
7. THE MANAGER

7.1 OUR DUTIES AND OBLIGATIONS

We are subject to the provisions of the Deed and shall carry out all activities as may be deemed necessary for the management of the Fund and its business. We shall, in managing the Fund, undertake primary management activities in relation to the Fund, including but not limited to overall strategy, new acquisition and disposal analysis, marketing and communications, individual asset performance and business planning, market performance analysis and other activities as provided under the Deed.

In addition, we have covenanted with the Trustee, inter-alia, the following:

- (a) to manage Atrium REIT's assets and liabilities for the benefit of Unitholders;
- (b) to carry out the activities in relation to the assets of Atrium REIT in accordance with the provisions of the Deed;
- (c) to set the investment policies of Atrium REIT and submit proposals to the Trustee on the acquisition, divestment or enhancement of assets of Atrium REIT;
- (d) to issue an annual report and interim report of Atrium REIT to Unitholders within two (2) months of Atrium REIT's financial year end and the end of the period it covers, respectively; and
- (e) to ensure that Atrium REIT is managed within the ambit of the Deed, the SCA, other securities laws, the Bursa Securities LR, the SC Guidelines on REITs and other applicable laws.

We may appoint a person, including our associate, as our delegate, attorney, agent or sub-agent to exercise our powers as Manager and perform our obligations in accordance with the SC Guidelines on REITs and the Deed.

Prior to any proposed delegation of a function by us, we must obtain an approval of the SC and/or the Trustee as required under the SC Guidelines on REITs.

7.2 OUR BACKGROUND INFORMATION

We were incorporated in Malaysia under the Act on 22 September 2005 as a private limited company under the name of Atrium REIT Managers Sdn Bhd. As at the LPD, the authorised share capital is RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each, of which RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each are fully paid-up. Our principal activity is to manage and administer REITs.

Presently, we have employed two (2) Executive Directors, three (3) managers and four (4) executives. Atrium REIT is the only fund under our management, as we are newly incorporated. Notwithstanding the above, we have an experienced, professional and capable management team, which aims to achieve the investment objectives of Atrium REIT by applying sound investment policies and strategies. The profiles of our Board and management team are set out in Sections 7.4 and 7.5 of this Prospectus. As at the LPD, our unit holding in the Fund is 1,000 Units.

7. THE MANAGER *(Continued)*

7.2.1 Information on our controlling shareholder and Promoters

(i) GBISB

GBISB is the holding company of the Manager. It was incorporated under the Act on 8 October 1996. Its present authorised share capital is RM5,000,000 comprising 5,000,000 ordinary shares of RM1.00 each, of which RM2,000,000 comprising 2,000,000 ordinary shares of RM1.00 each are fully paid-up. GBISB is involved in property investment holding. It was founded by Chan Kam Tuck who has over thirty (30) years of experience in the property industry. GBISB was conceived as an expansion from a family business involved in general contracting and civil engineering to be an investment arm for high quality warehouses and industrial buildings.

The core business of GBISB and its related companies include project development and management, built-to-suit building with options to buy or lease, and hotel development and management services. Its spectrum of civil engineering and general contracting services over the years include government buildings, sport complexes, shop offices, factories, warehouses and distribution facilities, commercial and shopping complexes, universities, hotels and motorways. The recent projects completed by GBISB and its related companies include Atrium Shah Alam 1, Atrium Shah Alam 2, Atrium Puchong, Atrium Rawang and Silverstone Berhad's corporate office and showroom located in Shah Alam.

(ii) Chan Kam Tuck

Chan Kam Tuck, aged 55, is the founder of GBISB and its related companies. He is actively involved in construction and real estate activities including industrial, commercial and residential property developments and provider of hotel businesses. He has more than thirty (30) years' entrepreneurial experience in construction, property development, property investment and hotel management. Mr Chan is an experienced property developer and has seen the property market through the recessions in the 1970s, 1980s and the late 1990s. He participated and contributed towards the development of suitable freehold land in the Klang Valley for CEVA (TNT) Logistics, Exel Properties, Danzasmal, Unilever Malaysia, Silverstone Berhad and others. He led his team to formalise long-term tenancies with adequate security deposits and timeframe for completion of buildings. With his knowledge in construction and designs, buildings were completed to the satisfaction of tenants. His experience and knowledge will be valuable and will continue to contribute positively to the Fund's future development. Currently, he also sits on the Board of Directors of GBISB, SSSB, Alpha Netrise (M) Sdn Bhd, Ample Cosmos Sdn Bhd and Realco Sdn Bhd.

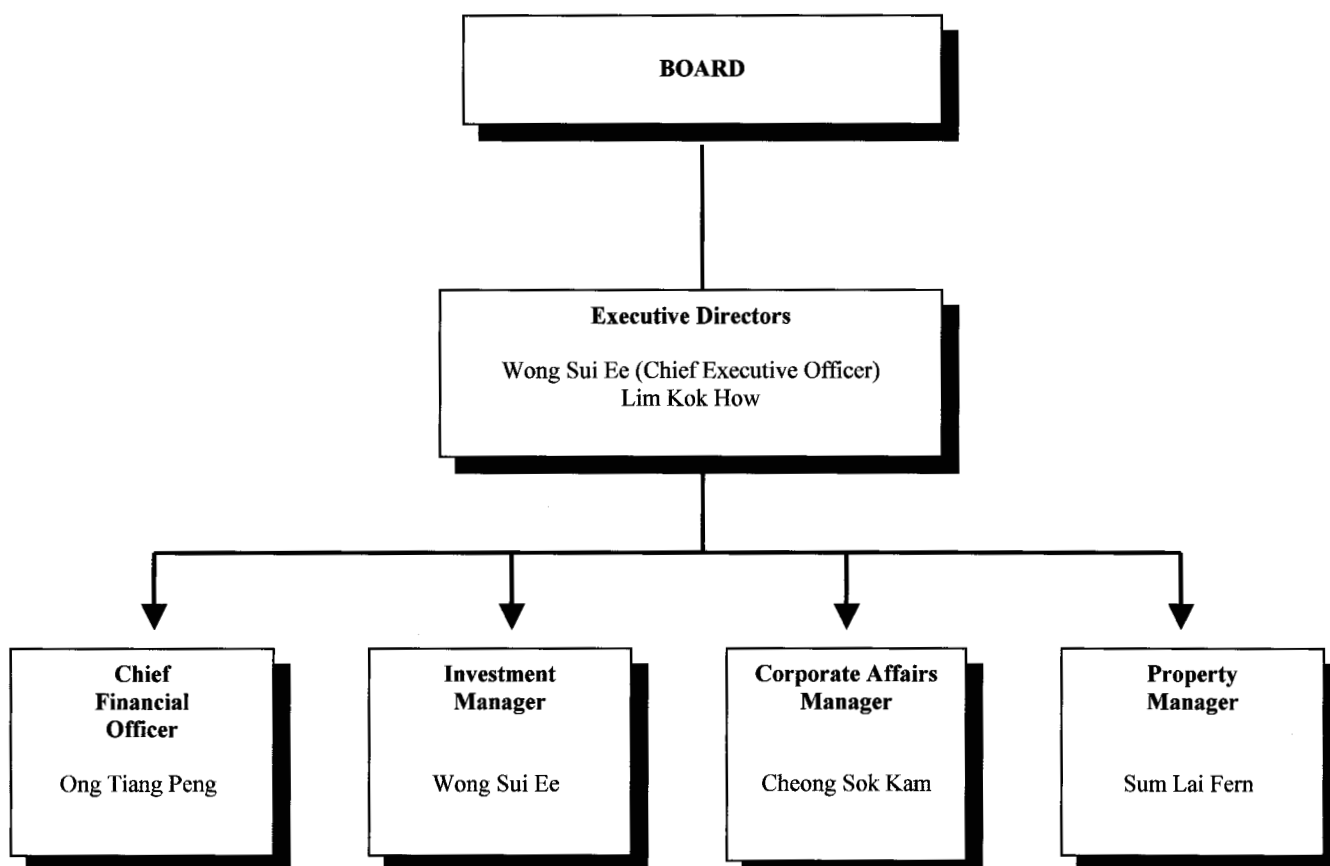
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7. **THE MANAGER (Continued)**

7.3 **OUR ORGANISATION STRUCTURE**

As Manager of the Fund, we shall, subject to the provisions of the Deed and the SC Guidelines on REITs, carry out all activities that may be deemed necessary for the management of the Fund and its business.

The following diagram sets out our operational structure:



7. THE MANAGER (Continued)

7.4 OUR BOARD

The principal role of our Board is to ensure that the management and administration of the Fund is managed in a proper and efficient manner for the benefit of the Unitholders. Our Board sets strategic direction by making recommendations to the Trustee pertaining to acquisitions, divestments or enhancements of the assets to enhance the performance of the Fund in line with its overall strategy. Further, our Board ensures proper corporate governance is observed at all times in conducting our business as Manager. Board meetings shall be held formally once every quarter of the year and more frequently should circumstances require so.

The details of our Board are as follows:

Name	Nationality	Age	Position
Zakaria Bin Meranun	Malaysian	47	Chairman and Non-Independent Non-Executive Director
Wong Sui Ee	Malaysian	37	Chief Executive Officer and Non-Independent Executive Director
Lim Kok How	Malaysian	47	Non-Independent Executive Director
Tor Peng Sie	Malaysian	48	Independent Non-Executive Director
How Hu Son	Malaysian	57	Independent Non-Executive Director
Soong Kwong Heng	Malaysian	57	Independent Non-Executive Director

Zakaria Bin Meranun is our Chairman and Non-Independent Non-Executive Director. He was appointed to our Board on 22 September 2005. Zakaria obtained his Diploma in Accountancy from Institute Teknologi MARA in 1980 and after a short stint with Ernst & Young, he left for the United States to further his studies. He graduated with a Bachelor of Science in Business Administration (Accounting) from Central Michigan University in 1985 and subsequently obtained a Masters in Accounting in 1986. Zakaria began his career after his postgraduate studies with a brief appointment as an Internal Auditor with the Sime Darby Group of Companies. Subsequently in early 1988, he joined Alexander Proudfoot (M) Sdn Bhd as a Senior Consultant. In 1989, Zakaria joined Esso Production Malaysia, Inc for about five (5) years and ended his tenure there as a Senior Financial Analyst. In late 1993, he joined SPK Bowring Insurance Broker Sdn Bhd as a Deputy General Manager – Finance. In 1994, he was promoted as the Chief Executive Officer of the company. Currently, he is the Managing Director and substantial shareholder of SP&G Insurance Brokers Sdn Bhd (previously known as SPK Bowring Insurance Brokers Sdn Bhd). He is also on the Board of Directors and a shareholder of Orion Asia Sdn Bhd, OceanKlass Sdn Bhd and Gemilang Penchala Sdn Bhd. He is also a Director in Distinct Energies Sdn Bhd and Gemilang Maintenance Services Sdn Bhd.

