

AL-HADHARAH BOUSTEAD REIT
UNAUDITED CONDENSED INCOME STATEMENT

For the quarter ended 30 September 2009	Current period		Cumulative Period	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Rental income				
- fixed	13,304	10,399	39,916	31,195
- performance-based (unrealised)	5,000	7,500	12,000	23,000
	18,304	17,899	51,916	54,195
Plantation operating expenses	(403)	(383)	(1,165)	(1,143)
Net rental income	17,901	17,516	50,751	53,052
Dividend income	81	73	115	99
Profit earned from deposits	32	60	85	180
Gain on disposal of investment properties	-	-	6,539	-
Gain/(loss) on disposal of investment in quoted securities	342	-	372	43
	18,356	17,649	57,862	53,374
Fees to:				
Manager	(579)	(566)	(1,634)	(1,677)
Trustee	(45)	(38)	(133)	(110)
Auditors	(4)	(4)	(12)	(12)
Tax agent	(5)	(2)	(12)	(6)
Shariah adviser	(3)	(3)	(9)	(9)
Valuers	-	-	-	-
Profit sharing expenses on financing	(1,053)	-	(3,561)	-
Other expenses	(110)	(40)	(212)	(144)
	16,557	16,996	52,289	51,416
Unrealised gain/(loss) on valuation of investment in quoted securities	470	(1,071)	1,546	(1,845)
Unrealised fair value gain on investment properties	-	-	-	-
Profit before taxation	17,027	15,925	53,835	49,571
Taxation	-	-	-	-
Net profit	17,027	15,925	53,835	49,571
Net profit for the period is made up as follows:				
- realised	11,557	9,496	40,289	28,416
- unrealised	5,470	6,429	13,546	21,155
	17,027	15,925	53,835	49,571
Earnings per unit (sen)				
- realised	2.07	2.01	7.23	6.02
- unrealised	0.98	1.36	2.43	4.48
	3.05	3.37	9.66	10.50
Earnings per unit (sen)				
- after Manager's fee	3.05	3.37	9.66	10.50
- before Manager's fee	3.16	3.49	9.96	10.86
Distribution per unit (sen)	-	-	3.69	3.69

The Unaudited Condensed Income Statement should be read in conjunction with the audited financial statements for the year ended 31 December 2008.

AL-HADHARAH BOUSTEAD REIT
UNAUDITED CONDENSED BALANCE SHEET

As at 30 September 2009	Audited 31 December	
	2009	2008
	RM'000	RM'000
ASSETS		
Non-current assets		
Investment properties	815,060	808,043
Current assets		
Investment in quoted securities	5,645	4,109
Receivables	16,892	25,976
Shariah-based deposits with financial institution	630	7,830
Cash and bank balances	26	25
	<u>23,193</u>	<u>37,940</u>
TOTAL ASSETS	<u>838,253</u>	<u>845,983</u>
LIABILITIES		
Current liabilities		
Payables	5,727	9,104
Revolving credit-i	95,000	95,000
Cash line-i	3,249	-
Provision for distribution	-	40,884
	<u>103,976</u>	<u>144,988</u>
TOTAL LIABILITIES	<u>103,976</u>	<u>144,988</u>
NET ASSET VALUE	<u>734,277</u>	<u>700,995</u>
UNITHOLDERS' FUND		
Unitholders' capital	565,681	565,681
Undistributed profit	168,596	135,314
TOTAL UNITHOLDERS' FUND	<u>734,277</u>	<u>700,995</u>
UNITS IN CIRCULATION ('000)	557,001	557,001
NET ASSET VALUE (NAV) PER UNIT (RM)	1.3183	1.2585

The Unaudited Condensed Balance Sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2008.

AL-HADHARAH BOUSTEAD REIT
UNAUDITED CONDENSED STATEMENT OF CHANGES IN NET ASSET VALUE

For the quarter ended 30 September 2009	Unitholders' Capital	Undistributed Profit		Unitholders' Fund
	RM'000	Realised	Unrealised	RM'000
At 1 January 2009	565,681	8,701	126,613	700,995
Net profit for the period	-	40,289	13,546	53,835
Transfer from unrealised to realised	-	(362)	362	-
Distribution to unitholders	-	(20,553)	-	(20,553)
At 30 September 2009	<u>565,681</u>	<u>28,075</u>	<u>140,521</u>	<u>734,277</u>
At 1 January 2008	472,181	3,490	(23)	475,648
Net profit for the period	-	28,416	21,155	49,571
Distribution to unitholders	-	(17,417)	-	(17,417)
At 30 September 2008	<u>472,181</u>	<u>14,489</u>	<u>21,132</u>	<u>507,802</u>

The Unaudited Condensed Statement of Changes in Net Asset Value should be read in conjunction with the audited financial statements for the year ended 31 December 2008.

