

**AMANAHRAYA REAL ESTATE INVESTMENT TRUST**  
**INTERIM FINANCIAL REPORT FOR FINANCIAL PERIOD ENDED 30 SEPTEMBER 2010 (UNAUDITED)**

**CONDENSED BALANCE SHEETS**

	Note	As At End of Current Quarter (Unaudited) 30.09.2010 RM	As At Preceding Financial Year Ended (Audited) 31.12.2009 RM
<b>ASSETS</b>			
<b>Non-current asset</b>			
Investment properties	B8	913,332,000	686,332,000
		<b>913,332,000</b>	<b>686,332,000</b>
<b>Current assets</b>			
Trade and other receivables		408,272	1,508,132
Security deposits in Trust accounts and financial institution		61,827,116	36,044,675
Deposits placed with licensed financial institutions	B8	19,387,395	24,114,386
Cash and bank balances		161,124	1,707
		<b>81,783,907</b>	<b>61,668,900</b>
<b>TOTAL ASSETS</b>		<b>995,115,907</b>	<b>748,000,900</b>
<b>LIABILITIES</b>			
<b>Non-current liability</b>			
Borrowings	B9	363,185,899	253,000,000
		<b>363,185,899</b>	<b>253,000,000</b>
<b>Current liabilities</b>			
Trade and other payables		64,685,478	38,773,992
Provision for income distribution ( <i>Note 1</i> )	A8	10,246,349	16,123,132
		<b>74,931,827</b>	<b>54,897,124</b>
<b>TOTAL LIABILITIES</b>		<b>438,117,726</b>	<b>307,897,124</b>
<b>NET ASSET VALUE (NAV)</b>		<b>556,998,181</b>	<b>440,103,776</b>
<b>FINANCED BY:</b>			
<b>UNITHOLDERS' FUND</b>			
Unitholders' capital		519,968,282	403,291,776
Undistributed income ( <i>Note 2</i> )		37,029,899	36,812,000
<b>Total unitholders' fund</b>		<b>556,998,181</b>	<b>440,103,776</b>
<b>NUMBER OF UNITS IN CIRCULATIONS ('000)</b>		<b>573,219,858</b>	<b>431,553,191</b>
<b>NET ASSET VALUE (NAV) PER UNIT (RM):</b>			
- Before income distribution		<b>0.9896</b>	<b>1.0572</b>
- After income distribution		<b>0.9717</b>	<b>1.0198</b>

**Note 1:**

The provision for income distribution is for the financial period from 1 July 2010 to 30 September 2010 as disclosed in Note A8.

**Note 2:**

This represents net appreciation in fair values of investment properties, a surplus of appraised values over acquisition costs arising from the last valuation carried out in the previous financial year and change in the fair value of borrowing in the current financial period pursuant to the measurement under the FRS 139 Financial Instruments: Recognition and Measurement. These are unrealised gains and are not available for income distribution.

(The Condensed Balance Sheets should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the financial statements).

AMANAHRAYA REAL ESTATE INVESTMENT TRUST  
 INTERIM FINANCIAL REPORT FOR FINANCIAL PERIOD ENDED 30 SEPTEMBER 2010 (UNAUDITED)

