

AL-HADHARAH BOUSTEAD REIT
UNAUDITED CONDENSED INCOME STATEMENT

	Current period		Cumulative period	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Rental income				
- fixed	14,649	13,310	14,649	13,310
- performance-based (unrealised)	3,600	2,500	3,600	2,500
	<u>18,249</u>	<u>15,810</u>	<u>18,249</u>	<u>15,810</u>
Plantation operating expenses	(379)	(439)	(379)	(439)
Net rental income	<u>17,870</u>	<u>15,371</u>	<u>17,870</u>	<u>15,371</u>
Dividend income	9	-	9	-
Profit earned from deposits	38	30	38	30
Net realised gain on disposal of investment properties	-	6,539	-	6,539
Net realised gain on disposal of investment in quoted securities	130	-	130	-
	<u>18,047</u>	<u>21,940</u>	<u>18,047</u>	<u>21,940</u>
Fees to:				
Manager	(535)	(495)	(535)	(495)
Trustee	(44)	(43)	(44)	(43)
Auditors	(5)	(4)	(5)	(4)
Tax agent	(2)	(5)	(2)	(5)
Shariah adviser	(4)	(3)	(4)	(3)
Valuers	-	-	-	-
Profit sharing expenses on financing	(950)	(1,264)	(950)	(1,264)
Other expenses	(45)	(58)	(45)	(58)
	<u>16,462</u>	<u>20,068</u>	<u>16,462</u>	<u>20,068</u>
Unrealised gain/(loss) on valuation of investment in quoted securities	182	168	182	168
Unrealised fair value gain on investment properties	-	-	-	-
Profit before taxation	<u>16,644</u>	<u>20,236</u>	<u>16,644</u>	<u>20,236</u>
Taxation	-	-	-	-
Net profit for the period	<u>16,644</u>	<u>20,236</u>	<u>16,644</u>	<u>20,236</u>
Earnings per unit (sen):				
- realised	2.31	3.15	2.31	3.15
- unrealised	0.68	0.48	0.68	0.48
	<u>2.99</u>	<u>3.63</u>	<u>2.99</u>	<u>3.63</u>
Earnings per unit (sen):				
- after Manager's fee	2.99	3.63	2.99	3.63
- before Manager's fee	3.08	3.72	3.08	3.72
Distribution per unit (sen)	-	-	-	-
Net profit for the period is made up as follows:				
- realised	12,862	17,568	12,862	17,568
- unrealised	3,782	2,668	3,782	2,668
	<u>16,644</u>	<u>20,236</u>	<u>16,644</u>	<u>20,236</u>

The Unaudited Condensed Income Statement should be read in conjunction with the audited financial statements for the period ended 31 December 2009.

**AL-HADHARAH BOUSTEAD REIT
UNAUDITED CONDENSED BALANCE SHEET**

As at 31 March 2010	Audited 31 December	
	2010 RM'000	2009 RM'000
ASSETS		
Non-current assets		
Investment properties	834,007	831,259
Current assets		
Investment in quoted securities	5,470	5,450
Receivables	8,503	17,882
Shariah-based deposits with financial institution	2,598	10,945
Cash and bank balances	143	14
	<u>16,714</u>	<u>34,291</u>
TOTAL ASSETS	<u>850,721</u>	<u>865,550</u>
LIABILITIES		
Current liabilities		
Payables	6,713	6,938
Revolving credit-i	95,000	95,000
Provision for distribution	-	31,248
	<u>101,713</u>	<u>133,186</u>
TOTAL LIABILITIES	<u>101,713</u>	<u>133,186</u>
NET ASSET VALUE	<u>749,008</u>	<u>732,364</u>
UNITHOLDERS' FUND		
Unitholders' capital	565,681	565,681
Undistributed profit	183,327	166,683
TOTAL UNITHOLDERS' FUND	<u>749,008</u>	<u>732,364</u>
UNITS IN CIRCULATION ('000)	557,001	557,001
NET ASSET VALUE (NAV) PER UNIT (RM)	1.3447	1.3148

The Unaudited Condensed Balance Sheet should be read in conjunction with the audited financial statements for the period ended 31 December 2009.

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

For the quarter ended 31 March 2010	Unitholders' capital	Undistributed profit		Unitholders' fund
	RM'000	Realised RM'000	Unrealised RM'000	RM'000
At 1 January 2010	565,681	25,563	141,120	732,364
Net profit for the period	-	12,862	3,782	16,644
Transfer from unrealised to realised	-	39	(39)	-
Distribution to unitholders	-	-	-	-
At 31 March 2010	565,681	38,464	144,863	749,008
At 1 January 2009	565,681	8,687	126,627	700,995
Net profit for the period	-	17,568	2,668	20,236
Transfer from unrealised to realised	-	-	-	-
Distribution to unitholders	-	-	-	-
At 31 March 2009	565,681	26,255	129,295	721,231

The Unaudited Condensed Statement of Changes in Net Asset Value should be read in conjunction with the audited financial statements for the period ended 31 December 2009.