Wong Sui Ee is our Chief Executive Officer and Non-Independent Executive Director. She was appointed to our Board on 22 September 2005. She graduated with a Bachelor of Arts majoring in Accounting and Finance from Middlesex University, London, in 1991. She is an associate member of the Institute of Chartered Accountants in England and Wales (ICAEW) since 1994. Sui Ee began her career in KPMG, United Kingdom in 1991 as an Auditor. In 1996, she joined Perdana Merchant Bank Berhad as Assistant Vice President for two (2) years. She has been in GBISB and its related companies since 1998 before moving to GBISB as its Finance & Corporate Affairs Manager in 2005. During her 8-year tenure with GBISB and its related companies, she participated and contributed towards the development of suitable freehold land in the Klang Valley to rent to GBISB and its related companies' numerous clients including CEVA (TNT) Logistics, Exel Properties, Danzas, Unilever Malaysia, Silverstone Corporation Berhad and others. She led her team to formalise long-term tenancies with adequate security deposits and timeframe for the completion of buildings. Currently, she is also on the

7. THE MANAGER (Continued)

Board of Directors in GBISB, SSSB, Alpha Netrise (M) Sdn Bhd, Ample Cosmos Sdn Bhd and Kilat Idam Sdn Bhd.

Lim Kok How is our Non-Independent Executive Director. He was appointed to our Board on 22 September 2005. He graduated from Kolej Tunku Abdul Rahman with a Diploma in Financial Accounting in 1984. He commenced his career as an Audit Trainee with Khoo Wong Chan & Co before joining Kassim Chan & Co. in 1987. In 1990, he joined Mechmar Corporation (Malaysia) Bhd (“Mechmar”) as its Internal Audit Manager, where he was involved in monitoring and overseeing development projects. He was also responsible for ensuring that the water treatment plants and sewerage plants were completed on schedule. He was part of Mechmar’s management committee. After five (5) years in Mechmar Corporation (Malaysia) Bhd, he was involved in the ceramic, chemical and medical supply businesses. In 2001, he passed the Real Estate Agent exam with the Board of Valuers, Appraisers and Estate Agents Malaysia. Currently he is a Director and heads his own private investment holding and property development company, Ukay Boulevard Sdn Bhd and Jelatik Tegas Sdn Bhd.

Tor Peng Sie is our Independent Non-Executive Director. He was appointed to our Board on 17 November 2006. He graduated with a Bachelor of Science from Campbell University, North Carolina, United States of America in 1982. He is a holder of the Real Estate Agent Licence from the Board of Valuers, Appraisers and Estate Agents Malaysia since 1993. Mr Tor has over twenty (20) years experience in the real estate industry, where he began his career in Rahim & Co. Chartered Surveyor Sdn Bhd in 1984 as a Valuation Executive and was subsequently promoted as a Real Estate Negotiator. In 1988, he worked with The Golden Triangle Real Estate Agents initially as a Real Estate Agent and later became a Director for the said company. In 1999, he joined Pacific Landmark Real Estate Agents. He is currently a Principal of Pacific Landmark Real Estate Agents.

How Hu Son is our Independent Non-Executive Director. He was appointed to our Board on 17 November 2006. He graduated from Brighton Polytechnic, United Kingdom with a Bachelor of Science (Hons) in Civil Engineering in 1975. In 1976, he obtained his Master of Science from Imperial College of Science & Technology, London. He is a member of the Institution of Engineers, Malaysia and is a registered professional Engineer with the Board of Engineers, Malaysia. He began his career in 1977 as a Structural Engineer with Jabatan Kerja Raya for two (2) years. Thereafter, he joined Tahir Wong Sdn Bhd as its Senior Structural Engineer and was subsequently promoted to Senior Associate. During his 14 years in Tahir Wong Sdn Bhd, he was involved in projects such as Subang Parade, the Royal Malaysian Navy Base in Sarawak, Puteri Pan Pacific Hotel, Johor, the Selangor Turf Club. Currently, he is a Director of Pakatan Cergas Sdn Bhd, which is a company involved in civil and structural engineering. He was involved in numerous projects of Pakatan Cergas Sdn Bhd such as the construction of Bukit Ceylon Condominium, CP Tower, Eastin Hotel and Phileo Damansara. He is also the Director of Yong Peng Batu Bata Berhad and PC Assets Sdn Bhd.

Soong Kwong Heng is our Independent Non-Executive Director. He was appointed to our Board on 17 November 2006. He graduated with a Bachelor of Economics from Universiti Malaya in 1972. Mr Soong has more than thirty (30) years experience in tax related issues. After his graduation, he began his career in the Department of Inland Revenue Malaysia for three (3) years. In 1975, he joined Chan King Sang & Co. as its Tax Manager for ten (10) years. Since 1985, he served as a Tax Principal for K. S. Taxation Services Sdn Bhd. Currently, he is also on the Board of Directors of Global Gain Sdn Bhd, Segamat Holdings Sdn Bhd and Compagnie Du Monde Sdn Bhd, which are companies involved in property and equity investments.

7. THE MANAGER *(Continued)*

7.5 OUR MANAGEMENT TEAM

The functions of our management team are summarised below:

Executive Director

Our Executive Directors are responsible for the day-to-day operations of Atrium REIT Managers and the Fund, and together with the Board, shall determine the strategy of Atrium REIT. The Executive Directors will also work with the other members of our management team to manage and operate Atrium REIT in achieving the Fund's objectives in accordance with the Deed, SCA and SC Guidelines on REITs. In addition, the Executive Directors will be responsible to plan the future strategic development and growth of Atrium REIT.

The Executive Directors, together with the Board, will identify and evaluate potential acquisitions with a view to enhance the Fund. The Executive Directors are responsible for the overall management, investment and asset management strategies as well as the strategic growth of Atrium REIT.

Chief Financial Officer

The Chief Financial Officer is mainly responsible for financial matters relating to both Atrium REIT and Atrium REIT Managers, in particular the financial performance and indicators of the investments of Atrium REIT.

The Chief Financial Officer's key roles include the following:

- overseeing the preparation of monthly and annual budgets for effective and efficient management and operations of the Fund;
- overseeing the projection of rental returns, and the accounting for rental collections and operating expenses incurred in the course of managing and operating all investments of Atrium REIT;
- managing rental collections, and operating and property expenses;
- managing all tax affairs;
- overseeing accounts and annual reports preparation, capital management, performance analysis and reporting, corporate treasury functions, dividend distributions and ongoing financial market analysis; and
- overseeing timely release of quarterly and yearly results to Bursa Securities after the necessary approval from the Board.

The Chief Financial Officer also serves as the communication liaison with the Unitholders, analysts and potential investors. This investor-relations role, which is being assisted by the Corporate Affairs Manager, includes the following:

- providing customer service to Unitholders;
- maintaining continuous disclosure and communication to Unitholders, public and potential investors; and
- together with the officers of Atrium REIT Managers, promote and market Atrium REIT to investors and the media through regular communications and road shows.

7. THE MANAGER *(Continued)*

Investment Manager

Our Investment Manager determines the investment strategies of Atrium REIT such as identifying and evaluating potential acquisition targets and investments in property related instruments as well as monitoring the overall performance of the Fund's portfolio. It is the Investment Manager's role to identify new assets with attractive yields and good potential for capital appreciation which are synergistic with Atrium REIT's existing Subject Properties with an aim to grow Atrium REIT and improve distribution yields. The Investment Manager is also responsible for the divestment strategies of Atrium REIT by targeting to divest its real estate investments at the most opportune time so as to arrive at the desired attractive yield for the Fund. In addition, the Investment Manager is also responsible for recommending and analysing potential asset enhancement plans by performing research-driven analysis and financial modelling to study the viability of potential acquisitions, divestments and value-enhancing propositions for Atrium REIT.

There is no immediate need to appoint a separate individual as Investment Manager at this stage and the role of Investment Manager will be performed by our Chief Executive Officer.

It is intended that in the short to medium term after the Listing, Atrium REIT will only invest in real estates. The Fund, however, may explore the investment opportunities in debt/equity instruments so as to diversify its investment portfolio. A qualified fund manager will then be engaged, where applicable, subject to the Trustee's approval and within any relevant regulatory guidelines.

Corporate Affairs Manager

The Corporate Affairs Manager is mainly responsible for overseeing corporate and legal matters relating to both Atrium REIT and Atrium REIT Managers.

The Corporate Affairs Manager's key roles include the following:

- overseeing the preparation of legal documents in relation to property acquisition, disposal, tenancy, lease and borrowings;
- ensuring the Fund's compliance with the Deed, SCA and SC Guidelines on REITs and all other relevant laws when entering into any contract;
- managing and coordinating legal documents and documentation including plans and drawings relating to all investments of Atrium REIT; and
- assisting the Chief Financial Officer in the investor-relations role.

