

**AL-HADHARAH BOUSTEAD REIT**  
**UNAUDITED CONDENSED STATEMENT OF COMPREHENSIVE INCOME**

<b>For the quarter ended 31 March 2011</b>	<b>Current period</b>		<b>Cumulative period</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Rental income</b>				
- fixed	14,461	14,649	14,461	14,649
- performance-based (unrealised)	7,700	3,600	7,700	3,600
	<u>22,161</u>	<u>18,249</u>	<u>22,161</u>	<u>18,249</u>
Plantation operating expenses	(390)	(379)	(390)	(379)
Net rental income	<u>21,771</u>	<u>17,870</u>	<u>21,771</u>	<u>17,870</u>
Dividend income	18	9	18	9
Profit earned from deposits	66	38	66	38
Net realised gain on disposal of investment properties	-	-	-	-
Net realised gain on disposal of investment in quoted Shariah-compliant securities	-	130	-	130
	<u>21,855</u>	<u>18,047</u>	<u>21,855</u>	<u>18,047</u>
Fees to:				
Manager	(656)	(535)	(656)	(535)
Trustee	(46)	(44)	(46)	(44)
Auditors	(5)	(5)	(5)	(5)
Tax agent	1	(2)	1	(2)
Shariah adviser	(4)	(4)	(4)	(4)
Valuers	-	-	-	-
Profit sharing expenses on financing	(1,113)	(950)	(1,113)	(950)
Other expenses	(128)	(45)	(128)	(45)
	<u>19,904</u>	<u>16,462</u>	<u>19,904</u>	<u>16,462</u>
Unrealised gain/(loss) on valuation of investment in quoted Shariah-compliant securities	193	182	193	182
Unrealised fair value gain on investment properties	-	-	-	-
<b>Profit before taxation</b>	<u>20,097</u>	<u>16,644</u>	<u>20,097</u>	<u>16,644</u>
Taxation	-	-	-	-
<b>Net profit/ total comprehensive income for the period</b>	<u>20,097</u>	<u>16,644</u>	<u>20,097</u>	<u>16,644</u>
<b>Total comprehensive income for the period is made up as follows:</b>				
- realised	12,204	12,862	12,204	12,862
- unrealised	7,893	3,782	7,893	3,782
	<u>20,097</u>	<u>16,644</u>	<u>20,097</u>	<u>16,644</u>
<b>Earnings per unit (sen):</b>				
- realised	<u>2.19</u>	<u>2.31</u>	<u>2.19</u>	<u>2.31</u>
- unrealised	<u>1.42</u>	<u>0.68</u>	<u>1.42</u>	<u>0.68</u>
	<u>3.61</u>	<u>2.99</u>	<u>3.61</u>	<u>2.99</u>
<b>Earnings per unit (sen):</b>				
- after Manager's fee	<u>3.61</u>	<u>2.99</u>	<u>3.61</u>	<u>3.63</u>
- before Manager's fee	<u>3.73</u>	<u>3.08</u>	<u>3.73</u>	<u>3.08</u>
<b>Distribution per unit (sen)</b>	-	-	-	-

The Unaudited Condensed Income Statement should be read in conjunction with the audited financial statements for the period ended 31 December 2010.

