2,364)
Decrease in rental deposits	(1,718)	(724)
<b>Net cash (used in)/generated from operating activities</b>	(7,198)	11,121
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Enhancement of investment properties	(15,309)	(11,730)
Interest received	54	48
<b>Net cash used in investing activities</b>	(15,255)	(11,682)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest paid	(12,272)	(10,062)
Distributions paid to Unitholders	(16,748)	(25,397)
Drawdown of borrowings	50,524	37,621
<b>Net cash generated from financing activities</b>	21,504	2,162
<b>Net change in cash and cash equivalents</b>	(949)	1,601
<b>Cash and cash equivalents at the beginning of period</b>	4,703	4,296
<b>Cash and cash equivalents at the end of period</b>	3,754	5,897
<b>CASH AND CASH EQUIVALENTS COMPRISE :-</b>		
Cash and bank balances	200	2,278
Deposits with financial institution	3,554	3,619
	3,754	5,897

The Condensed Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 March 2015 and the accompanying explanatory notes.

## **AmFIRST REAL ESTATE INVESTMENT TRUST**

### **NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS For The Second Quarter Ended 30 September 2015**

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#### **EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134 AND INTERNATIONAL ACCOUNTING STANDARD (“IAS”) 34**

##### **A1. BASIS OF PREPARATION**

These condensed financial statements have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting issued by Malaysian Accounting Standard Board (“MASB”) and with IAS 34: Interim Financial Reporting, Paragraph 9.44 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”), applicable provisions of the Deed and the Securities Commission’s (“SC”) Guidelines on Real Estate Investment Trusts.

The accounting policies and methods of computation used in the preparation of the interim financial statements are consistent with those adopted in the preparation of audited financial statements of AmFIRST Real Estate Investment Trust (“AmFIRST REIT” or the “Trust”) for the financial year ended 31 March 2015 except for the adoption of the relevant new MFRSs, amendments to MFRSs and IC Interpretations that are effective for annual period beginning on or after 1 April 2015. The adoption of new MFRSs, amendment to MFRSs and IC interpretations does not have any material impact on the financial results of the Trust.

##### **A2. DECLARATION OF AUDIT QUALIFICATION**

There was no audit qualification on the financial statements for the year ended 31 March 2015.

##### **A3. SEASONALITY AND CYCLICALITY OF OPERATIONS**

The operations of the Trust are not subjected to seasonal or cyclical fluctuation.

##### **A4. UNUSUAL ITEMS**

There were no material unusual items affecting the amounts reported for the quarter under review.

##### **A5. CHANGES IN ESTIMATES**

There were no changes in estimates that have had a material effect for the quarter under review.

##### **A6. ISSUANCE, CANCELLATION, REPURCHASE AND REPAYMENT OF DEBT AND EQUITY SECURITIES**

There were no issuances, cancellation, repurchase, resale and repayment of debt and equity securities for the quarter under review.

##### **A7. SEGMENT INFORMATION**

No segment information is prepared as the Trust’s activities are predominantly in one reportable segment and its assets are located in Malaysia.

## AmFIRST REAL ESTATE INVESTMENT TRUST

### NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS For The Second Quarter Ended 30 September 2015

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#### A8. INCOME DISTRIBUTION PAID

There was no income distribution paid during the quarter under review.

The Board of Director of the Manager of AmFIRST REIT, has declared an interim income distribution of 2.03 sen per unit for the six month period from 1 April 2015 to 30 September 2015 amounting to RM13,933,952, representing approximately 100% of the realized distributable net income for the six-month period ended 30 September 2015, payable on 11 December 2015 as disclosed in note B20 below.

#### A9. MATERIAL SUBSEQUENT EVENTS

There were no material events subsequent to the end of the reporting quarterly period.

#### A10. CHANGES IN THE COMPOSITION OF THE TRUST

There were no changes in the composition of the Trust during the quarter under review, and the fund size stands at 686,401,600 units as at 30 September 2015.

#### A11. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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

#### A12. REALIZED AND UNREALIZED INCOME DISCLOSURE

The breakdown of undistributed income into realized and unrealized as at 30 September 2015 are summarized as below:-

	As At 30.09.2015 RM'000	As At 31.03.2015 RM'000
<u>Realized</u>		
Distributable undistributed income	13,977	16,799
<u>Unrealized</u>		
Cumulative net change arising from the fair value of investment properties	188,886	188,886
Change in fair value of derivative	2	(2,031)
Gain arising from measuring non-current financial liabilities at amortized cost	1,291	1,318
	<b>190,179</b>	188,173
	<b>204,156</b>	204,972

#### A13. VALUATION OF INVESTMENT PROPERTIES

The valuations of investment properties have been brought forward without any amendment from the previous audited financial statements for the year ended 31 March 2015.