Property Manager

The Property Manager shall be responsible in monitoring and liaising with the Property Management Company to ensure the proper and timely discharge of its duties. The responsibilities of the Property Manager shall encompass the following:

- ensuring timely collection of all rental incomes;
- attend to and ensuring all the tenants' complaints are attended to in a timely manner;
- ensuring the proper and timely execution of all repairs and maintenance;
- monitoring and renegotiating/renewing/seeking new tenants for the expiring leases;
- maintaining good and cordial relationship with the tenants; and

7. THE MANAGER *(Continued)*

- ensuring that payment of the utility bills, sewerage charges, general upkeep and maintenance charges are settled by the tenants on time.

The profiles of our management team are as follows:

Wong Sui Ee. Please refer to Section 7.4 of this Prospectus for the profile of our Executive Director.

Lim Kok How. Please refer to Section 7.4 of this Prospectus for the profile of our Executive Director.

Ong Tiang Peng, aged 34, is our Chief Financial Officer. He graduated with a Bachelor of Accountancy (Hons.) from Universiti Utara Malaysia in 1996. He is a member of the Malaysian Institute of Accountants and the Malaysian Institute of Certified Public Accountants. He commenced his career in the assurance and business advisory division of Arthur Andersen in 1996 and was subsequently transferred to Arthur Andersen, United Kingdom in 2000. He then joined Deloitte & Touche, United Kingdom when Arthur Andersen merged with Deloitte & Touche in the United Kingdom in 2002. Subsequently, he returned to Malaysia at the end of 2003 and joined the consulting division of Deloitte. During his tenure in the United Kingdom, he specialised in private equity fund structures and offshore mutual funds. He joined GBISB group in 2005 as Corporate Finance Manager where he oversees the group's corporate finance and financial matters in addition to managing the group's manufacturing operations and financial reporting.

Cheong Sok Kam, aged 42, is our Corporate Affairs Manager. She is an Associate Member of The Chartered Institute of Management Accountants, United Kingdom since 1990. She has more than sixteen (16) years of experience in the areas of financial and management accounting. She started her career in the United Kingdom as a Trainee Management Accountant in 1990. In 1991, she returned to Malaysia and joined Sunrider International (M) Sdn Bhd, a network marketing company, as an Accountant. She then joined Saggio Computer Company (M) Sdn Bhd, a company that deals with the distribution of computer peripherals, accessories, office supplies and stationeries, as a Finance Manager in 1998. In 2000, she joined World of Specialty Coffee Sdn Bhd, a gourmet coffee franchise company, as Finance Manager. She joined GBISB group in 2005, overseeing the group's financial and management accounting matters. She also manages the group's hospitality division.

Sum Lai Fern, aged 30, is our Property Manager. She graduated from the Federal Institute of Technology in 1997 with a Diploma in Quantity Surveying. Upon graduation, she started her career as a Junior Quantity Surveyor with Silveron Builders Sdn Bhd. In early 1998 she moved to Syarikat Pembinaan Ng as an Assistant Quantity Surveyor cum Purchaser. In November 1998, she joined Pembinaan Chan & Chua Sdn Bhd as an Assistant Quantity Surveyor. She was responsible for pre and post contract administration, evaluation, costing and monitoring quantities of materials for the KL Sentral project, ILP Institute in Muar and ADTEC Institute in Batu Pahat. In 2000, she joined Winflon Products Sdn Bhd as a Quantity Surveyor cum Maintenance Supervisor. She was involved in the administration of construction works for Signature Office Mid Valley, Hotel Caliber Cheras and Cheras Business Centre. In 2002, she was transferred to Crimson Legend (M) Sdn Bhd as a Maintenance Manager, and was responsible for the maintenance of Hotel Caliber, Cheras Business Centre, factories and warehouses within the GBISB group.

7. THE MANAGER (Continued)

	Before the IPO		After the IPO	
	<-----Direct-----> No. of Units '000	<-----Indirect*-----> No. of Units '000	<-----Direct-----> No. of Units '000	<-----Indirect*-----> No. of Units '000
	%	%	%	%
Our Directors:				
Zakaria Bin Meranun (Chairman and Non-Independent Director)	-	-	200 [^]	-
Wong Sui Ee (Chief Executive Officer and Non-Independent Executive Director)	-	-	200 [^]	-
Lim Kok How (Non-Independent Executive Director)	-	5,000 ⁽⁹⁾	200 [^]	5,000 ⁽⁹⁾
How Hu Son (Independent Non-Executive Director)	-	-	100 [^]	-
Tor Peng Sie (Independent Non-Executive Director)	-	-	100 [^]	-
Soong Kwong Heng (Independent Non-Executive Director)	-	-	100 [^]	-
Our key personnel:				
Ong Tiang Peng	-	-	30 [^]	-
Cheong Sok Kam	-	-	20 [^]	-
				4.11

Notes:

[^] Pursuant to the allocation to eligible Directors, employees and business associates of the Manager, GBISB and SSSB.

* For illustrative purposes, the deemed interests are ascertained by extending the application of Section 6A of the Act, to the Units.

@ Units held after the Offer for Sale.

Negligible.

7. THE MANAGER (Continued)

- 1 *Units held pursuant to the acquisition of Atrium Shah Alam 2, after 5,000,000 Units have been allocated to VISB pursuant to an agreement between GBISB and VISB dated 23 January 2007 as reward for participation and contribution by VISB to the Listing.*
- 2 *Deemed interest by virtue of its substantial shareholdings in the Manager.*
- 3 *Deemed interest by virtue of his spouse, namely Christina Chong Yoke Leng.*
- 4 *Deemed interest by virtue of Kilat Idam Sdn Bhd's substantial shareholdings in GBISB and SSSB.*
- 5 *Deemed interest by virtue of Realco Sdn Bhd's substantial shareholdings in GBISB.*
- 6 *Deemed interest by virtue of her direct shareholdings in Kilat Idam Sdn Bhd, indirect substantial shareholdings in Realco Sdn Bhd (both of which are the substantial shareholders of GBISB) and her indirect substantial shareholdings in SSSB (through Kilat Idam Sdn Bhd).*
- 7 *Deemed interest by virtue of his direct shareholdings in Kilat Idam Sdn Bhd and his indirect substantial shareholdings in SSSB.*
- 8 *Deemed interest by virtue of her direct shareholdings in Kilat Idam Sdn Bhd, indirect substantial shareholdings in Realco Sdn Bhd (both of which are the substantial shareholders of GBISB) and her indirect substantial shareholdings in SSSB (through Kilat Idam Sdn Bhd) and her spouse's direct shareholdings in Atrium REIT after the IPO.*
- 9 *Deemed interest by virtue of his direct shareholdings in VISB. Pursuant to an agreement between GBISB and VISB dated 23 January 2007, GBISB has allocated 5,000,000 Units to VISB as reward for its participation and contribution to the Listing.*

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7. THE MANAGER (Continued)

7.7 OUR FINANCIAL POSITION

We were incorporated on 22 September 2005 and hence, as at the LPD, our audited accounts have not been prepared since incorporation.

7.8 OUR FEES

Our management fee for the financial period ending 31 December 2007 and the FYE 31 December 2008 and 31 December 2009 is 0.5% per annum of the NAV of Atrium REIT, payable monthly in arrears and accrues daily, calculated at the end of each month and will be paid to us within seven (7) days of the end of each month. Subsequently, we may charge a management fee of up to 1% per annum of the NAV of the Fund, in accordance to the Deed. There will be no payment due to us by way of remuneration for our services upon the subscription for or the sale of Units and upon any distribution of income and capital or otherwise.

Pursuant to the SCA, any increase in the maximum permitted level of our fee as set out in the Deed must be approved by a resolution of not less than two-third of all Unitholders present and validly voting at a duly convened Unitholders' meeting.

Save for the expenses incurred for the general overheads and costs for services which we are expected to provide and falling within our normal expertise, we have the right to be reimbursed the fees, costs, charges, expenses and outgoings incurred by us that are directly related and necessary to the business of the Fund. For further details of the related fees, charges, expenses and outgoings, please refer to Section 12 of this Prospectus.

7.9 OUR RETIREMENT, REMOVAL OR REPLACEMENT

We may retire as Manager of Atrium REIT at any time after giving three (3) months' written notice (or any shorter period agreed by the Trustee) to the Trustee.

If we;

- (a) are not eligible to be appointed or to act as Manager of Atrium REIT under the relevant laws;
- (b) fail or refuse to act as Manager of Atrium REIT in accordance with the provisions or covenants of the Deed or the provisions of the relevant laws;
- (c) have ceased to exist;
- (d) are not validly appointed;
- (e) are required to be removed by the Unitholders by way of a special resolution passed at a meeting of Unitholders convened for that purpose on the grounds that we are in material breach of our obligations under the Deed and we have failed to remedy such material breach within such time period as shall have been specified by the Trustee and the Trustee has determined that such failure to remedy the breach has a material adverse effect on Atrium REIT; or
- (f) have a receiver appointed over the whole or a substantial part of our assets or undertaking and such event materially and adversely affects our ability to discharge our obligations under the Deed, or a petition is presented for our winding up (other than for the purpose of and followed by a reconstruction, unless during or following such reconstruction we become or are declared to be insolvent),

7. THE MANAGER (Continued)

the Trustee may as soon as practicable after becoming aware of any of the above events take all reasonable steps to have us removed from office.

In addition, we may be removed from office pursuant to the SCA or the SC Guidelines on REITs.

7.10 OUR POWERS TO REMOVE OR REPLACE THE TRUSTEE

The Trustee may be removed from office if a resolution that the Trustee should be removed is passed at a meeting of Unitholders by way of special resolution.

Additionally, we may take steps to remove and replace the Trustee in accordance with the provisions of the SCA and the SC Guidelines on REITs.

Subject to any approval required by the SCA, the Act or by law, we must by Deed appoint a new trustee on the removal of the Trustee.

7.11 OUR RELATIONSHIP WITH THE VENDORS

Atrium Shah Alam 1 and Atrium Shah Alam 2 were purchased from SSSB and GBISB respectively. GBISB holds 60% equity interest in the Manager whilst the substantial shareholder of GBISB, namely Kilat Idam Sdn Bhd, is also the substantial shareholder of SSSB.