**AL-HADHARAH BOUSTEAD REIT**  
**UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION**

<b>As at 31 March 2011</b>	<b>Audited</b>	
	<b>2011</b>	<b>31 December</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Investment properties	859,721	857,504
<b>Current assets</b>		
Investment in quoted Shariah-compliant securities	6,720	4,608
Receivables	13,259	17,529
Shariah-based deposits with financial institution	1,104	16,448
Cash and bank balances	205	24
	<u>21,288</u>	<u>38,609</u>
<b>TOTAL ASSETS</b>	<b><u>881,009</u></b>	<b><u>896,113</u></b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Payables	7,173	7,840
Islamic financing facility	95,000	95,000
Provision for distribution	-	-
	<u>102,173</u>	<u>102,840</u>
<b>TOTAL LIABILITIES</b>	<b><u>102,173</u></b>	<b><u>102,840</u></b>
<b>NET ASSET VALUE</b>	<b><u>778,836</u></b>	<b><u>793,273</u></b>
<b>UNITHOLDERS' FUND</b>		
Unitholders' capital	565,681	565,681
Undistributed profit	213,155	227,592
<b>TOTAL UNITHOLDERS' FUND</b>	<b><u>778,836</u></b>	<b><u>793,273</u></b>
<b>UNITS IN CIRCULATION ('000)</b>	<b>557,001</b>	<b>557,001</b>
<b>NET ASSET VALUE (NAV) PER UNIT (RM)</b>	<b>1.3983</b>	<b>1.4242</b>

The Unaudited Condensed Balance Sheet should be read in conjunction with the audited financial statements for the period ended 31 December 2010.

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

<b>For the quarter ended 31 March 2011</b>	<b>Unitholders' capital</b>	<b>Undistributed profit</b>		<b>Unitholders' fund</b>
	<b>RM'000</b>	<b>Realised</b>	<b>Unrealised</b>	<b>RM'000</b>
<b>At 1 January 2011</b>	565,681	72,041	155,551	793,273
Total comprehensive income	-	12,204	7,893	20,097
Transfer from unrealised to realised	-	-	-	-
Distribution to unitholders	-	(34,534)	-	(34,534)
<b>At 31 March 2011</b>	565,681	49,711	163,444	778,836
<b>At 1 January 2010</b>	565,681	25,563	141,120	732,364
Total comprehensive income	-	12,862	3,782	16,644
Transfer from unrealised to realised	-	39	(39)	-
<b>At 31 March 2010</b>	565,681	38,464	144,863	749,008

The Unaudited Condensed Income Statement should be read in conjunction with the audited financial statements for the period ended 31 December 2010.

**AL-HADHARAH BOUSTEAD REIT**  
**UNAUDITED STATEMENT OF CASH FLOWS**

<b>For the quarter ended 31 March 2011</b>	<b>Audited 31 December</b>	
	<b>2011 RM'000</b>	<b>2010 RM'000</b>
<b>OPERATING ACTIVITIES</b>		
Cash receipts from customers	26,631	76,277
Cash paid to suppliers	(1,392)	(4,876)
<b>Net cash from operating activities</b>	<u>25,239</u>	<u>71,401</u>
<b>INVESTING ACTIVITIES</b>		
Purchase and enhancement of investment properties	(2,918)	(12,270)
Purchase of quoted Shariah-compliant securities	(1,998)	(3,402)
Proceeds from disposal of investment properties	-	978
Proceeds from disposal of quoted Shariah-compliant securities	73	4,994
Profit earned from Shariah-based deposits	63	240
Net dividends received	25	99
<b>Net cash used in investing activities</b>	<u>(4,755)</u>	<u>(9,361)</u>
<b>FINANCING ACTIVITIES</b>		
Profit sharing expenses on financing paid	(1,113)	(4,113)
Distributions paid	(34,534)	(52,414)
<b>Net cash used in financing activities</b>	<u>(35,647)</u>	<u>(56,527)</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	(15,163)	5,513
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<u>16,472</u>	<u>10,959</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<u>1,309</u>	<u>16,472</u>
<b>Cash and cash equivalents at end of year comprise:</b>		
Cash and bank balances	205	24
Shariah-based deposits with financial institution	1,104	16,448
<b>Cash and cash equivalents at end of year</b>	<u>1,309</u>	<u>16,472</u>

The Unaudited Condensed Cash Flow Statement should be read in conjunction with the audited financial statements for the period ended 31 December 2010.

**AL-HADHARAH BOUSTEAD REIT**

**Notes to the Interim Financial Report for the Quarter Ended 31 March 2011**

**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 9.44 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 2010.

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 2010.