CONDENSED INCOME STATEMENTS

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter 30.09.2010 RM	Preceding Corresponding Quarter 30.09.2009 RM	Current Year To-date 30.09.2010 RM	Preceding Year To-date 30.09.2009 RM
<b>GROSS REVENUE</b>	<b>16,283,556</b>	<b>11,765,379</b>	<b>43,174,448</b>	<b>34,518,833</b>
<b>PROPERTY EXPENSES</b>				
Assessment	(85,659)	(85,659)	(254,182)	(254,182)
Quit rent	(2,859)	(2,861)	(8,486)	(8,488)
Other property operating expenses	(384,925)	(203,369)	(1,109,138)	(1,105,727)
<b>TOTAL PROPERTY EXPENSES</b>	<b>(473,443)</b>	<b>(291,889)</b>	<b>(1,371,806)</b>	<b>(1,368,397)</b>
Net rental income	15,810,113	11,473,490	41,802,642	33,150,436
Interest income	147,505	111,176	415,384	337,850
Other income	-	-	2,017,160	-
<b>TOTAL TRUST INCOME</b>	<b>15,957,618</b>	<b>11,584,666</b>	<b>44,235,186</b>	<b>33,488,286</b>
<b>TRUST EXPENSES</b>				
Manager's fee	(850,160)	(342,963)	(1,647,376)	(1,014,687)
Trustee's fee	(70,846)	(45,729)	(169,683)	(135,292)
Administrative expenses	(59,672)	(59,307)	(215,138)	(176,000)
Valuation fee	(15,737)	-	(15,737)	-
Interest expenses	(4,170,011)	(3,187,233)	(10,881,702)	(9,457,767)
Other trust expenses	(6,300)	-	(6,300)	-
<b>TOTAL TRUST EXPENSES</b>	<b>(5,172,726)</b>	<b>(3,635,232)</b>	<b>(12,935,936)</b>	<b>(10,783,746)</b>
<b>NET TRUST INCOME</b>	<b>10,784,892</b>	<b>7,949,434</b>	<b>31,299,250</b>	<b>22,704,540</b>
Net appreciation on fair values of investment properties	-	-	-	-
Change in the fair value of borrowing	-	-	217,899	-
<b>INCOME BEFORE TAXATION</b>	<b>10,784,892</b>	<b>7,949,434</b>	<b>31,517,149</b>	<b>22,704,540</b>
Taxation	-	-	-	-
<b>INCOME AFTER TAXATION</b>	<b>10,784,892</b>	<b>7,949,434</b>	<b>31,517,149</b>	<b>22,704,540</b>
<b>PROVISION FOR INCOME DISTRIBUTION</b>	<b>(10,245,646)</b>	<b>(7,949,434)</b>	<b>(29,734,287)</b>	<b>(22,704,540)</b>
<b>NET INCOME RETAINED</b>	<b>539,246</b>	<b>-</b>	<b>1,782,862</b>	<b>-</b>

(The Condensed Income Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the financial statements).

**AMANAHRAYA REAL ESTATE INVESTMENT TRUST**  
**INTERIM FINANCIAL REPORT FOR FINANCIAL PERIOD ENDED 30 SEPTEMBER 2010 (UNAUDITED)**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter 30.09.2010 RM	Preceding Corresponding Quarter 30.09.2009 RM	Current Year To-date 30.09.2010 RM	Preceding Year To-date 30.09.2009 RM
<b>Net income for the financial period is made up as follows:</b>				
- realised	10,784,892	7,949,434	31,299,250	22,704,540
- unrealised: change in the fair value of borrowing	-	-	217,899	-
	<b>10,784,892</b>	<b>7,949,434</b>	<b>31,517,149</b>	<b>22,704,540</b>
<b>EARNINGS PER UNIT (SEN)</b>				
- after manager fees (sen)	<b>1.8815</b>	<b>1.8421</b>	<b>5.9945</b>	<b>5.2611</b>
- before manager fees (sen)	<b>2.0298</b>	<b>1.9215</b>	<b>6.3012</b>	<b>5.4962</b>
<b>DISTRIBUTION PER UNIT (SEN)</b>				
- realised ( <i>Note 1</i> )	<b>1.7874</b>	<b>1.8421</b>	<b>5.6468</b>	<b>5.2611</b>
<b>DISTRIBUTION PER UNIT (%)</b>				
- realised ( <i>Note 1</i> )	<b>95%</b>	<b>100%</b>	<b>95%</b>	<b>100%</b>

**Note 1:**

*Pursuant to ARREIT's Prospectus dated 26 January 2007 and Novation Agreement dated 27 August 2009 in respect of the Trust Deed dated 10 October 2006 (as varied by Supplemental Trust Deed dated 4 January 2007) and the Second Supplemental Trust Deed dated 27 August 2009, the Manager has distributed 100% of the distributable income for the Financial Year 2009.*

*The Manager will distribute at least 95% (or such other percentage as determined by the Manager in its absolute discretion) of the distributable income effective from the Financial Year 2010 onwards.*

*The distribution per unit (sen) is calculated based on 95% of realised net income for the financial period over the number of units in circulation as at the end of the financial period.*

(The Condensed Income Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the financial statements).