As at the LPD, save for Wong Sui Ee, our Chief Executive Officer and Executive Director, who also holds directorships in both SSSB and GBISB, none of our other Directors has any relationship with the Vendors.

7.12 POTENTIAL CONFLICT OF INTEREST

In accordance with the Deed, the prior approval of the Trustee is required for any investment of monies available for investment under the Deed in any securities, real estate or other assets in which the Manager or any officer of the Manager has a financial interest, or from which the Manager or any officer of the Manager derives a benefit.

Further, the Deed also provides that the Trustee, we and any of our delegates should avoid conflicts of interests arising or, if conflicts of interests arise, shall ensure that the Atrium REIT is not disadvantaged by the transaction concerned.

Any transaction carried out on behalf of the Atrium REIT shall be executed on terms which are the best available for the Atrium REIT and which are no less favourable to the Atrium REIT than an arm's length transaction between independent parties. Any event or transaction in which a conflict of interest arises or could arise shall be adequately disclosed in the Prospectus and/or reports of Atrium REIT.

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7. THE MANAGER *(Continued)*

7.13 EXISTING AND POTENTIAL RELATED PARTY TRANSACTIONS

(i) Existing related party transactions:

The acquisition of Atrium Shah Alam 1 is deemed to be a related party transaction as Christina Chong Yoke Leng and Joseph Goh Hock Chai, who are our indirect substantial shareholders, are also the indirect substantial shareholders of SSSB, being the vendor of Atrium Shah Alam 1.

The acquisition of Atrium Shah Alam 2 is deemed to be a related party transaction as GBISB, being the vendor of Atrium Shah Alam 2, is also our substantial shareholder.

(ii) Potential related party transactions:

(a) As set out in Section 5.3.2, GBISB, our substantial shareholder has undertaken to grant Atrium REIT a first right of refusal to acquire from the GBISB Group any real property (whether in Malaysia or otherwise) proposed to be sold by any company under the GBISB Group. In light of this, in the event Atrium REIT acquires any property offered to them by the GBISB Group in accordance with this undertaking, it will be deemed to be a related party transaction.

(b) As set out in Section 5.3.2, Chan Kam Tuck, has undertaken to grant Atrium REIT a first right of refusal to acquire from the Grantors any real property (whether in Malaysia or otherwise) proposed to be sold by a Grantor. In light of this, in the event Atrium REIT acquires any property offered to them by the Grantor in accordance with this undertaking, it may be deemed to be a related party transaction depending on whether the Grantor is a party related to us.

7.14 OUR POLICY IN DEALING WITH CONFLICT OF INTEREST SITUATION

All transactions carried out for or on behalf of Atrium REIT are to be executed on terms that are the best available for the Fund and with terms that are no less favourable than on an arm's length transaction between independent parties.

The Deed provides that:

- (i) we and any of our delegates should avoid conflicts of interest. Should a conflict of interest arises, we should ensure that such a transaction would not disadvantage the Fund;
- (ii) any event or transaction in which a conflict of interest arises or could arise should be adequately disclosed in this Prospectus and/or reports of the Fund;
- (iii) cash or other liquid assets of Atrium REIT may only be placed in a current or deposit account with any party related to us or any of our delegates if the party is a licensed institution or other institution licensed or approved to accept deposits and the terms of the deposit are the best available for the Fund and are no less favourable than an arm's length transaction between independent parties;
- (iv) except as permitted under the Deed and the relevant laws, we may not act as principals in the sale and purchase of real estate, securities and any other assets to and from the Fund. 'Acting in principal' includes a reference to dealing or entering into a transaction on behalf of a person associated with us, acting on behalf of a corporation in which we have a controlling interest in or us acting on behalf of a corporation in which our interest and the interests of our Directors together constitute a controlling interest;

7. THE MANAGER (Continued)

- (v) we must not, without the prior approval of the Trustee, invest any monies available for investment under the Deed in any securities, real estate or other assets in which we or any of our officers have a financial interest or from which we or any of our officers derives a benefit;
- (vi) we must not make improper use of our position in managing Atrium REIT to gain, directly or indirectly, an advantage for ourselves or for any other person or to cause detriment to the interests of the Unitholders;
- (vii) the appointment or renewal of any delegate who is a related party must be made on terms which are the best available for the Fund and which are no less favourable to Atrium REIT than an arm's length transaction between independent parties and be approved by our independent Directors; and
- (viii) subject to any variation or exemptions granted by the SC and/or other relevant authorities, we and our related corporations may not exercise voting rights in respect of the Units that we, our nominees or our related corporations hold in any of the Unitholder's meetings, regardless of the party who requested the meeting and the matter or matters that are laid before the meeting.

Presently, our Board consists of three (3) independent members, and we shall maintain a minimum ratio of at least one-third independent members at all times. For matters in which any of our Director or persons connected to him/her has an interest, whether directly or indirectly, the aforesaid Director will abstain from voting.

7.15 CORPORATE GOVERNANCE

Our Board is firmly committed in ensuring that we implement and operate good corporate governance practices. In developing the system of corporate governance, our Board is guided by the measures recommended by the SC Guidelines on REITs, SC Guidelines on Unit Trust Funds and the Bursa Securities LR.

7.16 REGISTRAR

As set out in Section 10.2 of this Prospectus, the SC has approved the delegation of the Registrar function by us to Bina Management.

We have on 29 December 2006 entered into an agreement to delegate the function of registrar to Bina Management.

Bina Management was incorporated in Malaysia under the Act on 28 August 1979. As at the LPD, the authorised share capital of the Registrar is RM100,000 comprising 100,000 ordinary shares of RM1.00 each, of which 18,000 are issued and fully paid up. The Registrar is principally involved in the provision of share registration and company secretarial services.

At present, Bina Management provides share registration services to forty-three (43) public listed companies and is involved in bonus, rights and takeover issues of shares and dividend, and other payments for companies with up to 50,000 members and involving large sums of money.

7. THE MANAGER (Continued)

As registrar for Atrium REIT, the Registrar shall be providing, inter alia, the following services:

- Maintenance and updating of the Register of Unitholders of Atrium REIT;
- Attending to correspondence, enquiries and requests from Unitholders and the public in relation to any other information as may be approved by the Manager from time to time;
- Perform depository compliance and related matters for Atrium REIT pursuant to the Securities Industry (Central Depositories) Act, 1991 (including all subsequent amendments in the regulations) and any other relevant laws;
- Perform duties relating to distribution of payments to Unitholders;
- Provide facilities for despatch of circulars, notices, reports and other documents to Unitholders;
- Preparing analyses of Unitholders for the Manager, Bursa Securities, SC and other regulatory bodies;
- Maintaining the Register of Unclaimed Moneys and monitoring submission of Form UMA in compliance with the Unclaimed Moneys Act, 1965 (and all amendments to 2002) and any other relevant laws;
- Processing of any corporate exercises of the Fund including issuance of Units;
- To keep sufficient computer back up records and facilities; and
- To maintain any books, records and documents in relation to the services provided by the Registrar for the time period stipulated in the relevant laws, rules and guidelines.

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8. THE PROPERTY MANAGEMENT COMPANY

8.1 BACKGROUND INFORMATION

We had on 21 April 2006 appointed MN Associates (KL) Sdn Bhd as the Property Management Company. MN Associates (KL) Sdn Bhd, has been granted authority by the Board of Valuers, Appraisers and Estate Agents under Section 19 of the VAEA Act to undertake property management functions and is therefore qualified to act as the property manager of the Fund. MN Associates (KL) Sdn Bhd was incorporated in Malaysia under the Act on 7 July 2005 to provide property management services. Its present authorised share capital is 100,000 ordinary shares of RM1.00 each amounting to RM100,000 while its issued and paid-up share capital is 30,000 ordinary shares of RM1.00 each amounting to RM30,000. MN Associates (KL) Sdn Bhd is strictly a fee based property management company without competing interest in property holdings. It is an independent, unaffiliated corporation with no ownership interest in property assets it manages. Therefore, its services are provided without inherent conflict of interest.

8.2 EXPERIENCE IN PROPERTY MANAGEMENT

MN Associates (KL) Sdn Bhd forms part of the MN Associates' group of companies with associated offices located in Shah Alam, Johor Bahru and Alor Setar. Both the Executive Directors in the Property Management Company are experienced and professionally qualified Registered Valuation Surveyors with twenty (20) years of combined experience. Its key personnel have served with various regulatory bodies, government institutions, established firms either locally or overseas and are actively involved in the property management industry.

Presently, the Property Management Company's staff strength comprises of two (2) Executive Directors and five (5) experienced staff. The Property Management Company's management team has vast experience in the property management industry. Profiles of the respective key personnel of the Property Management Company are set out in Section 8.6 below.

8.3 PROPERTIES UNDER MANAGEMENT

Since MN Associates (KL) Sdn Bhd is newly incorporated on 7 July 2005, Atrium REIT is its only appointment. However, the personnel of MN Associates (KL) Sdn Bhd has been actively involved in the property management industry with a track record of managing individual residential landed properties, apartments such as Sri Kemuning Apartment located in Shah Alam and commercial properties such as Prima Business Centre.

8.4 ROLE OF THE PROPERTY MANAGEMENT COMPANY

The Property Management Company will provide, amongst others, the following services:

Management of Subject Properties

- Assisting the Manager with the implementation of organic growth strategy;
- Preparing budgets with the Manager and maintaining the financial records of the Subject Properties;
- Advising on insurance matters;

8. THE PROPERTY MANAGEMENT COMPANY (Continued)

- Ensuring compliance with building and safety regulations;
- Ensuring compulsory outgoings like quit rent and assessment are timely paid to avoid complications with authorities; and
- Ensuring costs borne by tenants like utility bills, sewerage charges and general maintenance and upkeep of building and surroundings are timely paid by tenants.

Lease management and tenant care

- Conducting regular meetings with existing tenants to ensure tenant care facilities are intact;
- Monitoring the terms of lease agreements and administering rental collections; and
- Expired leases are negotiated and renewed or possibility of seeking new tenants.

