

**AL-HADHARAH BOUSTEAD REIT  
CONDENSED INCOME STATEMENT (UNAUDITED)  
FOR THE QUARTER ENDED 31 MARCH 2007**

	<b>AS AT END OF CURRENT QUARTER 31.3.2007 RM'000</b>
<b>INCOME</b>	
Gross rental income	8,729
Less: Plantation operating expenses	(1,062)
	<hr/>
Net rental income	7,667
Profit earned from investments	177
	<hr/>
	7,844
<b>EXPENDITURE</b>	
Other expenses	(369)
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<b>EARNINGS BEFORE TAXATION</b>	<b>7,475</b>
<b>TAXATION</b>	<b>-</b>
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<b>EARNINGS AFTER TAXATION</b>	<b>7,475</b>
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<b>EARNINGS PER UNIT (SEN)</b>	<b>1.87</b>

\* There are no comparative figures available as this is the first quarterly report for the Trust.

**AL-HADHARAH BOUSTEAD REIT  
CONDENSED BALANCE SHEET (UNAUDITED)  
AS AT 31 MARCH 2007**

	<b>AS AT END OF CURRENT QUARTER 31.3.2007 RM'000</b>
<b>NON-CURRENT ASSETS</b>	
Investment properties	400,150
<b>CURRENT ASSETS</b>	
Trade and other receivables	2,911
Cash and bank balances	9,888
	<u>12,799</u>
<b>TOTAL ASSETS</b>	<u>412,949</u>
<b>CURRENT LIABILITIES</b>	
Trade and other payables	5,043
<b>TOTAL LIABILITIES</b>	<u>5,043</u>
<b>NET ASSET VALUE</b>	<u>407,906</u>
<b>UNITHOLDERS' FUND</b>	
Unitholders' capital	400,431
Retained earnings	7,475
<b>TOTAL UNITHOLDER'S FUND</b>	<u>407,906</u>
<b>UNITS IN CIRCULATION ('000)</b>	<b>400,251</b>
<b>NET ASSET VALUE (NAV) PER UNIT (RM)</b>	<b>1.02</b>

\* There are no comparative figures available as this is the first quarterly report for the Trust.

**AL-HADHARAH BOUSTEAD REIT**  
**CONDENSED STATEMENT OF CHANGES IN NET ASSET VALUE (UNAUDITED)**  
**FOR THE QUARTER ENDED 31 MARCH 2007**

	<b>Unitholders' capital</b>	<b>Undistributed income</b>		<b>Unitholders' fund</b>
	<b>RM'000</b>	<b>Unrealised</b>	<b>Realised</b>	<b>RM'000</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>At 11 December 2006</b>	-	-	-	-
<b>Operations for the period:</b>				
Net earnings for the period	-	-	7,475	7,475
	<u>-</u>	<u>-</u>	<u>7,475</u>	<u>7,475</u>
<b>Unitholders' transactions</b>				
Issuance of units	409,931	-	-	409,931
Listing expenses	(9,500)	-	-	(9,500)
Distribution to unitholders	-	-	-	-
	<u>400,431</u>	<u>-</u>	<u>-</u>	<u>400,431</u>
<b>At 31 March 2007</b>	<u>400,431</u>	<u>-</u>	<u>7,475</u>	<u>407,906</u>

\* There are no comparative figures available as this is the first quarterly report for the Trust.

**AL-HADHARAH BOUSTEAD REIT  
CONDENSED CASH FLOW STATEMENT (UNAUDITED)  
FOR THE QUARTER ENDED 31 MARCH 2007**

	<b>AS AT END OF CURRENT QUARTER 31.3.2007 RM'000</b>
<b>OPERATING ACTIVITIES</b>	
Net earnings before taxation	7,475
Adjustments for:	
Profit earned from investments	(177)
<b>Operating profit before changes in working capital</b>	<u>7,298</u>
Trade and other receivables	(2,911)
Trade and other payables	5,043
<b>Net cash from/(used in) operating activities</b>	<u>9,430</u>
<b>INVESTING ACTIVITIES</b>	
Purchase of investment properties	(219,900)
Profit earned from investments	177
<b>Net cash from/(used in) investing activities</b>	<u>(219,723)</u>
<b>FINANCING ACTIVITIES</b>	
Proceeds from issuance of units	229,681
Listing expenses	(9,500)
<b>Net cash from/(used in) financing activities</b>	<u>220,181</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	9,888
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<u>-</u>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<u>9,888</u>

\* There are no comparative figures available as this is the first quarterly report for the Trust.

**AL-HADHARAH BOUSTEAD REIT**  
**NOTES TO THE QUARTERLY REPORT OF 31 MARCH 2007**

**A. EXPLANATORY NOTES FOR THE QUARTER ENDED 31 MARCH 2007**

**A1 BASIS OF PREPARATION**

The quarterly financial report is unaudited and has been prepared in accordance with FRS 134: Interim Financial Reporting and Chapter 9 Part K of the Listing Requirements of Bursa Malaysia Securities Berhad. The accounting policies and methods of computation used in the preparation of the quarterly financial report are consistent with those adopted in the preparation of the proforma financial information presented in the prospectus of Al-Hadharah Boustead REIT dated 15 January 2007.