**AMANAHRAYA REAL ESTATE INVESTMENT TRUST**  
**INTERIM FINANCIAL REPORT FOR FINANCIAL PERIOD ENDED 30 SEPTEMBER 2010 (UNAUDITED)**

**CONDENSED STATEMENT OF CHANGES IN NET ASSET VALUE**  
**FROM 1 JANUARY 2010 TO 30 SEPTEMBER 2010 (UNAUDITED)**

	Unitholder's Capital RM	Distributable/Undistributable Income		Total RM
		Realised RM	Unrealised RM	
<b>At 1 January 2010</b>	403,291,776	-	36,812,000	440,103,776
<b>Operation for the financial period ended 30 September 2010</b>				
Net income for the financial period	-	31,299,250	217,899	31,517,149
<i>Increase in net assets resulting from operations</i>	-	<i>31,299,250</i>	<i>217,899</i>	<i>31,517,149</i>
<b>Unitholders' transactions</b>				
Proceed from creation of units	119,000,000	-	-	119,000,000
Distribution to unitholders - current provision	-	(10,245,646)	-	(10,245,646)
Distribution to unitholders - overprovision	-	(386)	-	(386)
Distribution to unitholders - paid	-	(19,488,255)	-	(19,488,255)
Listing expenses *	(3,888,457)	-	-	(3,888,457)
<i>Net increase in net assets resulting from unitholders' transactions</i>	<i>115,111,543</i>	<i>(29,734,287)</i>	-	<i>85,377,256</i>
<b>At 30 September 2010</b>	<b>518,403,319</b>	<b>1,564,963</b>	<b>37,029,899</b>	<b>556,998,181</b>

\* Listing expenses refers to expenses incurred for capital listing of shares issued under the third and fourth capital injections.

(The Condensed Statement of Changes in Net Asset Value should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the financial statements).

**AMANAHRAYA REAL ESTATE INVESTMENT TRUST**  
**INTERIM FINANCIAL REPORT FOR FINANCIAL PERIOD ENDED 30 SEPTEMBER 2010 (UNAUDITED)**

**CONDENSED STATEMENT OF CHANGES IN NET ASSET VALUE**  
**FROM 1 JANUARY 2009 TO 30 SEPTEMBER 2009 (UNAUDITED)**

	Unitholder's Capital RM	Distributable/Undistributable Income		Total RM
		Realised RM	Unrealised RM	
<b>At 1 January 2009</b>	403,291,776	346	36,812,000	440,104,122
<b>Operation for the financial period ended 30 September 2009</b>				
Net income for the financial period	-	22,704,540	-	22,704,540
Movement in revaluation reserves	-	-	-	-
<i>Increase in net assets resulting from operations</i>	-	22,704,540	-	22,704,540
<b>Unitholders' transactions</b>				
Distribution to unitholders - current provision	-	(7,949,434)	-	(7,949,434)
Distribution to unitholders - underprovision	-	(656)	-	(656)
Distribution to unitholders - paid	-	(14,754,796)	-	(14,754,796)
Listing expenses	-	-	-	-
<i>Net increase in net assets resulting from unitholders' transactions</i>	-	(22,704,886)	-	(22,704,886)
<b>At 30 September 2009</b>	<b>403,291,776</b>	<b>-</b>	<b>36,812,000</b>	<b>440,103,776</b>

(The Condensed Statement of Changes in Net Asset Value should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the financial statements).

**AMANAHRAYA REAL ESTATE INVESTMENT TRUST  
INTERIM FINANCIAL REPORT FOR FINANCIAL PERIOD ENDED 30 SEPTEMBER 2010 (UNAUDITED)**