Project management

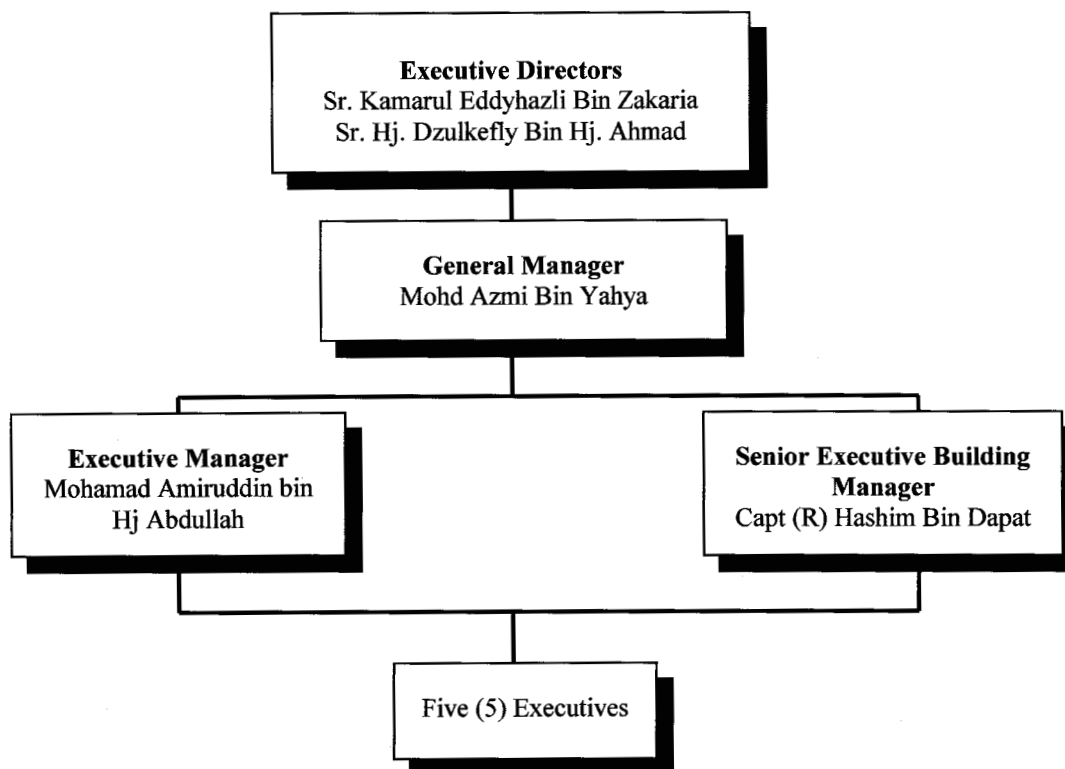
- Supervising and inspecting buildings and surroundings to ensure maintenance work are up-to-date;
- Managing and monitoring the upgrading, refurbishment, retrofitting and renovation works of the Subject Properties;
- Monitoring the extentions of Subject Properties to ensure compliance and additional rental revenue are imputed; and
- Prospecting for additional auxiliary services to be provided to tenants of the Subject Properties for potential additional rental revenue.

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8. THE PROPERTY MANAGEMENT COMPANY *(Continued)*

8.5 THE OPERATIONAL STRUCTURE OF THE PROPERTY MANAGEMENT COMPANY

The following diagram sets out the operational structure of the Property Management Company:



8.6 KEY PERSONNEL OF THE PROPERTY MANAGEMENT COMPANY

The profiles of the key personnel of the Property Management Company are as follows:

Sr. Kamarul Eddyhazli Bin Zakaria, aged 31, was appointed as the Managing Director of the PMC on 7 July 2005. He holds a Bachelor of Science (Hons) in Valuation and Estate Management from the University of West England, Bristol, United Kingdom and is a Professional Registered Valuer with the Board of Valuers, Appraisers and Estate Agents Malaysia governed under Section 19 of the VAEA Act. He is also accredited as a professional member of the Institution of Surveyors Malaysia, which carries a title of Sr. He commenced his career in W.M Malik & Kamaruzaman Chartered Surveyors in 1997 as a Valuer. He then joined Irhamy & Co Chartered Surveyors as a Property Manager from 1999 to 2004. He has past experience in property and project management and had worked with various government departments, developers, property investors and corporate entities. Among the buildings under his care are the Sri Damansara Hawker and Commercial Centre and Casa Magna Apartment, which were developed by Sri Damansara Sdn Bhd and Metro Prima Sdn Bhd respectively. He worked with Majlis Perbandaran Seberang Perai to undertake a property revaluation project where he was required to inspect various major factories, warehouses and major installations such as Petronas Dagang Depot, TNB Power Station, Butterworth Bulking Installation and Wilma Edible Oils. He will be responsible for overseeing the property management of the Subject Properties. His last appointment prior to joining the PMC was with Raine & Horne International Zaki + Partners Sdn Bhd as a Senior Registered Valuer where he was entrusted to serve and provide investment advice to corporate clients.

8. THE PROPERTY MANAGEMENT COMPANY (Continued)

Sr. Hj Dzulkefly Bin Hj Ahmad, aged 40, is a Senior Registered Valuer and Property Manager of the PMC, and is attached to its associate office in Johor Bahru. He has more than seventeen (17) years of experience in property valuation, property management and property investment consultancy. He holds an honours degree in Property Management from Universiti Teknologi of Malaysia (UTM) in 1988 and a Master of Science in Property Investment from the City University, London in 1997. Prior to starting the company, he was a Branch Manager of Ismail & Co Valuer (Johor) Sdn Bhd (1996-2001), a Valuation Officer at the Valuation & Property Services Department of Ministry of Finance at Temerloh, Pahang (1993-1995) and a Valuation Executive at Raine & Horne International Zaki + Partners Sdn Bhd in Kuala Lumpur (1988-1992). He is a member of the Institute of Surveyors, Malaysia (ISM), a registered Valuer and a registered Estate Agent with the Board of Valuers, Appraisers and Estate Agents, Malaysia. He is also a licensed Auctioneer for the state of Johor and Negeri Sembilan.

Mohd Azmi Bin Yahya, aged 53, is the General Manager of the PMC. He holds a Bachelor of Computer Science (Hons) from the University of Essex in United Kingdom. He has approximately fifteen (15) years experience working with several companies with different backgrounds, specialising in computed operation and security system, building management & maintenance and mechanical & electrical works. He commenced his career with Dunlop Malaysia Industries Berhad as an Analyst Programmer from 1979 to 1980. He then joined Malaysia International Shipping Corporation as a System Analyst for approximately three (3) years. Subsequently, he joined Daya Urus Sdn Bhd, a company which was given a mandate to manage Dayabumi Complex. The complex is a shopping cum office building with a total of 1.5 million square feet which accommodates a eight-storey General Post Office, a thirty-five storey tower block and a five-storey podium sited on 13 acres site in the heart of Kuala Lumpur City Centre. His last appointment before he left Daya Urus Sdn Bhd in 1990 was as a Property Manager. Prior to joining the PMC, he was attached with Amaze Square Corporation Sdn Bhd where he was responsible for managing, designing and supervising high tension and low tension electrical installation of buildings and projects. The list of major projects and buildings that he was directly involved in includes, amongst others, MCIS Seremban Laminated Glass Plant, UTM Skudai, Johor Complex Perniagaan "A" and International Islamic University Gombak Campus.

Mohamad Amiruddin bin Hj Abdullah, aged 27, is the Assistant Executive Manager of the PMC. He holds a Bachelor of Science (Hons) in Land Administration & Development from the University Technology of Malaysia. Prior to joining the PMC, he was attached with several valuation companies in Kuala Lumpur. His responsibility includes report preparation, analysis of property sales transaction and property investment. He is experienced in matters relating to land development, project constructions, real estate agency issues, project monitoring and management, financial analysis on cashflow of property development, market and feasibility studies, compulsory land acquisition valuation and land acquisition consultancy. His last appointment prior to joining PMC was as a Valuation Assistant with Chesterton International (KL) Sdn Bhd.

Capt (R) Hashim Bin Dapat, aged 50, is the Senior Executive Building Manager of the PMC, and is attached to its associate office in Johor Bahru. He has more than ten (10) years experience in the management of apartments and condominiums in Johor Bahru. He commenced his career with the Malaysian Armed Forces as a Military Officer from 1977 to 1996. During his nineteen (19) years stint as a Military Officer, he had an opportunity to work under the flag of the United Nations in Cambodia from March 1992 to June 1993. After retiring from the Malaysian Armed Forces, in 1996, he joined Permas Jaya Sdn Bhd as its Property Administration Executive until 2003. His main duty is to supervise and oversee the running of and the administration of all apartments/condominiums and liaise with government agencies and local authorities. In 2003, he was later promoted to Golf Club Manager.

8. THE PROPERTY MANAGEMENT COMPANY (Continued)

8.7 PROPERTY MANAGEMENT FEE

The Property Management Company is entitled to receive the following fee for managing the Subject Properties:

- In respect of the first RM30,000 of the gross annual rental income from the Subject Properties, 5% per annum of such gross annual rental income;
- In respect of the residue up to RM100,000 of the gross annual rental income from the Subject Properties, 3% per annum of such gross annual rental income; and
- In respect of the residue over RM100,000 of the gross annual rental income from the Subject Properties, 2% per annum of such gross annual rental income.

The above fee is payable monthly in arrears, with no further additional claims charged. A 30% discount is given, as permitted under the Valuers, Appraisers and Estate Agents (Amendment) Rules 2002.