## **AmFIRST REAL ESTATE INVESTMENT TRUST**

### **NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS For The Second Quarter Ended 30 September 2015**

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#### **ADDITIONAL INFORMATION PURSUANT TO PARAGRAPH 9.44 OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

##### **B1. REVIEW OF PERFORMANCE**

Gross revenue for the financial period ended 30 September 2015 declined by 9% or RM4.9 million over that of the preceding corresponding financial period to RM49.6 million. The decline was mainly due to lower occupancy rate at Prima 9, The Summit Retail Mall and Menara AmBank. The occupancy at The Summit Retail is impacted by the ongoing refurbishment exercise. The refurbishment and rebranding of The Summit Retail Mall is expected to be completed by the 4<sup>th</sup> quarter financial year ending 31 March 2016.

Interest expenses were higher by 21% mainly due to the additional borrowings incurred to finance the ongoing refurbishments exercise and the 10% deposit for the acquisition of Mydin Hypermall, Bukit Mertajam Penang.

As a result of the above, the Trust's net income after taxation for the six month period ended 30 September 2015 registered a decrease of 25% or RM5.3 million to RM15.9 million as compared to the preceding corresponding period of RM21.3 million.

##### **B2. MATERIAL CHANGE IN THE INCOME BEFORE TAXATION FOR THE CURRENT QUARTER AS COMPARED TO THE IMMEDIATE PRECEDING QUARTER**

The Trust recorded a net income before taxation of RM9.0 million for the current quarter, an increase by 29% compared to the immediate preceding quarter due to the reversal of provision for impairment loss on trade receivables.

##### **B3. CHANGES IN THE STATE OF AFFAIRS**

There was no material change in the state of affairs of the Trust for the quarter under review.



## AmFIRST REAL ESTATE INVESTMENT TRUST

### NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS For The Second Quarter Ended 30 September 2015

#### B4. CHANGES IN PORTFOLIO COMPOSITION

There were no material changes in the portfolio composition of AmFIRST REIT for the quarter under review. As at 30 September 2015, the Trust's composition of investment portfolio is as follow:-

	Cost of Investment <sup>1</sup> As At 30.09.2015 RM'000	Market Value <sup>2</sup> As At 30.09.2015 RM'000	% Market Value To Net Asset Value As At 30.09.2015 %
AmBank Group Leadership Centre	26,261	22,800	2.7%
Bangunan AmBank Group	192,189	257,000	30.9%
Menara AmFIRST	63,909	71,700	8.6%
Menara AmBank	248,708	310,000	37.2%
Wisma AmFIRST	94,406	112,000	13.5%
The Summit Subang USJ	310,343	320,200	38.5%
Prima 9	73,224	77,000	9.3%
Prima 10	61,830	68,000	8.2%
Kompleks Tun Sri Lanang	87,754	93,500	11.2%
	<b>1,158,624</b>	<b>1,332,200</b>	

- 1 Cost of investment comprised purchase consideration paid and capital expenditure incurred since the acquisitions.
- 2 Based on latest revaluation undertaken in March 2015 and capital expenditure incurred during the current year.

#### B5. CHANGES IN NET ASSET VALUE AND UNIT PRICE

	As at 30.09.2015 RM'000	As at 30.06.2015 RM'000
Net Asset Value ("NAV")	<b>840,780</b>	832,699
NAV Per Unit (RM)		
- Before income distribution	<b>1.2249</b>	1.2131
- After income distribution	<b>1.2046</b>	1.2024
Closing Unit Price Per Unit (RM)	<b>0.795</b>	0.885

The NAV per Unit after income distribution is calculated after taking into consideration for income distribution of approximately 100% of the realized distributable income at the end of the reporting period.

**B6. REVIEW OF COMMERCIAL PROPERTY MARKET**

The office market remains challenging with continuous new supply coming on stream to add further to the existing imbalance demand supply market, causing increased downward pressure on the occupancy and rents.

For retail market, the consumer spending should remain relatively subdued with some moderation due to anticipation of stronger inflationary pressures in the economy plus the recently implemented GST. Retail space, especially in lifestyle malls, will become increasingly competitive with more malls entering the softer retail market. Retailers have experienced a slowdown in retail sales as consumer remains cautious on spending.

To enhance the marketability of the Trust's portfolio, the Manager have carried out various asset enhancement initiatives on the properties within the portfolio to improve their competitiveness in retaining existing tenants and attracting new tenants.

**B7. PROSPECTS**

In view of the challenging business environment arising from the oversupply of office and retail space in addition to the temporary disruption caused by the asset enhancement initiatives being implemented, the Manager will retain existing tenants and continue to take proactive measures, increase leasing efforts as well as other operational efficiency to sustain the portfolio performance and returns to Unitholders.