**CONDENSED CASH FLOW STATEMENTS**

	<b>Current Year To-date 30.09.2010 RM</b>	<b>Preceding Year To-date 30.09.2009 RM</b>
<b>Cash Flows From Operating Activities</b>		
Income before taxation	31,517,149	22,704,540
Adjustment for:-		
Interest expense	10,881,702	9,457,767
Interest income	(415,384)	(337,850)
Change in the fair value of borrowing	(217,899)	-
Amortisation on transaction costs of new borrowing	91,800	-
Operating income before working capital changes	<u>41,857,368</u>	<u>31,824,457</u>
<b>Changes in working capital:-</b>		
Decrease/(Increase) in trade and other receivables	1,099,860	(410,950)
(Increase)/Decrease in security deposits in Trust accounts and financial institution	(25,782,441)	6,906,324
(Increase)/Decrease in trade and other payables	25,911,486	(6,910,871)
<b>Net cash from operating activities</b>	<b><u>43,086,273</u></b>	<b><u>31,408,960</u></b>
<b>Cash Flows From Investing Activities</b>		
Interest received	415,384	337,850
Purchase of investment properties	(227,000,000)	-
<b>Net cash from investing activities</b>	<b><u>(226,584,616)</u></b>	<b><u>337,850</u></b>
<b>Cash Flows From Financing Activities</b>		
Distribution paid to unitholders	(35,611,070)	(29,577,360)
Listing expenses	(3,888,457)	-
Repayment of financing	(168,000,000)	-
Proceed from new financing	279,230,000	-
Financing costs paid for drawdown of new borrowing	(918,002)	-
Proceed from issuance of units	119,000,000	-
Interest paid	(10,881,702)	(9,457,767)
<b>Net cash used in financing activities</b>	<b><u>178,930,769</u></b>	<b><u>(39,035,127)</u></b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(4,567,574)</b>	<b>(7,288,317)</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b><u>24,116,093</u></b>	<b><u>22,899,952</u></b>
<b>Cash and cash equivalents at end of the period</b>	<b><u>19,548,519</u></b>	<b><u>15,611,635</u></b>
<b>Cash and cash equivalents comprise:-</b>		
Cash and bank balances	161,124	161,718
Deposits placed with licensed financial institutions	19,387,395	15,449,917
	<b><u>19,548,519</u></b>	<b><u>15,611,635</u></b>

(The Condensed Cash Flow Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the financial statements).

**AMANAHRAYA REAL ESTATE INVESTMENT TRUST**  
**QUARTERLY UNAUDITED FINANCIAL RESULT FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2010**

**A. DISCLOSURE REQUIREMENTS AS PER FINANCIAL REPORTING STANDARDS (FRS) 134**

**A1. BASIS OF PREPARATION**

The quarterly financial report is unaudited and has been prepared in accordance with FRS 134: Interim Financial Reporting and Paragraph 9.44 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

**A2. CHANGES IN ACCOUNTING POLICIES**

The accounting policies and methods of computation used in the preparation of the quarterly financial report are consistent with those adopted in the preparation of the audited financial statements and audited information of AmanahRaya Real Estate Investment Trust (ARREIT or "Trust" ) for the financial year ended 31 December 2009. The Trust do not have any significant changes in its accounting policies for the financial period ended 30 September 2010.

**A3. AUDIT REPORT OF PRECEDING FINANCIAL YEAR ENDED 31 DECEMBER 2009**

The audit report of the Trust's financial statements for the financial year ended 31 December 2009 was not subject to any qualification.

**A4. SEASONALITY OR CYCLICALITY OF OPERATIONS**

The business operations of the Trust are not affected by any material seasonal or cyclical factor.

**A5. UNUSUAL ITEMS**

There were no items of unusual nature that affect the assets, liabilities, equities, net income or cash flows to be disclosed for the quarter under review.

**A6. CHANGES IN ESTIMATES**

This is not applicable as no estimates were previously reported.

**A7. DEBTS AND EQUITY SECURITIES**

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current quarter and financial year-to-date.

**A8. INCOME DISTRIBUTION**

A provision was made to distribute 95% of the realised net income (unaudited) for the quarter ended 30 September 2010, amounting to RM10,245,646 representing 1.7874 sen per unit which includes tax-exempted income of 0.0257 sen per unit.

During the financial period under review, ARREIT has paid the second income distribution for the financial period ended 30 June 2010 of 1.9997 sen per unit, amounting to RM11,462,667 on 26 August 2010.

**AMANAHRAYA REAL ESTATE INVESTMENT TRUST  
QUARTERLY UNAUDITED FINANCIAL RESULT FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2010**

**A. DISCLOSURE REQUIREMENTS AS PER FINANCIAL REPORTING STANDARDS (FRS) 134 - Cont'd**

**A9. SEGMENTAL REPORTING**

No segmental information was prepared as the Trust's activities are predominantly in one segment of the industry and occur predominantly in Malaysia.

**A10. VALUATION OF INVESTMENT PROPERTIES**

For the quarter under review, there were no changes in the values of the investment properties held.

**A11. MATERIAL AND SIGNIFICANT SUBSEQUENT EVENTS**

There was no material event as at the latest practicable date from the date of this report.

**A12. CHANGES IN THE COMPOSITION AND FUND SIZE OF THE TRUST**

There were no changes in the composition of ARREIT for the current quarter and the total number of units issued stands at 573,219,858. During the financial period under review, the Manager proposed to increase the fund size to up to 695,947,131 units.

**A13. CONTINGENT LIABILITIES OR CONTINGENT ASSETS**

There were no contingent liabilities or contingent assets to be disclosed.