8.8 SALIENT TERMS OF THE PROPERTY MANAGEMENT AGREEMENT

The salient terms of the property management agreement dated 29 December 2006 ("Property Management Agreement") are as follows:

- (i) PMC is appointed by the Manager with the approval of the Trustee as the property manager of the Subject Properties;
- (ii) PMC will provide the Services (as set out in Section 8.4 of this Prospectus) in the management of the Subject Properties;
- (iii) the Property Management Agreement is conditional upon the completion of the acquisition of the Subject Properties pursuant to the relevant SPAs and will be effective from the date of completion of the acquisition of the Subject Properties ("Effective Date") and unless otherwise terminated earlier, will expire one (1) year from the Effective Date;
- (iv) subject to the satisfactory performance of the Services, the Manager shall pay the PMC the fees calculated in accordance with the provisions of the Property Management Agreement ("Property Management Fees");
- (v) PMC shall not, in providing the Services, start or defend court, arbitration, tribunal or similar proceedings on the Trustee's behalf without the Manager's prior written consent and without first giving prior notice in writing to the Trustee;
- (vi) each of the Trustee and the Manager fully and effectively indemnifies the PMC against all claims and liabilities which PMC in the management of the Subject Properties may suffer arising out of or in connection to the provision of the Services in accordance with the provisions of the Property Management Agreement, including without limitation, any injury to persons or damage to property, save to the extent claims or liabilities which arose out of any negligence, wilful misconduct, breach or default of PMC. The maximum amount payable pursuant to this indemnity, with respect to any claim for indemnity in any particular year, shall not in any event exceed an amount equivalent to fifty percent (50%) of the Property Management Fees payable for that year;

8. THE PROPERTY MANAGEMENT COMPANY (Continued)

- (vii) PMC fully and effectively indemnifies the Trustee and the Manager against all claims and liabilities which the Trustee and/or the Manager may suffer arising out of or in connection to any wilful misconduct, breach, default or negligence by PMC in the performance of the Services under this Property Management Agreement and not arising out of or in connection to any negligence or default of the Trustee or the Manager, as the case may be. The maximum amount payable pursuant to this indemnity, with respect to any claim for indemnity in any particular year, shall not in any event exceed an amount equivalent to fifty percent (50%) of the Property Management Fees payable for that year;
- (viii) the indemnity granted shall exclude any loss of profits, consequential and indirect losses suffered by the Trustee, Manager or PMC, as the case may be;
- (ix) in the event the Trustee sells or disposes any of the Subject Properties, the appointment of PMC in respect of such Subject Property shall terminate on the date of completion of such sale or disposal provided that the Trustee or the Manager shall have first given to PMC at least one (1) month's written notice of termination (or such shorter period acceptable to PMC) before the date of completion of the sale of such Subject Property. Subject to the foregoing, PMC shall not be entitled to any compensation whatsoever, including for the unexpired term of the appointment as at the date of termination.
- (x) Either PMC or the Manager can terminate the Property Management Agreement by giving a three (3) months' notice in writing to the other and the Trustee, if:
 - (a) a party ("Defaulting Party") (excluding the Trustee) fails to perform or observe any material undertaking, obligation or agreement expressed or implied in, or given in relation to the Property Management Agreement and the Defaulting Party does not remedy the failure within twenty-one (21) days, or any longer period determined by the other party ("Non-Defaulting Party") (excluding the Trustee), after receipt by the Defaulting Party of a notice from the Non-Defaulting Party specifying the failure; or
 - (b) in the sole opinion of the Manager, PMC is incompetent, guilty of misconduct and/or serious or persistent negligence or default in the provision of the Services;
- (xi) either PMC or the Manager can immediately terminate the Property Management Agreement, without prejudice to any rights and remedies against the other party ("Other Party") (being the party receiving the notice of termination pursuant to this sub-Clause but which shall exclude the Trustee), by giving a written notice to the Other Party and the Trustee if:
 - (a) the Other Party is unable to pay its debts as and when they fall due or generally suspends payment of its debts;
 - (b) an order is made for the winding up or dissolution of the Other Party or a resolution is passed or any steps are taken to pass a resolution for the winding up or dissolution of the Other Party (other than for the purpose of amalgamation or reconstitution with the consent of the party terminating the Property Management Agreement which consent shall not be unreasonably withheld);
 - (c) a receiver, administrator, manager, receiver and manager or agent is appointed to administer the Other Party or any undertaking or property of the Other Party or any encumbrancer is validly entitled to exercise any power to sale over any part of the undertaking or property of the Other Party;
 - (d) a provisional liquidator or liquidator is appointed in respect of the Other Party;

8. THE PROPERTY MANAGEMENT COMPANY (Continued)

- (e) except to reconstruct or amalgamate while solvent with the consent of the party terminating this Property Management Agreement, such consent not to be unreasonably withheld, the Other Party enters into, or resolves to enter into, a scheme or arrangement, composition or compromise with, or an assignment for the benefit of its creditors or any class of its creditors, or it proposes a reorganisation, moratorium or other administration involving its creditors or any class of them; or
- (f) PMC is in breach of its representations, warranties and undertakings under the Property Management Agreement;
- (xii) notwithstanding any provisions herein, either the Manager or PMC shall be entitled to terminate the Property Management Agreement, without assigning any reasons and without payment of any compensation, by giving to the other party and the Trustee not less than three (3) months' written notice;
- (xiii) termination of the Property Management Agreement will not prejudice any right or remedy which a party of the Property Management Agreement may have or but for the termination may have had, against the other parties of the Property Management Agreement for a breach of the Property Management Agreement;
- (xiv) if the Property Management Agreement is terminated, then PMC shall do everything reasonably necessary to assist the Manager and the Trustee in handing over the management of the Subject Properties to a new property manager;
- (xv) the Property Management Agreement is personal to PMC who shall not assign or transfer any of its rights, obligations or duties under the Property Management Agreement without the prior written consent of the Manager and the Trustee. The Trustee shall not unreasonably withhold its consent in the event that the Manager has granted its consent;
- (xvi) PMC shall not subcontract part or all of the Services to any party without the prior written consent of the Manager having been obtained and such consent shall be notified to the Trustee by the Manager;
- (xvii) PMC remains fully liable for the performance of its own obligations under the Property Management Agreement notwithstanding the appointment of any sub-contractor by PMC to provide the Services or any part thereof; and
- (xviii) the Trustee, the Manager and PMC shall, when required to do something under the Property Management Agreement, act promptly and reasonably in the circumstances, including, in the giving of any consents, approvals, directions or instructions where required.

8.9 UNITHOLDING OF THE PROPERTY MANAGEMENT COMPANY IN ATRIUM REIT

As at the LPD, neither the Property Management Company nor its key personnel hold any Units in Atrium REIT.

9. THE TRUSTEE

9.1 BACKGROUND INFORMATION

BHLB Trustee has been appointed to act as the trustee of Atrium REIT. The Trustee was incorporated on 25 August 1994 under the Act, and is registered as a trust company under the Trust Companies Act, 1949. BHLB Trustee commenced operations on 1 September 1995, and is engaged in the provision of private and corporate trustee services.

As at the LPD, BHLB Trustee has an authorised share capital of RM5,000,000 comprising 500,000 ordinary shares of RM10.00 each, of which 350,000 ordinary shares of RM5.00 each have been paid-up. As at the LPD, the Trustee has a staff strength of twenty-eight (28) experienced personnel comprising twenty-two (22) executives and six (6) non-executives.

9.2 THE TRUSTEE'S EXPERIENCE IN MANAGING UNIT TRUST FUNDS

The Trustee has more than ten (10) years of experience in handling unit trust matters. As at the LPD, the Trustee has thirty-seven (37) unit trust funds from eight (8) unit trust management companies under its trusteeship.

9.3 BOARD OF DIRECTORS OF THE TRUSTEE

As at the LPD, the Board of Directors of the Trustee is as follows:

Name	Designation
Dato' (Dr) Yeap Leong Huat	Chairman and Director
Yeap Lam Yang	Director
Tan Leng Hock	Director
Lim Yoke Long	Director

9.4 KEY MANAGEMENT TEAM

The profiles of the key management team of the Trustee are as follows:

Lim Yoke Long, aged 35, is the Chief Executive Officer and a Director of BHLB Trustee. He graduated with a Bachelor of Laws from the University of London, United Kingdom in 1994 and obtained his Masters of Business Administration from Universiti Putra Malaysia in 1999. He is an experienced adviser in the trust industry and a leading promoter of estate planning tools. Having attended the Malaysian Unit Trust Administration Course organised by the Federation of Malaysian Unit Trust Managers and the Securities Institute of Education, Australia, he has been involved in the trust and legal services industry since 1992. Mr Lim is responsible for marketing and operations, and oversees the Securities, Investment, Legal and Trust Administration Divisions of BHLB Trustee.

Ng Lai Peng, aged 37, is the General Manager of BHLB Trustee and is in charge of its Finance and Operations Department. With a LCCI qualification and more than eleven (11) years of experience in accounting, she is responsible for finance and operations, and supervises the development of systems and methods, and all internal control procedures. Ms Ng also monitors clients' accounts, and oversees the investment portfolio and performance of funds under management by BHLB Trustee.

9. THE TRUSTEE (Continued)

Law Oi Meng, aged 36, is the Senior Manager of Securities & IT Department of BHLB Trustee. She graduated with a Bachelor's Degree in Information Technology from the University of Southern Queensland, Australia in 2003. She has more than ten (10) years of working experience in developing and implementing IT systems. She is responsible for planning, developing and implementing systems to support the smooth flow of information processing for BHLB Trustee.

Kong Yuen Leng, aged 48 is the Property & Distribution Manager of BHLB Trustee. She is a LCCI holder with well over twenty (20) years of experience in administrative and secretarial functions. She is currently involved in the management of properties, distribution of assets of estates and trust administration.

Soo Poi Yoke, aged 33 is the Senior Manager of Trust & Estate Administration of BHLB Trustee. She graduated with a Bachelor of Laws (Hons) from the University of Glamorgan, Wales in 1995 and has cumulative work experience of nine (9) years comprising two (2) years in legal practice and seven (7) years in a legal advisory capacity for trading and stockbroking companies. In her current position, she manages BHLB Trustee's in-house legal function, and renders legal advisory support to business units and the management team of BHLB Trustee.