The Manager has recently received encouraging commitment from prospective tenants to take up office space in both Menara Summit and Wisma AmFIRST whilst the competitive market in Cyberjaya requires more intense and innovative marketing efforts. The completion of the acquisition of Mydin Hypermall, Penang has been extended till the end of the third quarter of financial year ending 31 March 2016. The contribution from this acquisition will therefore not be significant in this financial year ending 31 March 2016. The full impact of the acquisition will be realized in the next financial year. This acquisition is expected to contribute positively to the performance of the Trust moving forward.

Barring any unforeseen circumstances, the Manager expects the Trust to deliver a moderate performance for the financial year ending 31 March 2016.

**B8. UTILISATION OF PROCEEDS RAISED FROM ANY ISSUANCE OF NEW UNITS**

There were no issuances of new units for the quarter under review.

**B9. CIRCUMSTANCES AFFECTING INTEREST OF UNITHOLDERS**

There were no unusual circumstances which materially affect the interest of the unit holders for the quarter under review.

**B10. CHANGES IN MATERIAL LITIGATION**

There was no material litigation as at the date of this report.

## **AmFIRST REAL ESTATE INVESTMENT TRUST**

### **NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS For The Second Quarter Ended 30 September 2015**

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#### **B11. STATUS OF CORPORATE PROPOSALS**

On 15 April 2015, an announcement was made for the proposed acquisition of all those six (6) pieces of land held under GM 136, GRN 1929, GM 929, GM 338, GM 342 and HSM 1158, lot nos. 850, 1186, 1511, 1611, 1619 and 3424 respectively, in the Mukim 06, District of Seberang Perai Tengah, State of Pulau Pinang ("Lands") together with a three (3) storey Hypermall building, each floor with a mezzanine level together with 1,242 car park bays and 1,236 motorcycle bays identified as Mydin Hypermall which is currently being built on the aforesaid lands for a cash consideration of RM250,000,000 from Mydin Wholesale Cash And Carry Sdn Bhd ("Proposed Acquisition")

The Proposed Acquisition is pending the fulfillment of condition precedents as stipulated in the Sale and Purchase Agreement dated 15 April 2015. The Proposed Acquisition is expected to conclude in the fourth quarter of 2015.

Save for the above, there were no other corporate proposals previously announced but not completed as at the date of this report.

#### **B12. MAJOR MAINTENANCE COSTS AND CAPITAL EXPENDITURE**

During the current financial period ended 30 September 2015, a total of approximately RM15.3 million has been incurred for upgrading and enhancement of the investment properties where the bulk of the amount was spent on refurbishment and upgrading of Menara AmBank, The Summit Subang USJ and Bangunan AmBank Group.

#### **B13. SOFT COMMISSION**

During the quarter ended 30 September 2015, the Manager did not receive any soft commission from its broker or dealer by virtue of transaction conducted by the Trust.

#### **B14. REVENUE RECOGNITION**

Revenue is recognized to the extent that it is probable that the economic benefit will flow to the Trust and the revenue can be reliably measured. Rental income arising from operating leases on investment properties is accounted for on straight-line basis over the lease term.

#### **B15. MANAGER'S FEE**

Pursuant to the Deed constituting AmFIRST REIT, the Manager's fee consist of a base fee up to 0.50% per annum of the total asset value of the Trust (excluding any taxes payable) and a performance fee of 3.0% per annum of net property income (excluding any taxes payable), accruing monthly but before deduction of property management fee.

For the current quarter ended 30 September 2015, the Manager's fee consists of a base fee of 0.30% per annum and performance fee of 3.0% per annum.

## AmFIRST REAL ESTATE INVESTMENT TRUST

### NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS For The Second Quarter Ended 30 September 2015

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#### B16. TRUSTEE'S FEE

Pursuant to the Deed constituting AmFIRST REIT, the Trustee is entitled to receive a fee up to 0.10% per annum of the net asset value of the Trust.

For the current quarter ended 30 September 2015, the Trustee's fee is calculated based on 0.04% per annum of the net asset value.

#### B17. UNITS HELD BY RELATED PARTIES

As at 30 September 2015, the Manager did not hold any units in AmFIRST REIT. However, the parties related to the Manager who holds units in AmFIRST REIT are as follows:

	Number of Unit 000	Market Value RM'000
<b>(a) Unitholdings of companies related to the Manager</b>		
AmBank (M) Berhad	183,489	145,874
Yayasan Azman Hashim	41,779	33,215
Jadeline Capital Sdn Bhd	36,168	28,754
AmMetLife Insurance Berhad on behalf of Life Fund	11,200	8,904
<b>(b) Deputy Chief Executive Officer of the Manager</b>		
- Zuhairy bin Md Isa <sup>1</sup>	7	6

1. Direct interest held through nominees account registered in the name of Malacca Equity Nominees (Tempatan) Sdn Bhd.

The market value is determined by multiplying the number of units with the closing unit price of RM0.795 per unit as at 30 September 2015.