**A2 AUDIT REPORT OF PRECEDING FINANCIAL YEAR ENDED 31 DECEMBER 2006**

There was no audited report for the preceding year ended 31 December 2006 as Al-Hadharah Boustead REIT was established on 11 December 2006.

**A3 SEASONALITY OR CYCLICALITY OF OPERATIONS**

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

**A4 UNUSUAL ITEMS**

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

**A5 CHANGES IN ESTIMATES**

This is not applicable.

**A6 CHANGES IN DEBT AND EQUITY SECURITIES**

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

**A7 DIVIDEND DISTRIBUTION**

a) There was no dividend paid during the quarter under review.

b) The Board intends to pay a dividend of 7.38 sen per unit for the year, which will be paid semi-annually as contained in the Prospectus.

**A8 SEGMENTAL INFORMATION**

This is not applicable.

**A9 VALUATION OF INVESTMENT PROPERTIES**

There were no revaluations made to date.

**A10 MATERIAL EVENTS**

There were no material events subsequent to the end of the quarter except for the issuance of 71,750,000 new units in the third quarter with the injection of Lepad Kabu plantation assets into the investment portfolio.

**A11 CHANGES IN THE COMPOSITION OF THE TRUST**

a) There were no changes to the composition of the Trust for the current quarter and the fund size stands at 400,251,000 units.

b) The Trust will be issuing an additional 71,750,000 units in the third quarter when Lepad Kabu plantation assets are injected into the investment portfolio.

**A12 CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

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

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

**B1 REVIEW OF PERFORMANCE**

For the quarter under review, the Trust recorded a total rental income of RM8.73 million, which was in accordance with the original proposal as contained in the Prospectus. Earnings before tax amounted to RM7.48 million and earnings per unit was 1.87 sen for the quarter.

**B2 COMPARISON WITH PRECEDING QUARTER**

There was no comparison with preceding quarter as this is the first quarterly financial report prepared by the Trust.

**B3 PROSPECTS**

a) The Trust is expected to achieve higher income and better performance for the financial period ending 31 December 2007 with additional income from performance-based profit sharing, contributed by the bullish CPO prices. The performance-based profit sharing is the profit sharing on a 50:50 basis of the net incremental income, based on the CPO prices realised when compared to the reference price of RM1,500 per MT.

b) The Manager will continue to seek and acquire plantation assets with a high yield, which will complement the existing portfolio to enhance value for unitholders.

**B4 VARIANCE OF PROFIT FORECAST OR PROFIT GUARANTEE**

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

**B5 TAXATION**

a) Pursuant to the new tax regime for Real Estate Investment Trust ("REIT"), a REIT will be exempted from income tax on all its income provided that at least 90% of its total income is distributed to unitholders.

b) As the Manager intends to distribute at least 90% of the income, there will be no income tax for the year.

**B6 UNQUOTED INVESTMENTS IN SECURITIES OR PROPERTIES**

There were no purchase or sale of unquoted investments in securities or properties during the quarter.

**B7 QUOTED INVESTMENTS**

There were no purchase or disposal of quoted investments during the quarter.

**B8 CORPORATE PROPOSAL**

Lepan Kabu plantation assets are expected to be injected into the investment portfolio with the issuance of 71,750,000 new units in the third quarter.

**B9 BORROWINGS AND DEBT SECURITIES**

There were no borrowings or debt securities for the current quarter.

**B10 OFF BALANCE SHEET FINANCIAL INSTRUMENTS**

There were no off balance sheet financial instruments for the current quarter.

**B11 MATERIAL LITIGATION**

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

**B12 DIVIDEND DISTRIBUTION**

a) The Board intends to distribute an annual dividend of 7.38 sen per unit for the period ending 31 December 2007 as contained in the Prospectus.

b) An additional dividend distribution to the unitholders may be expected from the performance-based profit sharing within 2 months after the financial year end, in view of the positive performance of CPO prices.

**B13 DISTRIBUTION PER UNIT**

	<b>Current Quarter ended 31.3.2007 RM'000</b>
<b>Earnings after taxation</b>	
- realised and distributable for the period	7,475
<b>Provision for dividend distribution</b>	-
<b>Number of units in issue</b>	400,251
<b>Basic earnings per unit (sen)</b>	1.87
<b>Distribution per unit (sen)</b>	-
<b>Annualised distribution per unit (sen)</b>	-

By Order of the Board

SUZANA BINTI AHMAD (BAR COUNCIL NO. BC/S/356)  
Company Secretary  
Boustead REIT Managers Sdn Bhd  
(As the Manager of Al-Hadharah Boustead REIT)  
Kuala Lumpur

11-May-07