**AMANAHRAYA REAL ESTATE INVESTMENT TRUST**  
**QUARTERLY UNAUDITED FINANCIAL RESULT FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2010**

**B. ADDITIONAL INFORMATION PURSUANT TO PARAGRAPH 9.44 OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B1. REVIEW OF PERFORMANCE**

The Manager is pleased to report to unitholders of ARREIT the results for the third financial quarter ended 30 September 2010.

For the quarter ended 30 September 2010, the Trust recorded a total revenue of RM16,431,061 (preceding corresponding quarter - RM11,876,555) including interest income of RM147,505 (preceding corresponding quarter - RM111,176). Total expenditure for the quarter under review was RM5,646,169 (preceding corresponding quarter - RM3,927,121), of which RM473,443 (preceding corresponding quarter - RM291,889) were attributable to property expenses and RM5,172,726 (preceding corresponding quarter - RM3,635,232) to non property expenses.

For the quarter under review, net income (realised) and available for distribution is RM10,784,892 (preceding correspondence quarter - RM7,949,434).

ARREIT has made a provision for income distribution amounting to RM10,245,646 (equivalent to approximately 95% of the realised net income ) (preceding correspondence quarter - RM7,949,434) for the current quarter ended 30 September 2010 which will be paid out on 17 December 2010.

**B2. COMPARISON OF INCOME BEFORE TAXATION BETWEEN CURRENT QUARTER AND PRECEDING QUARTER**

	<b>Current Quarter 30.09.2010 RM</b>	<b>Preceding Corresponding Quarter 30.09.2009 RM</b>
Revenue		
- Gross revenue (rental income)	16,283,556	11,765,379
- Interest income	147,505	111,176
Total	<u>16,431,061</u>	<u>11,876,555</u>
Expenses		
Property expenses	(473,443)	(291,889)
Non property expenses	(5,172,726)	(3,635,232)
Total	<u>(5,646,169)</u>	<u>(3,927,121)</u>
Total trust income (realised)	10,784,892	7,949,434
Change in fair value of borrowing (unrealised)	-	-
Income before taxation	<u>10,784,892</u>	<u>7,949,434</u>

In comparison to the same preceding quarter, the Trust's revenue for the current quarter ended 30 September 2010 increased from RM11,876,555 to RM16,431,061, and earnings before taxation rose from RM7,949,434 to RM10,784,892.

The 38% increase in gross revenue as compared to the same preceding quarter was due to the upward revision in rental rates for several investment properties, as well as additional rental income received from the two new investment properties.

The increase in property expenses is mainly due to a higher provision allocated for repair and maintenance for Wisma Amanah Raya Berhad, Jalan Semantan in financial year of 2010. On the other hand, the increase of the non-property expenses in the current quarter was mainly due to the increase in term loan interest expenses after the drawdown of the additional new borrowing of RM 111,230,000 in the previous second quarter.

**AMANAHRAYA REAL ESTATE INVESTMENT TRUST  
 QUARTERLY UNAUDITED FINANCIAL RESULT FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2010**

**B. ADDITIONAL INFORMATION PURSUANT TO PARAGRAPH 9.44 OF THE MAIN MARKET LISTING  
 REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD - Cont'd**

**B3. PROSPECTS**

The Manager is continuously ensuring the existing assets within the portfolio are well maintained to ensure the stability of rental incomes and the fund benefits from capital appreciations.

Apart from that, the Manager is actively identifying good assets for new acquisition to continuously improve the yield and further diversify the portfolio to minimise the sectoral risk.

The strategy of having assets with long-term leases by reputable lessees shall continue to be the focus of ARREIT to ensure sustainable return.

**B4. VARIANCES**

This is not applicable as no profit forecast or profit guarantee was issued for this financial quarter.

**B5. PURCHASE OF INVESTMENT PROPERTIES**

There was no acquisition of investment property during the quarter under review.

**B6. TAXATION**

Pursuant to Section 61A(1) of the Income Tax Act, 1967 under the Finance Act 2006 , where in the basis period for a year of assessment, 90% or more of the total income of the Trust is distributed to its unitholders, the total income of the Trust for that year of assessment shall be exempted from tax.

Thus, based on the 95% income distribution made for the current quarter, the Trust has not provided any tax expenses for the period.