#### B18. TAXATION

Pursuant to Section 61A of the Income Tax Act, 1967, where in the basis period for a year of assessment, 90% or more of the total income of the Trust is distributed to unit holders, the total income of the Trust for that year of assessment shall be exempted from tax.

There will be no tax payable for the Trust as the Trust intends to distribute at least 90% of the total income to unit holders for the financial year ending 31 March 2016.

## AmFIRST REAL ESTATE INVESTMENT TRUST

### NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS For The Second Quarter Ended 30 September 2015

#### B18. TAXATION – CONTD.

Reconciliation between the applicable income tax expense and the effective income tax expense of the Trust is as follows:-

	<b>Current Year 30.09.2015 RM'000</b>	Preceding Corresponding Year 30.09.2014 RM'000
Current tax expense	-	-
<b>Reconciliation of effective tax expense</b>		
Net Income before taxation	<b>15,932</b>	21,271
Income tax using Malaysian tax rate of 25% (2014: 25%)	<b>3,983</b>	5,318
Effects of non-deductible expenses	<b>95</b>	47
Effects of income exempted from tax	<b>4,078</b>	(5,364)
Tax expense	-	-

#### B19. DERIVATIVE

	Fair Value as at 30 September 2015		Fair Value as at 30 September 2014	
	Asset RM'000	Liability RM'000	Asset RM'000	Liability RM'000
<u>Interest Rate Swap contract</u>				
Non-current	417	-	-	-
Current	-	416	-	-

The Trust has entered into a 5-year Interest Rate Swap ("IRS") forward contract with a notional amount of RM100,000,000 to hedge the Trust's floating interest rate for fixed rate in order to mitigate the risk on fluctuating interest rate. In this IRS contract, the Trust pays 4.25% fixed rate in exchange of the 3-month KLIBOR.

#### B20. INCOME DISTRIBUTION

The Board of Director of the Manager of AmFIRST REIT, has declared an interim income distribution of 2.03 sen per unit for the six month period from 1 April 2015 to 30 September 2015 amounting to RM13,933,952, representing approximately 100% of the realized distributable net income for the six-month period ended 30 September 2015, payable on 11 December 2015 as disclosed below:-

## AmFIRST REAL ESTATE INVESTMENT TRUST

### NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS For The Second Quarter Ended 30 September 2015

#### B20. INCOME DISTRIBUTION – Contd.

Pursuant to the amended Section 109D of the Income Tax Act, 1967, the following withholding tax rates will be deducted for distribution made to the following categories of Unitholders:

- Resident and non-resident individuals (withholding tax at 10%)
- Resident and non-resident institution investors (withholding tax at 10%)
- Resident companies (no withholding tax, to tax at prevailing corporate tax rate)
- Non-resident corporate (withholding tax at 25%)

The interim income distribution for the six-month period ended 30 September 2015 is from the following sources:-

	<b>01.04.2015 To 30.09.2015 RM'000</b>	01.04.2014 To 30.09.2014 RM'000
Rental income	<b>49,588</b>	54,392
Interest income	<b>54</b>	48
Other income	<b>22</b>	83
Total income	<b>49,664</b>	54,523
Less : Total expenses (before manager's fees)	<b>(32,707)</b>	(30,180)
Net income before taxation (before manager's fees)	<b>16,957</b>	24,343
Less : Manager's fees	<b>(3,031)</b>	(3,093)
Net income before taxation	<b>13,926</b>	21,250
Less : Taxation	<b>-</b>	-
Realized net income after taxation	<b>13,926</b>	21,250
Add : Distributable undistributed income brought forward	<b>51</b>	65
Total income available for distribution	<b>13,977</b>	21,315
<b>Less : Proposed Interim income distribution</b>	<b>(13,934)</b>	(21,210)
Distributable undistributed income carried forward	<b>43</b>	105
<b>Number of unit in circulation ('000)</b>	<b>686,402</b>	686,402
<b>Interim income distribution per unit (Sen)</b>	<b>2.03</b>	3.09

#### B21. STATEMENT BY THE DIRECTORS OF THE MANAGER

In the opinion of the Board of Directors of the Manager, this quarterly report has been prepared in accordance with MFRS 134: Interim Financial Reporting issued by Malaysian Accounting Standard Board ("MASB") and with IAS 34: Interim Financial Reporting and Paragraph 9.44 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad so as to give a true and fair view of the financial position of AmFIRST REIT as at 30 September 2015 and of its financial performance and cash flows for the period ended as at 30 September 2015 and duly authorized for release by the Board of Directors of the Manager on 11 November 2015.