AL-HADHARAH BOUSTEAD REIT
UNAUDITED CONDENSED CASH FLOW STATEMENT

For the quarter ended 30 September 2009

	2009	2008
	RM'000	RM'000
OPERATING ACTIVITIES		
Cash receipts from customers	62,336	44,806
Cash paid to suppliers	(4,556)	(2,851)
Cash generated from operations	<u>57,780</u>	<u>41,955</u>
Income taxes (paid)/refunded	-	-
Net cash from operating activities	<u>57,780</u>	<u>41,955</u>
INVESTING ACTIVITIES		
Purchase and enhancement of investment properties	(10,695)	(5,507)
Purchase of quoted Shariah-compliant securities	(1,424)	(2,925)
Proceeds from disposal of investment properties	6,933	-
Proceeds from disposal of quoted securities	1,807	185
Profit received from Shariah-based deposits	71	193
Net dividends received	111	83
Net cash used in investing activities	<u>(3,197)</u>	<u>(7,971)</u>
FINANCING ACTIVITIES		
Profit sharing expenses on financing paid	(3,594)	-
Distributions paid	(61,437)	(51,496)
Net cash used in financing activities	<u>(65,031)</u>	<u>(51,496)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(10,448)	(17,512)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>7,855</u>	<u>17,721</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>(2,593)</u>	<u>209</u>
Cash and cash equivalents at end of year comprise:		
Cash and bank balances	26	209
Shariah-based deposits with financial institution	630	-
Cash line-i	(3,249)	-
Cash and cash equivalents at end of period	<u>(2,593)</u>	<u>209</u>

The Unaudited Condensed Cash Flow Statement should be read in conjunction with the audited financial statements for the period ended 31 December 2008.

AL-HADHARAH BOUSTEAD REIT

Notes to the Interim Financial Report for the Quarter Ended 30 September 2009

Part A - Explanation Notes Pursuant to FRS 134

A1 Basis of Preparation

The interim financial statements are unaudited and have been prepared in compliance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad, and should be read in conjunction with the audited financial statements for the year ended 31 December 2008.

The accounting policies and methods of computations are consistent with those used in the preparation of the audited financial statements for the year ended 31 December 2008.

A2 Audit Report of Preceding Financial Year Ended 31 December 2008

The audit report of the preceding audited financial statements was not qualified.

A3 Seasonality or Cyclicity of Operations

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

A4 Unusual Items

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

A5 Changes in Estimates

There were no material changes in estimates of amounts previously reported.

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 Income Distributed

An interim distribution of 3.69 sen per unit, amounting to RM20,553,337 was paid on 28 August 2009 for the first half of the financial year ending 31 December 2009.

A8 Segmental Information

This is not applicable.

A9 Valuation of Investment Properties

There has been no revaluation of investment properties in the current quarter.

A10 Material Events

There were no material events as at the latest practicable date from the date of this report.

A11 Changes in Composition of The Fund

There was no change in the composition of the fund size for the current quarter and the fund size stands at 557.001.000.

A12 Contingent Liabilities and Contingent Assets

No contingent liabilities or contingent assets have arisen since the financial year-end.

Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

B1 Performance Review

For the quarter ended 30 September 2009, Al-Hadharah Boustead REIT (Fund) recorded an unaudited profit after tax of RM17.0 million, representing an increase of 6.9% when compared with last year's corresponding quarter. The increase was mainly attributable to the higher fixed rental income, contributed by the enhanced asset base. For the nine months period ended 30 September 2009, the Fund achieved a profit after tax of RM53.8 million (2008: RM49.6 million) on a revenue of RM51.9 million (2008: RM54.2 million). The higher net profit was due to the gain of RM6.5 million on the compulsory acquisition of investment property by the Government and net unrealised gain on valuation of investment in quoted securities of RM1.5 million. However, the lower performance-based rental from lower palm oil prices contributed to a lower revenue for the period. The unit price of the Fund closed at RM1.26 as at 30 September 2009, an increase of 9 sen from last quarter's closing price.

B2 Comparison with Preceding Quarter

	Current Quarter 30.9.2009 RM'000	Preceding Quarter 30.6.2009 RM'000
Revenue	18,304	17,802
Profit after taxation	17,027	16,572

The higher revenue and net profit for the current quarter were due to the slightly higher performance-based rental income, gain on disposal of investment in quoted securities and lower financing cost.

B3 Prospects

The Fund's performance for the remainder of the year is expected to be satisfactory with palm oil prices currently hovering around the RM2,200 per MT level.

B4 Variance of Profit Forecast or Profit Guarantee

This is not applicable.

B5 Taxation

Pursuant to S.61A of the Income Tax Act 1967, the Fund will be exempted from income tax on all its income as the Fund intends to distribute at least 90% of its taxable profit to unitholders within 2 months from the end of the financial year.

B6 Unquoted Investments in Securities or Properties

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

B7 Quoted Investments

	Current Period 2009 RM'000	Cumulative Period 2009 RM'000
<u>Purchases and disposals:</u>		
Total purchase consideration	-	1,425
Total sale proceeds	1,727	1,807
Total profit/(loss) on disposal	342	372
<u>Investment as at 30 September 2009:</u>		RM'000
At cost		6,156
At carrying value/book value		5,645
At market value		5,645

Investments in quoted securities are Shariah-compliant and marked to market value.

B8 Corporate Developments

There were no outstanding proposals as at 17 November 2009.

B9 Financing/Borrowings and Debt Securities

	30.9.2009	31.12.2008
	RM'000	RM'000
Shariah-compliant financing facilities - secured	98,249	95,000

B10 Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments as at 17 November 2009.

B11 Material Litigation

There was no litigation as at 17 November 2009.

B12 Income Distribution

No distribution has been declared for the quarter under review.

B13 Earnings per unit

	Current Period		Cumulative Period	
	2009	2008	2009	2008
Net profit for the period (RM'000)	17,027	15,925	53,835	49,571
Weighted average number of units in issue ('000)	557,001	472,001	557,001	472,001
Basic earnings per unit (sen)	3.05	3.37	9.66	10.50
Distributions per unit (sen)	-	-	3.69	3.69

By Order of the Board

TAN LEH KIAH
SUZANA BINTI AHMAD (BAR COUNCIL NO. BC/S/356)
Company Secretaries
Boustead REIT Managers Sdn Bhd (90953-K)
As the Manager of Al-Hadharah Boustead REIT
Kuala Lumpur

17 November 2009