

AL-HADHARAH BOUSTEAD REIT
UNAUDITED CONDENSED STATEMENT OF COMPREHENSIVE INCOME

For the quarter ended 31 March 2012	Current period		Cumulative period	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Rental income				
- fixed	17,300	14,461	17,300	14,461
- performance-based (unrealised)	6,900	7,700	6,900	7,700
	24,200	22,161	24,200	22,161
Plantation operating expenses	(428)	(390)	(428)	(390)
Net rental income	23,772	21,771	23,772	21,771
Dividend income	27	18	27	18
Profit earned from deposits	73	66	73	66
Net realised gain on disposal of investment in quoted Shariah-compliant securities	77	-	77	-
	23,949	21,855	23,949	21,855
Fees to:				
Manager	(721)	(656)	(721)	(656)
Trustee	(55)	(46)	(55)	(46)
Auditors	(6)	(5)	(6)	(5)
Tax agent	(2)	1	(2)	1
Shariah adviser	(4)	(4)	(4)	(4)
Profit sharing expenses on financing	(2,384)	(1,113)	(2,384)	(1,113)
Other expenses	(77)	(128)	(77)	(128)
	20,700	19,904	20,700	19,904
Unrealised gain on valuation of investment in quoted Shariah-compliant securities	273	193	273	193
Profit before taxation	20,973	20,097	20,973	20,097
Taxation	-	-	-	-
Net profit, representing total comprehensive income for the period	20,973	20,097	20,973	20,097
Total comprehensive income for the period is made up as follows:				
- realised	13,800	12,204	13,800	12,204
- unrealised	7,173	7,893	7,173	7,893
	20,973	20,097	20,973	20,097
Earnings per unit (sen):				
- realised	2.20	2.19	2.20	2.19
- unrealised	1.14	1.42	1.14	1.42
	3.34	3.61	3.34	3.61
Earnings per unit (sen):				
- after Manager's fee	3.34	3.61	3.34	3.61
- before Manager's fee	3.46	3.73	3.46	3.73
Distribution per unit (sen)	-	-	-	-

The Unaudited Condensed Income Statement should be read in conjunction with the audited financial statements for the period ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

AL-HADHARAH BOUSTEAD REIT
UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION

As at 31 March 2012	Audited 31 December	
	2012 RM'000	2011 RM'000
ASSETS		
Non-current assets		
Investment properties	1,277,340	1,273,620
Current assets		
Investment in quoted Shariah-compliant securities	6,741	7,388
Receivables	12,772	32,843
Cash and bank balances	4,390	14,946
	<u>23,903</u>	<u>55,177</u>
TOTAL ASSETS	<u>1,301,243</u>	<u>1,328,797</u>
LIABILITIES		
Current liabilities		
Payables	12,811	10,967
Islamic financing facility	95,195	95,414
	<u>108,006</u>	<u>106,381</u>
Non Current liabilities		
Islamic financing facility	90,000	90,000
TOTAL LIABILITIES	<u>198,006</u>	<u>196,381</u>
NET ASSET VALUE	<u>1,103,237</u>	<u>1,132,416</u>
UNITHOLDERS' FUND		
Unitholders' capital	658,635	658,635
Undistributed profit	444,602	473,781
TOTAL UNITHOLDERS' FUND	<u>1,103,237</u>	<u>1,132,416</u>
UNITS IN CIRCULATION ('000)	626,905	626,905
NET ASSET VALUE (NAV) PER UNIT (RM)	<u>1.7598</u>	1.8064

The Unaudited Condensed Balance Sheet should be read in conjunction with the audited financial statements for the period ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

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

For the quarter ended 31 March 2012	Unitholders' capital	Undistributed profit		Unitholders' fund
	RM'000	Realised	Unrealised	RM'000
	RM'000	RM'000	RM'000	RM'000
At 1 January 2012	658,635	105,637	368,144	1,132,416
Total comprehensive income	-	13,800	7,173	20,973
Transfer from unrealised to realised	-	65	(65)	-
Distribution to unitholders	-	(50,152)	-	(50,152)
At 31 March 2012	658,635	69,350	375,252	1,103,237
At 1 January 2011	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)
At 31 March 2011	565,681	49,711	163,444	778,836

The Unaudited Condensed Income Statement should be read in conjunction with the audited financial statements for the period ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