A numerical reconciliation between the applicable income tax expense and effective income tax expense on the Trust is as follows:

	<b>Current Quarter 30.09.2010 RM</b>	<b>Preceding Corresponding Quarter 30.09.2009 RM</b>	<b>Current Year To-date 30.09.2010 RM</b>	<b>Preceding Year To-date 30.09.2009 RM</b>
Earnings before taxation	10,784,892	7,949,434	31,517,149	22,704,540
Taxation at Malaysia				
Statutory tax rate @ 25%	2,696,223	1,987,359	7,879,287	5,676,135
Non-deductible expenses	38,095	26,259	101,535	202,823
Effect of interest income not subject to tax	(36,876)	(27,794)	(604,910)	(84,462)
Effect of income distribution exempted from tax	(2,697,442)	(1,985,824)	(7,375,912)	(5,794,496)
Tax expenses	-	-	-	-

**AMANAHRAYA REAL ESTATE INVESTMENT TRUST**  
**QUARTERLY UNAUDITED FINANCIAL RESULT FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2010**

**B. ADDITIONAL INFORMATION PURSUANT TO PARAGRAPH 9.44 OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD - Cont'd**

**B7. CORPORATE PROPOSAL AND DEVELOPMENT**

On 2 September 2010, announcement on the following proposals have been made:

- (i) Proposed Acquisitions by ARREIT of 3 parcels of leasehold land located in district of Petaling, Selangor Darul Ehsan together with the buildings erected thereon for a total purchase consideration of RM270,000,000 subject to the terms and conditions of the sale and purchase agreement; and
- (ii) Proposed increase in the existing approved fund size of ARREIT of 573,219,858 units to up to a maximum of 695,947,131 units pursuant to the Proposed Placement.

**B8.** As at 30 September 2010, The Trust's composition of investment portfolio are as follows:

	Acquisition cost RM	Fair value as at 30 September 2010 RM	Percentage of fair value to Net Asset Value %
<b>Investment properties</b>			
<i>Hospitality</i>			
Holiday Villa Alor Setar	31,000,000	34,000,000	6.10
Holiday Villa Langkawi	55,000,000	58,310,000	10.47
<i>Education</i>			
SEGi College	52,500,000	54,000,000	9.69
SEGi Campus College	145,000,000	152,000,000	27.3
<i>Commercial</i>			
Block A & B, South City Plaza	18,300,000	19,500,000	3.50
Wisma AmanahRaya	68,000,000	73,000,000	13.11
Wisma Amanah Raya Berhad	53,000,000	60,000,000	10.77
Wisma UEP	35,500,000	38,000,000	6.82
Selayang Mall	128,000,000	128,000,000	22.98
Dana 13	99,000,000	99,000,000	17.77
<i>Industrial</i>			
Permanis Factory	27,550,000	28,222,000	5.07
Silver Bird Factory	92,000,000	95,000,000	17.06
AIC Factory	19,200,000	20,000,000	3.59
Gurun Automotive Warehouse	23,970,000	24,800,000	4.45
Tamadam Bonded Warehouse	28,500,000	29,500,000	5.30
	876,520,000	913,332,000	
<b>Others</b>			
Deposits placed with licensed financial institutions		19,387,395	3.48

**AMANAHRAYA REAL ESTATE INVESTMENT TRUST**  
**QUARTERLY UNAUDITED FINANCIAL RESULT FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2010**

**B. ADDITIONAL INFORMATION PURSUANT TO PARAGRAPH 9.44 OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD - Cont'd**

**B9. BORROWINGS AND DEBT SECURITIES**

	<b>Current Year To-date 30.09.2010 RM</b>	<b>Preceding Year To-date 30.09.2009 RM</b>
Long term borrowings - secured	363,185,899	253,000,000

The borrowings are secured by way of legal charge on certain properties of the Trust. The average effective interest rate (annualised) for these borrowings is 4.49% (preceding correspondence quarter: 5.00%).

**B10. CHANGES IN FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES**

The carrying amounts of financial assets and liabilities of the Trust at balance sheet date approximate their fair values due to the relatively short term maturity of the financial instruments except as set out below:

	<b>Current Year To-date 30.09.10 RM</b>	<b>Preceding Year To-date 30.09.09 RM</b>
Long term borrowings	363,185,899	253,000,000

Fair value is determined using estimated future cash flows of the financial instrument, discounted at prevailing market related rate for a similar instrument at the balance sheet date. The interest rate used to discount the estimated cash flow for the financial period ended 30 June 2010 is 4.75%. Transaction costs that are directly attributable to the issue of the financial instrument are included in determining the fair value.