Azida Abdul Aziz, aged 27, is the Assistant Manager of the Securities Department of BHLB Trustee. She graduated with a Diploma in Accountancy from Universiti Teknologi Mara in 2001. Prior to joining BHLB Trustee, she was attached to a trustee firm for 1½ years as an Accounts Clerk in the Operations and Settlement Department. She supervises the operations in the Securities Department of BHLB Trustee and is responsible for the administration and smooth operation of the Securities Department.

9.5 FINANCIAL POSITION

The following is a summary of the past performance of BHLB Trustee based on its audited accounts for the past three (3) financial years:

FYE 31 December	2003	2004	2005
	RM'000	RM'000	RM'000
Issued and paid-up capital	1,750	1,750	1,750
Shareholders' funds	2,125	2,468	2,226
Turnover	3,019	3,841	4,138
PBT	1,141	1,158	1,216
PAT	814	848	892

9.6 TRUSTEE FEE

Atrium REIT will pay the Trustee an annual trustee fee which accrues daily at a rate of 0.04% per annum of Atrium REIT's NAV, subject to a minimum fee of RM40,000 per annum and is payable monthly in arrears.

Pursuant to the SCA, any increase in the maximum permitted level of the Trustee fee as set out in the Deed must be approved by a resolution of not less than two-third of all Unitholders present and validly voting at a duly convened Unitholders' meeting.

9. THE TRUSTEE (Continued)

9.7 DUTIES AND RESPONSIBILITIES OF THE TRUSTEE

The Trustee's duties and responsibilities are set out in the Deed. The general duties and responsibilities of the Trustee include, but are not limited to, the following:

- (a) acting as trustee of Atrium REIT and therefore, safeguarding the rights and interests of the Unitholders;
- (b) taking custody and control of all the assets of Atrium REIT and holding them in trust for the Unitholders in accordance with the provisions of the Deed and the relevant laws;
- (c) ensuring that the Manager does not make improper use of the Manager's position in managing Atrium REIT to gain, directly or indirectly, an advantage for itself or for any other person or to cause detriment to the interests of the Unitholders; and
- (d) exercising all the powers of a trustee and powers that are incidental to the ownership of assets of Atrium REIT.

The Trustee has covenanted in the Deed that it will exercise due diligence and vigilance in carrying out its duties and responsibilities, and in safeguarding the rights and interests of the Unitholders.

9.8 RETIREMENT, REMOVAL OR REPLACEMENT OF THE TRUSTEE**(i) Retirement**

The Trustee may retire as trustee of Atrium REIT immediately upon the expiry of three (3) months' written notice (or any shorter period agreed by the Manager) given by the Trustee to the Manager, provided always that a new trustee shall first have been duly appointed.

(ii) Removal and replacement

The Trustee may be removed from office:

- (a) if a resolution that the Trustee should be removed is passed at a meeting of Unitholders by way of special resolution; or
- (b) by the relevant authorities or the Manager under the relevant laws.

Upon retirement or removal of the Trustee, the Manager must by Deed, subject to relevant laws, appoint a replacement trustee.

9.9 POWERS OF THE TRUSTEE TO REMOVE OR REPLACE THE MANAGER

If the Manager:

- (a) is not eligible to be appointed or to act as the management company of Atrium REIT under the relevant laws;
- (b) fails or refuses to act as the management company of Atrium REIT in accordance with the provisions or covenants of the Deed or relevant laws;
- (c) has ceased to exist;
- (d) is not validly appointed;

9. THE TRUSTEE (Continued)

- (e) is required to be removed by the Unitholders by way of a special resolution passed at a meeting of Unitholders convened for that purpose on the grounds that the Manager is in material breach of its obligations under the Deed and the Manager has failed to remedy such material breach within such time period as shall have been specified by the Trustee and the Trustee has determined that such failure to remedy the breach has a material adverse effect on the Atrium REIT; or
- (f) has a receiver appointed over the whole or a substantial part of its assets or undertaking and such event materially and adversely affects the Manager's ability to discharge its obligations under the Deed, or a petition is presented for the Manager's winding up (other than for the purpose of and followed by a reconstruction, unless during or following such reconstruction the Manager becomes or is declared to be insolvent),

the Trustee may as soon as practicable after becoming aware of any of the above events take all reasonable steps to have the Manager removed from office. The Manager may also be removed from office pursuant to the relevant laws.

Upon the Manager's retirement or removal, a new management company may be appointed in accordance with the Deed and the relevant laws.

9.10 TRUSTEE'S RESPONSIBILITY STATEMENT

The Trustee has given its willingness to assume the position as trustee of Atrium REIT and all the obligations in accordance with the Deed and all relevant laws, and also its willingness to provide an indemnity to the Manager for the benefit of the Unitholders of Atrium REIT for any loss incurred as a result of any non-performance of the Trustee.

9.11 DELEGATION OF TRUSTEE FUNCTION

As at the LPD, the Trustee has not delegated any of its functions in relation to Atrium REIT to any third party.

9.12 MATERIAL LITIGATION AND ARBITRATION

As at the LPD, the Trustee is not engaged in any material litigation and arbitration, either as plaintiff or defendant, which has a material effect on the financial position of the Trustee and the Board of Directors of the Trustee does not know of any proceedings pending or threatened or of any facts likely to give rise to any proceedings, which might materially and adversely affect the position of the Trustee.

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10. APPROVALS AND CONDITIONS

10.1 APPROVAL AND CONDITIONS

The SC had vide its letter dated 17 October 2006 approved the IPO. The conditions imposed by the SC and the respective status of compliance is as follows:

	Details of conditions imposed	Status of compliance
(i)	Atrium REIT Managers or its adviser must clearly disclose the following in the fund's prospectus: (a) clear growth strategy and plans for Atrium REIT in the medium-term and long-term, such as acquisitions of additional real estates; (b) the risks and ways to mitigate the risks of single tenant;	Duly complied with as disclosed in Sections 5.3 and 5.5.2 (b) of this Prospectus.
(ii)	Atrium REIT Managers to obtain the approval from the relevant authorities on the building extension (Atrium Rawang) within twelve (12) months from the date of the SC's approval;	To be complied with.
(iii)	Atrium REIT Managers to make quarterly announcement on the status of application to Bursa Malaysia until such time that the approval on the abovementioned extension is obtained from the relevant authority;	Noted and to be complied with.
(iv)	Atrium REIT Managers or the adviser to update the SC on the status of such compliance when such announcements are made;	Noted and to be complied with.
(v)	Atrium REIT Managers or its adviser to provide satisfactory evidence of compliance with Clause 4.02(4) of the Guidelines on Real Estate Investment Trusts before registration of Prospectus;	Duly complied with.
(vi)	Atrium REIT Managers must maintain 30% Bumiputera equity at all times;	Noted and will be complied with at all times.
(vii)	Atrium REIT Managers or its advisers to submit an operational audit report to the SC six (6) months after Atrium REIT is launched and listed. The appointment of the auditors and scope of work shall be subject to the SC's clearance;	Noted and will be complied with.
(viii)	The SC's approval for the proposed candidates for the Chief Executive Officer and members of the Board of Directors is subject to there being no adverse findings from the vetting process conducted on all the candidates;	Noted.
(ix)	Atrium REIT Managers or its adviser must inform the SC the date of appointment of the Chief Executive Officer and the Board of Directors (of Atrium REIT Managers) within two (2) weeks after the appointment is made effective;	Duly complied with.
(x)	Atrium REIT Managers or its adviser to inform the SC the listing date of Atrium REIT prior to the listing of the fund;	Noted and to be complied with.

10. APPROVALS AND CONDITIONS (Continued)

	Details of conditions imposed	Status of compliance
(xi)	Atrium REIT Managers or its adviser to inform the SC upon the completion of the proposal;	Noted and to be complied with.
(xii)	Atrium REIT Managers, BHLB Trustee and Atrium REIT to fully comply with all the relevant requirements in the Guidelines on Real Estate Investment Trusts, the Securities Commission Act 1993 and any notices that are issued from time to time (where relevant); and	Complied, where applicable, and save for the waivers granted by the SC as set out in Section 10.3 below.
(xiii)	The listing of Atrium REIT must be completed within six (6) months from the date of the SC's approval letter (ie. 17 October 2006). The SC's approval is deemed to lapse if Atrium REIT Managers fails to do so within the stipulated timeframe.	Noted.

10.2 FURTHER APPROVAL GRANTED BY THE SC

The delegation of the registrar function by us to Bina Management has been approved by the SC vide its letter dated 19 December 2006.

10.3 WAIVERS

The SC had, vide its letter dated 9 January 2007, granted the waivers set out in (a) and (b) below subject to certain conditions:

- (a) waiver from Schedule F, Section 4.0 (16) (ii) of the SC Guidelines on REITs which provides that the prospectus must include specific disclosures on the real estate, including brief particulars about the tenancies which include their average current rent, net income and assessment of future income; and
- (b) waiver from Clause 7.03(2) of the SC Guidelines on REITs which provides that the units may be placed with persons other than parties connected to the placement agent.

The conditions imposed by the SC for the above waivers are as follows:

	Details of conditions imposed	Status of compliance
(i)	Atrium REIT Manager to disclose in the Prospectus the gross rental income for the entire portfolio of Atrium REIT;	Duly complied with as disclosed in Section 11.2.1 of this Prospectus.
(ii)	Aseambankers should establish internal arrangements (Chinese walls) to prevent persons connected/parties related to it from accessing the book;	Noted and to be complied with.
(iii)	The related parties should disclose to Atrium REIT Manager and Aseambankers, the amount of order which they have put in for their own/proprietary account and customer account, whichever is applicable; and	Noted and to be complied with.
(iv)	Aseambankers should fully inform and obtain consent of Atrium REIT Manager on inviting the related parties/connected persons to bid for the Units.	Noted and to be complied with.

10. APPROVALS AND CONDITIONS *(Continued)*

10.4 OTHER APPROVAL

The FIC had, vide its letter dated 18 May 2006, approved the acquisitions of Atrium Puchong and Atrium Rawang under the Guideline on the Acquisition of Properties by Local and Foreign Interests.