AL-HADHARAH BOUSTEAD REIT
UNAUDITED STATEMENT OF CASH FLOWS

For the quarter ended 31 March 2012

	2012	2011
	RM'000	RM'000
OPERATING ACTIVITIES		
Cash receipts from customers	44,116	26,631
Cash paid to suppliers	(609)	(1,392)
Net cash from operating activities	<u>43,507</u>	<u>25,239</u>
INVESTING ACTIVITIES		
Purchase and enhancement of investment properties	(2,395)	(2,918)
Purchase of quoted Shariah-compliant securities	-	(1,998)
Proceeds from disposal of investment properties	-	-
Proceeds from disposal of quoted Shariah-compliant securities	994	73
Profit earned from Shariah-based deposits	67	63
Net dividends received	28	25
Net cash used in investing activities	<u>(1,306)</u>	<u>(4,755)</u>
FINANCING ACTIVITIES		
Drawdown of Shariah-compliant financing facility	-	-
Proceeds from issuance of new units	-	-
Profit sharing expenses on financing paid	(2,386)	(1,113)
Distributions paid	(50,152)	(34,534)
Net cash used in financing activities	<u>(52,538)</u>	<u>(35,647)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	(10,337)	(15,163)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>14,532</u>	<u>16,472</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>4,195</u>	<u>1,309</u>
Cash and cash equivalents at end of year comprise:		
Cash and bank balances	122	205
Shariah-based deposits with financial institution	4,268	1,104
Islamic financing - Cash line-i	(195)	-
Cash and cash equivalents at end of year	<u>4,195</u>	<u>1,309</u>

The Unaudited Condensed Cash Flow Statement should be read in conjunction with the audited financial statements for the period ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

AL-HADHARAH BOUSTEAD REIT

Notes to the Interim Financial Report for the Quarter Ended 31 March 2012

Part A - Explanation Notes Pursuant to MFRS 134

A1 Basis of Preparation

The condensed interim financial statements have been prepared in accordance with MFRS134: Interim Financial Reporting and paragraph 9.44 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Condensed interim financial statements also comply with IAS34: Interim Financial Reporting issued by the International Accounting Standards Board (IASB). For the periods up to and including the financial year ended 31 December 2011, the Fund prepared its financial statements in accordance with Financial Reporting Standards (FRS).

This set of condensed interim financial statements is the Fund's first MFRS compliant condensed financial statements, hence MFRS1: First-Time Adoption of Malaysian Financial Reporting Standards (MFRS 1) has been applied.

The date of transition to the MFRS framework is 1 January 2011. At the transition date, the Fund reviewed its accounting policies and considered the transitional opportunities under MFRS1. The transition from FRS to MFRS did not have any significant effects on the interim financial report upon their initial application.

A2 Audit Report of Preceding Financial Year Ended 31 December 2011

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 2011 amounting to RM50,152,360 or 8.0 sen per unit was paid on 29 February 2012.

A8 Segmental Information

This is not applicable.

A9 Valuation of Investment Properties

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

AL-HADHARAH BOUSTEAD REIT

Notes to the Interim Financial Report for the Quarter Ended 31 March 2012

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 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 2011.

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 RM21.0 million for the current quarter, a slight increase of 4% from last year's corresponding quarter of RM20.1 million. Fixed rental income was higher due to additional rental from plantation assets acquired in 2011 with rental commencing 1 April 2011. However, the performance-based profit sharing was lower at RM6.9 million (2011: RM7.7 million) due to the lower average CPO price.

The unit price closed at RM1.81 per unit on 31 March 2012 while NAV at the end of the period stood at RM1.76 per unit.

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

	Current Quarter 31.3.2012 RM'000	Preceding Quarter 31.12.2011 RM'000
Revenue	24,200	22,396
Profit after taxation	20,973	238,888

Revenue recorded in the current quarter was higher mainly due to the higher performance-based profit sharing of RM6.9 million compared with RM4.5 million in the preceding quarter. However, profit after taxation was lower due to the absence of unrealised fair value gain from revaluation of investment properties of RM212.5 million recognised in the preceding quarter.

B3 Prospects

With CPO prices likely to maintain above the RM3,000 level, the performance of the Fund is expected to remain satisfactory in 2012.

AL-HADHARAH BOUSTEAD REIT**Notes to the Interim Financial Report for the Quarter Ended 31 March 2012****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

	Current Period 2012 RM'000	Cumulative Period 2012 RM'000
<u>Purchases and disposals:</u>		
Total purchase consideration	-	-
Total sale proceeds	994	994
Total profit on disposal	77	77
<u>Investments as at 31 March 2012:</u>		RM'000
At cost		6,348
At carrying value/book value		6,468
At market value		6,741

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

B8 Corporate Developments

There were no outstanding proposals as at 8 May 2012.

B9 Financing/Borrowings and Debt Securities

	31.3.2012 RM'000	31.12.2011 RM'000
<u>Non-current:</u>		
Term financing-i	<u>90,000</u>	<u>90,000</u>
<u>Current:</u>		
Cash line-i	195	414
Revolving credit-i	<u>95,000</u>	<u>95,000</u>
	<u>95,195</u>	<u>95,414</u>

B10 Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments as at 8 May 2012.

AL-HADHARAH BOUSTEAD REIT**Notes to the Interim Financial Report for the Quarter Ended 31 March 2012****B11 Material Litigation**

There was no litigation as at 8 May 2012.

B12 Income Distribution

No distribution has been declared for the financial period ended 31 March 2012.

B13 Earnings per unit

	Current Period		Cumulative Period	
	2012	2011	2012	2011
Net profit for the period (RM'000)	20,973	20,097	20,973	20,097
Weighted average number of units in issue ('000)	626,905	557,001	626,905	557,001
Basic earnings per unit (sen)	3.34	3.61	3.34	3.61
Distributions per unit (sen)	-	-	-	-

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
8 May 2012