**B11. UTILISATION OF PROCEEDS RAISED FROM ISSUANCE OF NEW UNITS**

There is no issuance of new units during the financial quarter under review.

**B12. SOFT COMMISSION**

During the financial quarter ended 30 September 2010, the Manager or its delegates did not receive any soft commission from its broker, by virtue of transactions conducted by the Trust.

**B13. PURCHASE OR DISPOSAL OF INVESTMENT IN QUOTED SECURITIES**

During the financial quarter ended 30 September 2010, there was no purchase or disposal of investment in quoted securities.

**B14. OFF BALANCE SHEET FINANCIAL INSTRUMENTS**

The Trust has no financial instrument with off balance sheet risks as at the latest practicable date from the date of the issuance of this report that might materially affect the position or business of the Trust.

**B15. MATERIAL LITIGATION**

There was no material litigation as at the date of issuance of this report.

**AMANAHRAYA REAL ESTATE INVESTMENT TRUST  
 QUARTERLY UNAUDITED FINANCIAL RESULT FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2010**

**B. ADDITIONAL INFORMATION PURSUANT TO PARAGRAPH 9.44 OF THE MAIN MARKET LISTING  
 REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD - Cont'd**

**B16. INCOME DISTRIBUTION**

The following withholding tax rates would be applicable on distribution of income which is tax exempt at Trust level:-

<u>Types of unit holders</u>	<u>Rates of tax</u>
<b>Resident unitholders;</b>	
- Resident company	No withholding tax; tax at prevailing corporate tax rate
- Unitholders other than a resident company	Withholding tax at 10%; effective from 1 January 2009 to 31 December 2011
<b>Non-resident unitholders;</b>	
- Non-resident company	Withholding tax at 25%; effective from 1 January 2009 to 31 December 2011
- Non-resident institutional investor	Withholding tax at 10%; effective from 1 January 2009 to 31 December 2011
- Non-resident other than company and institutional investors	Withholding tax at 10%; effective from 1 January 2009 to 31 December 2011

**B17. EARNINGS PER UNIT**

The earnings per unit of the Trust have been computed by dividing the income after taxation for the period by the total number of units issued during the period.

	<b>Current Quarter 30.09.10 RM</b>	<b>Preceding Corresponding Quarter 30.09.09 RM</b>
Earnings after taxation	10,784,892	7,949,434
Total number of units issued	573,219,858	431,553,191
Earnings per unit (sen)		
- realised	1.8815	1.8421
- unrealised	-	-
	<u>1.8815</u>	<u>1.8421</u>

**AMANAHRAYA REAL ESTATE INVESTMENT TRUST  
 QUARTERLY UNAUDITED FINANCIAL RESULT FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2010**

**B. ADDITIONAL INFORMATION PURSUANT TO PARAGRAPH 9.44 OF THE MAIN MARKET LISTING  
 REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD - Cont'd**

**B18. DISTRIBUTION PER UNIT**

The distribution per unit of the Trust has been computed by dividing the provision for income distribution for the period by the total number of units issued.

	<b>Current Quarter 30.09.10 RM</b>	<b>Preceding Corresponding Quarter 30.09.09 RM</b>
Provision for income distribution	10,245,646	7,949,434
Total number of units issued	573,219,858	431,553,191
Distribution per unit (sen) (realised)	1.7874	1.8421

**B19. STATEMENT BY THE DIRECTORS OF THE MANAGER**

In the opinion of the Directors of the Manager, the quarterly report has been prepared in accordance with FRS 134: Interim Financial Reporting and Paragraph 9.44 of the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad so as to give a true fair view of the financial position of ARREIT as at 30 September 2010 and of its financial performance and cash flows for the quarter/ period ended on that date and duly authorised for release by the Board of the Manager on 27 October 2010.

By Order of the Board  
 ZAINUL ABIDIN BIN HJ. AHMAD  
 JERRY JESUDIAN A/L JOSEPH ALEXANDER  
 CHU KUM YOON (f)  
 SEE SIEW CHENG (f)  
 Joint Company Secretaries  
 AmanahRaya-REIT Managers Sdn Bhd (Company No. 856167-A)  
 (As the Manager of AmanahRaya Real Estate Investment Trust)  
 Kuala Lumpur  
 Dated: 27 October 2010