

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

For the quarter ended 30 June 2011	Current period		Cumulative period	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
<b>Rental income</b>				
- fixed	17,300	14,461	31,761	29,110
- performance-based (unrealised)	10,400	3,600	18,100	7,200
	<u>27,700</u>	<u>18,061</u>	<u>49,861</u>	<u>36,310</u>
Plantation operating expenses	(396)	(383)	(786)	(762)
Net rental income	<u>27,304</u>	<u>17,678</u>	<u>49,075</u>	<u>35,548</u>
Dividend income	53	27	71	36
Profit earned from deposits	22	43	88	81
Net realised gain on disposal of investment in quoted Shariah-compliant securities	<u>158</u>	<u>104</u>	<u>158</u>	<u>234</u>
	<u>27,537</u>	<u>17,852</u>	<u>49,392</u>	<u>35,899</u>
Fees to:				
Manager	(804)	(547)	(1,460)	(1,082)
Trustee	(55)	(46)	(101)	(90)
Auditors	(5)	(5)	(10)	(10)
Tax agent	(1)	(2)	-	(4)
Shariah adviser	(4)	(4)	(8)	(8)
Profit sharing expenses on financing	(1,923)	(972)	(3,036)	(1,922)
Other expenses	(725)	(37)	(853)	(82)
	<u>24,020</u>	<u>16,239</u>	<u>43,924</u>	<u>32,701</u>
Unrealised gain/(loss) on valuation of investment in quoted Shariah-compliant securities	<u>(108)</u>	<u>(294)</u>	<u>85</u>	<u>(112)</u>
<b>Profit before taxation</b>	<u>23,912</u>	<u>15,945</u>	<u>44,009</u>	<u>32,589</u>
Taxation	-	-	-	-
<b>Net profit/ total comprehensive income for the period</b>	<u>23,912</u>	<u>15,945</u>	<u>44,009</u>	<u>32,589</u>
<b>Net profit/ total comprehensive income for the period is made up as follows:</b>				
- realised	13,620	12,639	25,824	25,501
- unrealised	10,292	3,306	18,185	7,088
	<u>23,912</u>	<u>15,945</u>	<u>44,009</u>	<u>32,589</u>
<b>Earnings per unit (sen):</b>				
- realised	2.17	2.27	4.12	4.58
- unrealised	1.64	0.59	2.90	1.27
	<u>3.81</u>	<u>2.86</u>	<u>7.02</u>	<u>5.85</u>
<b>Earnings per unit (sen):</b>				
- after Manager's fee	3.81	2.86	7.02	5.85
- before Manager's fee	3.94	2.96	7.25	6.05
<b>Distribution per unit (sen)</b>	<b>4.00</b>	<b>3.80</b>	<b>4.00</b>	<b>3.80</b>

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

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

<b>As at 30 June 2011</b>	<b>Audited 31 December</b>	
	<b>2011 RM'000</b>	<b>2010 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Investment properties	1,052,195	857,504
<b>Current assets</b>		
Investment in quoted Shariah-compliant securities	5,660	4,608
Receivables	18,195	17,529
Shariah-based deposits with financial institution	16,284	16,448
Cash and bank balances	53	24
	<u>40,192</u>	<u>38,609</u>
<b>TOTAL ASSETS</b>	<u><b>1,092,387</b></u>	<u><b>896,113</b></u>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Payables	9,899	7,840
Islamic financing facility - Revolving Credit-i	95,000	95,000
Cash line-i	1,786	-
	<u>106,685</u>	<u>102,840</u>
<b>Non current liabilities</b>		
Islamic financing facility - Term Financing-i	90,000	-
	<u>90,000</u>	<u>-</u>
<b>TOTAL LIABILITIES</b>	<u><b>196,685</b></u>	<u><b>102,840</b></u>
<b>NET ASSET VALUE</b>	<u><b>895,702</b></u>	<u><b>793,273</b></u>
<b>UNITHOLDERS' FUND</b>		
Unitholders' capital	658,635	565,681
Undistributed profit	237,067	227,592
	<u>895,702</u>	<u>793,273</u>
<b>TOTAL UNITHOLDERS' FUND</b>	<u><b>895,702</b></u>	<u><b>793,273</b></u>
<b>UNITS IN CIRCULATION ('000)</b>	<b>626,905</b>	<b>557,001</b>
<b>NET ASSET VALUE (NAV) PER UNIT (RM)</b>	<b>1.4288</b>	<b>1.4242</b>

The Unaudited Condensed Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2010.

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

<b>For the financial period ended 30 June 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>
At 1 January 2011	565,681	72,040	155,552	793,273
Issuance of new units	92,954	-	-	92,954
Total comprehensive income for the period	-	25,824	18,185	44,009
Realised during the period		(74)	74	-
Distribution to unitholders	-	(34,534)	-	(34,534)
<b>At 30 June 2011</b>	<b>658,635</b>	<b>63,256</b>	<b>173,811</b>	<b>895,702</b>
At 1 January 2010	565,681	25,563	141,120	732,364
Total comprehensive income for the period	-	25,501	7,088	32,589
Realised during the period		39	(39)	-
<b>At 30 June 2010</b>	<b>565,681</b>	<b>51,103</b>	<b>148,169</b>	<b>764,953</b>

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 2010.