**A2 Audit Report of Preceding Financial Year Ended 31 December 2010**

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**

Final distribution for the financial year ended 31 December 2010 amounting to RM34,534,062 or 6.8 sen per unit was paid on 28 February 2011.

**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.

## AL-HADHARAH BOUSTEAD REIT

### Notes to the Interim Financial Report for the Quarter Ended 31 March 2011

#### A11 Changes in Composition of The Fund

There was no change in the composition of the fund size for the period under review.

#### A13 Contingent Liabilities and Contingent Assets

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

#### A14 Financial Risk Management

All aspects of the Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended 31 December 2010.

### Part B - Additional Information Pursuant to Paragraph 9.44 of of the Listing Requirements of Bursa Malaysia Securities Berhad

#### B1 Performance Review

Al-Hadharah Boustead REIT posted an unaudited profit after tax (PAT) of RM20.1 million for the current quarter, an increase of 21% from last year's corresponding quarter of RM16.6 million. Fixed rental income was consistent with previous year's but the performance-based profit sharing was more than double at RM7.7 million (2010: RM3.6 million).

The unit price closed at RM1.43 per unit on 31 March 2011 while NAV at the end of the period stood at RM1.40 per unit.

#### B2 Material Changes in Profit After Taxation for the Quarter Compared With the Immediate Preceding Quarter

	Current Quarter 31.3.2011 RM'000	Preceding Quarter 31.12.2010 RM'000
Revenue	22,161	19,852
Profit after taxation	20,097	32,313

Revenue recorded in the current quarter was higher mainly due to the performance-based profit sharing of RM7.7 million compared with RM5.2 million in the preceding quarter. However, the profit after taxation was lower due to the absence of unrealised fair value gain from revaluation of investment properties of RM14.3 million recognised in the preceding quarter.

#### B3 Prospects

The performance in 2011 is expected to improve further with the injection of two new estates into the Fund. In addition, the attractive CPO prices currently prevailing will enhance earnings in the form of performance-based rental income.

#### B4 Variance of Profit Forecast or Profit Guarantee

This is not applicable.

**AL-HADHARAH BOUSTEAD REIT****Notes to the Interim Financial Report for the Quarter Ended 31 March 2011****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**

The Fund does not have any unquoted investments in securities or properties.

**B7 Quoted Investment in Securities**

	<b>Current Period 2011 RM'000</b>	<b>Cumulative Period 2011 RM'000</b>
<u>Purchases and disposals:</u>		
Total purchase consideration	1,998	1,998
Total sale proceeds	73	73
Total profit on disposal	-	-
<u>Investments as at 31 March 2011:</u>		<b>RM'000</b>
At cost		6,401
At carrying value/book value		6,526
At market value		6,526

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

**B8 Corporate Developments**

The acquisition of Sutera Estate and Taiping Rubber Plantation (including Trong Oil Mill) for an aggregate purchase consideration of RM189.2 million, and the subsequent lease of the plantation assets to Boustead Rimba Nilai Sdn. Bhd. and Boustead Telok Sengat Sdn. Bhd. was completed on 31 March 2011. Rental from these assets commenced on 1 April 2011.

**B9 Financing/Borrowings and Debt Securities**

	<b>31.3.2011 RM'000</b>	<b>31.3.2010 RM'000</b>
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 12 May 2011.

**B11 Material Litigation**

There was no litigation as at 12 May 2011.

**B12 Income Distribution**

No distribution has been declared for the financial period ended 31 March 2011.

**AL-HADHARAH BOUSTEAD REIT**

**Notes to the Interim Financial Report for the Quarter Ended 31 March 2011**

**B13 Earnings per unit**

	<b>Current Period</b>		<b>Cumulative Period</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
<b>Net profit for the period (RM'000)</b>	20,097	16,644	20,097	16,644
<b>Weighted average number of units in issue ('000)</b>	557,001	557,001	557,001	557,001
<b>Basic earnings per unit (sen)</b>	3.61	2.98	3.61	2.99
<b>Distributions per unit (sen)</b>	-	-	-	-

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

12 May 2011