AL-HADHARAH BOUSTEAD REIT
UNAUDITED CONDENSED CASH FLOW STATEMENT

For the quarter ended 31 March 2010	Audited	
	31 December	
	2010	2009
	RM'000	RM'000
OPERATING ACTIVITIES		
Cash receipts from customers	28,079	80,075
Cash paid to suppliers	(1,203)	(5,099)
Net cash from operating activities	<u>26,876</u>	<u>74,976</u>
INVESTING ACTIVITIES		
Purchase and enhancement of investment properties	(3,230)	(13,641)
Purchase of quoted Shariah-compliant securities	(889)	(1,442)
Proceeds from disposal of investment properties	-	6,896
Proceeds from disposal of quoted Shariah-compliant securities	1,181	2,117
Profit earned from Shariah-based deposits	36	101
Net dividends received	6	178
Net cash used in investing activities	<u>(2,896)</u>	<u>(5,791)</u>
FINANCING ACTIVITIES		
Drawdown of Shariah-compliant financing facility	-	-
Profit sharing expenses on financing paid	(950)	(4,644)
Distributions paid	(31,248)	(61,437)
Net cash used in financing activities	<u>(32,198)</u>	<u>(66,081)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	(8,218)	3,104
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	10,959	7,855
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>2,741</u>	<u>10,959</u>
Cash and cash equivalents at end of year comprise:		
Cash and bank balances	143	14
Shariah-based deposits with financial institution	2,598	10,945
Cash and cash equivalents at end of year	<u>2,741</u>	<u>10,959</u>

The Unaudited Condensed Cash Flow Statement should be read in conjunction with the audited financial statements for the period ended 31 December 2009.

AL-HADHARAH BOUSTEAD REIT

Notes to the Interim Financial Report for the Quarter Ended 31 March 2010

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 period ended 31 December 2009.

The accounting policies and methods of computations are consistent with those used in the preparation of the audited financial statements for the period ended 31 December 2009.

A2 Audit Report of Preceding Financial Year Ended 31 December 2009

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

A final distribution in respect of financial year ended 31 December 2009 of 5.61 sen per unit amounting to RM31,247,756 was paid on 25 February 2010.

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 units.

A12 Contingent Liabilities and Contingent Assets

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

AL-HADHARAH BOUSTEAD REIT

Notes to the Interim Financial Report for the Quarter Ended 31 March 2010

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

B1 Performance Review

For the quarter ended 31 March 2010, Al-Hadharah Boustead REIT achieved a higher net rental income of RM17.9 million when compared with RM15.4 million for the corresponding period of last year. The revised fixed rental coupled with higher performance-based rental resulted in a 16% increase in revenue. The profit after tax for the current period was RM16.4 million compared with RM20.1 million for the corresponding period of last year. The latter included a profit on disposal of investment properties. The unit price of Al-Hadharah Boustead REIT for the quarter traded in a close range of RM1.30 to RM1.38 and closed at RM1.33 as at 31 March 2010.

B2 Comparison with Preceding Quarter

	Current Quarter 31.3.2010 RM'000	Preceding Quarter 31.12.2009 RM'000
Revenue	18,249	19,115
Profit before taxation	16,644	29,335

The lower performance-based rental income of RM3.6 million accrued for the current quarter has resulted in lower revenue as compared to the preceding quarter. In addition, the profit before taxation for the current quarter was lower mainly due to the unrealised fair value gain from revaluation of investment properties of RM12.5 million recognised in the preceding quarter.

B3 Prospects

The Fund's performance for the remainder of the year is expected to be satisfactory with palm oil prices to remain healthy given the potential supply disruption due to weather conditions and increasing demand for edible vegetable oils.

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 is expected to 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.

AL-HADHARAH BOUSTEAD REIT**Notes to the Interim Financial Report for the Quarter Ended 31 March 2010****B7 Quoted Investments**

	Current Period 2010 RM'000	Cumulative Period 2010 RM'000
<u>Purchases and disposals:</u>		
Total purchase consideration	889	889
Total sale proceeds	1,181	1,181
Total profit/(loss) on disposal	130	130
<u>Investment as at 31 March 2010:</u>		
At cost		5,766
At carrying value/book value		5,470
At market value		5,470

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

B8 Corporate Developments

There were no outstanding proposals as at 20 May 2010.

B9 Financing/Borrowings and Debt Securities

	Current Quarter 31.3.2010 RM'000	Preceding Quarter 31.12.2009 RM'000
Shariah-compliant financing facilities - secured	95,000	95,000

B10 Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments as at 20 May 2010.

B11 Material Litigation

There was no litigation as at 20 May 2010.

B12 Income Distribution

No distribution has been declared for the financial period ended 31 March 2010.

B13 Earnings per unit

	Current Period 2010	Period 2009	Cumulative Period 2010	Period 2009
Net profit for the period (RM'000)	16,644	20,236	16,644	20,236
Weighted average number of units in issue ('000)	557,001	557,001	557,001	557,001
Basic earnings per unit (sen)	2.99	3.63	2.99	3.63
Distributions per unit (sen)	-	-	-	-

AL-HADHARAH BOUSTEAD REIT

Notes to the Interim Financial Report for the Quarter Ended 31 March 2010

By Order of the Board

TAN LEH KIAI
SUZANA BINTI AHMAD (BAR COUNCIL NO. BC/S/356)
Company Secretary
Boustead REIT Managers Sdn Bhd (90953-K)
As the Manager of Al-Hadharah Boustead REIT
Kuala Lumpur
20 May 2010