**AL-HADHARAH BOUSTEAD REIT**  
**UNAUDITED CONDENSED STATEMENT OF CASH FLOW**

**For the financial period ended 30 June 2011**

	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>OPERATING ACTIVITIES</b>		
Cash receipts from customers	<b>49,696</b>	47,360
Cash paid to suppliers	<b>(2,849)</b>	(2,110)
<b>Net cash from operating activities</b>	<b>46,847</b>	45,250
<b>INVESTING ACTIVITIES</b>		
Purchase and enhancement of investment properties	<b>(194,269)</b>	(5,532)
Purchase of quoted Shariah-compliant securities	<b>(2,012)</b>	(1,481)
Proceeds from disposal of quoted Shariah-compliant securities	<b>1,193</b>	1,970
Profit earned from Shariah-based deposits	<b>79</b>	76
Net dividends received	<b>78</b>	40
<b>Net cash used in investing activities</b>	<b>(194,931)</b>	(4,927)
		9,899
<b>FINANCING ACTIVITIES</b>		
Proceeds from issuance of new units	<b>94,370</b>	-
Listing expenses	<b>(1,415)</b>	-
Drawdown of Islamic financing facility	<b>90,000</b>	-
Profit sharing expenses on financing paid	<b>(2,258)</b>	(1,921)
Distributions paid	<b>(34,534)</b>	(31,248)
<b>Net cash used in financing activities</b>	<b>146,163</b>	(33,169)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(1,921)</b>	7,154
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b>16,472</b>	10,959
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>14,551</b>	18,113
<b>Cash and cash equivalents at end of period comprise:</b>		
Cash and bank balances	<b>53</b>	16
Shariah-based deposits with financial institution	<b>16,284</b>	18,097
Cash line-i	<b>(1,786)</b>	-
	<b>14,551</b>	18,113

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

**AL-HADHARAH BOUSTEAD REIT**

**Notes to the Interim Financial Report for the Quarter Ended 30 June 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 30 June 2011**

**A11 Changes in Composition of The Fund**

The Fund size has increased from 557,001,000 units to 626,904,500 units with the successful issuance and listing of 69,903,500 units at RM1.35 per unit on 29 April 2011.

**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 RM23.9 million for the current quarter, a 50% increase from last year's corresponding period of RM15.9 million.

For the 6 months period ended 30 June 2011, the Fund recorded a significantly higher revenue of RM49.9 million (2010: RM36.3 million). The commencement of rental for TRP and Sutera Estates on 1 April 2011 contributed to the increase in fixed rental income of RM31.8 million (2010: RM29.1 million) while performance-based profit sharing was more than double at RM18.1 million (2010: RM7.2 million). As a result, profit after tax increased by 35% to RM44.0 million (2010: RM32.6 million).

The unit price closed at RM1.45 per unit on 30 June 2011 while NAV at the end of the period was RM1.43 per unit.

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

	<b>Current Quarter 31.6.2011 RM'000</b>	<b>Preceding Quarter 31.3.2011 RM'000</b>
Revenue	27,700	22,161
Profit after taxation	23,912	20,097

The current quarter profit after tax of RM23.9 million was higher than the preceding quarter's profit of RM20.1 million. Revenue was higher due to the additional rental from new estates and higher performance-based rental. However, the expenses was also higher, mainly due to the increase in profit sharing expenses on financing and expenses related to the financing facility.

**B3 Prospects**

CPO prices are expected to remain strong for the second half of the year despite rising production. The performance-based profit sharing of the Fund maybe slightly lower but still at healthy level.

**AL-HADHARAH BOUSTEAD REIT****Notes to the Interim Financial Report for the Quarter Ended 30 June 2011****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**

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	14	2,012
Total sale proceeds	1,120	1,193
Total profit on disposal	158	158
<u>Investments as at 30 June 2011:</u>		<b>RM'000</b>
At cost		5,456
At carrying value/book value		5,575
At market value		5,660

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

**B8 Significant Event**

The acquisition of Sutera and Taiping Rubber Plantation (including Trong Oil Mill) for an aggregate purchase consideration of RM189.2 million was completed and payment was made in April 2011.

**B9 Financing/Borrowings and Debt Securities**

	<b>30.6.2011 RM'000</b>	<b>30.6.2010 RM'000</b>
Shariah-compliant financing facilities - secured	185,000	95,000

**B10 Off Balance Sheet Financial Instruments**

There were no off balance sheet financial instruments as at 9 August 2011.

**B11 Material Litigation**

There was no litigation as at 9 August 2011.

**B12 Income Distribution**

An interim distribution of 4.0 sen per unit amounting to RM25,076,180 would be payable by 9 September 2011.

**AL-HADHARAH BOUSTEAD REIT**

**Notes to the Interim Financial Report for the Quarter Ended 30 June 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>	23,912	15,945	44,009	32,589
<b>Weighted average number of units in issue ('000)</b>	626,905	557,001	626,905	557,001
<b>Basic earnings per unit (sen)</b>	3.81	2.86	7.02	5.85
<b>Distributions per unit (sen)</b>	4.00	3.80	4.00	3.80

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  
9 August 2011