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11. FINANCIAL INFORMATION OF ATRIUM REIT

11.1 PROFORMA INCOME STATEMENTS

As Atrium REIT is a newly established fund, save for the Subject Properties to be acquired, it does not have any portfolio of real estates and there is no historical financial information prepared since its establishment. The proforma income statements of Atrium REIT for the five (5) FYEs 31 December 2001 to 31 December 2005 and the ten (10) months ended 31 October 2006, as shown below, has been prepared for illustrative purposes only, assuming that Atrium REIT has been in existence throughout the past five (5) years.

PAST PERFORMANCE OF THE FUND IS NOT AN INDICATION OF FUTURE PERFORMANCE.

	-----<----- FYE 31 December ----->-----					Ten (10) months ended 31 October 2006
	2001	2002	2003	2004	2005	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Gross rental income	160	1,876	4,218	6,758	8,722	11,071
Less: Property operating expenses*	(4)	(76)	(204)	(314)	(389)	(818)
PBT	156	1,800	4,014	6,444	8,333	10,253
Taxation	-	-	-	-	-	-
PAT	156	1,800	4,014	6,444	8,333	10,253

Note:

* *The expenses above are extracted based on expenses directly related to the operations of the Subject Properties such as assessment, insurance, quit rent and expenses for repairs and maintenance. In view that Atrium REIT was constituted on 20 November 2006, the proforma income statements do not include the expenses specifically incurred by a REIT, e.g. property management fees, trustee fees and REIT management fees.*

11.1.1 Analysis of the past performance of the Subject Properties

Review of FYE 2001

Revenue arose from the commencement of operations of Atrium Rawang in 4th quarter of 2001.

Review of FYE 2002

Atrium Puchong commenced its operations in the fourth quarter of 2002 resulting in a significant increase in revenue for 2002.

Review of FYE 2003

The revenue for the FYE 2003 showed a full year of operations of both Atrium Rawang and Atrium Puchong.

11. FINANCIAL INFORMATION OF ATRIUM REIT (Continued)

Review of FYE 2004

The growth in revenue in 2004 was attributable to the commencement of Atrium Shah Alam 2's operations in mid 2004. The repair and maintenance expenses only began in 2004 as a result of the warranty period granted for the earlier years in relation to Atrium Rawang and Atrium Puchong.

Review of FYE 2005

The revenue for the FYE 2005 showed a full year of operations for the Subject Properties except for Atrium Shah Alam 1, which only commenced operations in early 2006.

Review of FYE 2006

The revenue was for ten (10) months' operations, based on 100% occupancy of all the Subject Properties.

11.2 FUTURE FINANCIAL INFORMATION

11.2.1 Profit forecast and projections with its bases and assumptions

Barring any unforeseen circumstances, our Directors forecast and project that the distribution to Unitholders for the financial period ending 31 December 2007 and the FYE 31 December 2008 and 31 December 2009 will be as follows:

FYE 31 December	Forecast ^{^^}	<----- Projections ----->	
	2007 RM'000	2008 RM'000	2009 RM'000
Gross rental income	10,231	13,750	13,750
Interest income	466	636	656
Gross income	10,697	14,386	14,406
Less:			
Property operating expenses*	600	801	801
Non-property expenses:			
Management fee	479	654	656
Trustee fee	38	52	53
Interest expense	1,803	2,404	2,404
Others	276	371	371
PBT	7,501	10,104	10,121
Taxation	-	-	-
PAT	7,501	10,104	10,121
Distribution to Unitholders (95% of PBT)	7,126	9,599	9,615
Number of Units in issue ('000)	121,801	121,801	121,801
Issue Price per Unit (RM)	1.05	1.05	1.05
Distribution per Unit (sen)	7.80 [^]	7.88	7.89
Distribution rate (%)	95	95	95
Distribution yield (%)	7.43 [^]	7.51	7.52

11. FINANCIAL INFORMATION OF ATRIUM REIT (Continued)

FYE 31 December	Forecast ^{^^}	Projections	
	2007 RM'000	2008 RM'000	2009 RM'000
Distribution cover (times)	1.05	1.05	1.05
MER (%) [@]	0.66	0.89	0.89

Notes:

^{^^} The Acquisitions, the Retail Offering and the Institutional Offering are expected to be completed by end of March 2007. Accordingly, the profit forecast for the financial period ending 31 December 2007 reflects Atrium REIT's operations for a period of nine (9) months, which is from 1 April to 31 December 2007.

* The main property operating expenses includes the Property Management Company's fees of RM144,354, RM193,617 and RM193,617 for the financial period ending 31 December 2007 and the FYE 31 December 2008 and 31 December 2009 respectively.

Annualised.

[@] The MER provides a measure by which investors can assess and compare the outgoing expenses incurred by the Fund. These expenses are deducted from the Fund prior to the computation of the distributable income of the Fund.

MER is based on the following computation:

$$\frac{\text{Fees of the Fund}}{\text{Average NAV of the Fund for the year calculated on a daily basis}} \times 100$$

Where:

Fees = All expenses to be charged to the Fund for the financial period ending 31 December 2007 and the FYE 31 December 2008 and 31 December 2009 which include the Manager, Trustee and auditor fees are as follows:

2007 RM'000	2008 RM'000	2009 RM'000
793	1,077	1,080

Average NAV of the Fund = The forecast and projected NAV of the Fund for the financial period ending 31 December 2007 and the FYE 31 December 2008 and 31 December 2009 are as follows:

2007 RM'000	2008 RM'000	2009 RM'000
119,951	120,456	120,962

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11. FINANCIAL INFORMATION OF ATRIUM REIT (Continued)

11.2.2 Sensitivity Analysis

The profit forecast and projections included in this Prospectus are based on a number of assumptions that have been outlined in Section 11.3 of this Prospectus, subject to a number of risks as outlined in Section 5.5 of this Prospectus.

You should be aware that future events cannot be predicted with any certainty and that deviation from the figures forecasted or projected in this Prospectus are to be expected. Depicted below is the impact on Atrium REIT's profit and distribution as a result of changes in rental income. The assumptions for rental revenue have been set out in Section 11.3 of this Prospectus.

The sensitivity analysis is intended to provide a guide only and variations in actual performance could exceed the ranges shown. Movement in other variables may offset or compound the effect of a change in any variable beyond the extent shown.

	-5% RM'000	0% RM'000	+5% RM'000
Financial period ending 2007			
PAT/PBT	7,012	7,501*	7,990
% change	-6.52%		6.52%
Distribution to Unitholders	6,662	7,126*	7,590
% change	-6.52%		6.51%
FYE 2008			
PAT/PBT	9,447	10,104	10,760
% change	-6.50%		6.49%
Distribution to Unitholders	8,974	9,598	10,222
% change	-6.50%		6.50%
FYE 2009			
PAT/PBT	9,463	10,121	10,779
% change	-6.50%		6.50%
Distribution to Unitholders	8,990	9,615	10,240
% change	-6.50%		6.50%

Note:

* *The Acquisitions, the Retail Offering and the Institutional Offering are expected to be completed by end of March 2007. Accordingly, the profit forecast for the financial period ending 31 December 2007 reflects Atrium REIT's operations for a period of nine (9) months, which is from 1 April to 31 December 2007.*

11.2.3 Our Directors' Analysis of Profit Forecast and Projections**Financial period ending 31 December 2007**

The forecast PAT for the nine (9) months ending 31 December 2007 is approximately RM7.50 million after taking into consideration the slight increase in rental rates of Atrium Shah Alam 1 as compared to 2006.

FYE 31 December 2008 and 2009

For FYE 2008 the rental income increases slightly as a result of Atrium Rawang whereby the tenancy agreement provides for an increase in rental rates every three (3) years. This results in an increase in PAT from approximately RM7.50 million for the nine (9)-month period ending 31 December 2007 to approximately RM10.10 million in FYE 2008. This trend continues into 2009 assuming Atrium REIT does not acquire any assets. All the existing tenants are expected to renew their tenancies upon expiry.

Our Board confirms that the profit forecast and projections of Atrium REIT for the financial period ending 31 December 2007 and the FYE 31 December 2008 and 31 December 2009 and the underlying bases and assumptions in preparing the aforesaid forecast and projections for the same period have been reviewed by our Board and after due and careful enquiries, are of the opinion that the aforesaid profit forecast and projections of Atrium REIT are fair and reasonable after taking into consideration the following:

- future prospects of the real estate industry, especially the REIT industry and custom-built warehouses and factories with secure long-term tenancies with financially sound tenants.
- future prospects of the Malaysian economy;
- future plans and strategies of Atrium REIT; and
- optimum capital structure taking into consideration the working capital requirements and gearing restrictions. Our current gearing of 25.66% of forecast total asset value upon the Listing is lower than the restriction of 50% and this allows us to borrow for future new acquisitions.

Nevertheless, the underlying bases and assumptions used in preparing the profit forecast and projections cover future periods for which there are inherent risks and therefore, should be treated with caution. These bases and assumptions are subject to significant uncertainties and contingencies, which are sometimes beyond our control and may have a material impact on the profit forecast and projections.

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11. FINANCIAL INFORMATION OF ATRIUM REIT (Continued)

11.3 REPORTING ACCOUNTANTS' LETTERS ON THE PROFIT FORECAST AND PROJECTIONS

Deloitte.

Deloitte KassimChan (AF 0080)
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myaaa@deloitte.com
www.deloitte.com.my

29 January 2007

The Board of Directors
Atrium REIT Managers Sdn Bhd
34-3, Jalan 5/101C, Off Jalan Kaskas
Jalan Cheras
56100 Kuala Lumpur

Dear Sirs,

**ATRIUM REAL ESTATE INVESTMENT TRUST ("Atrium REIT")
PROFIT FORECAST FOR THE FINANCIAL PERIOD ENDING 31 DECEMBER 2007**

We have reviewed the profit forecast of Atrium REIT, for which the Directors of Atrium REIT Managers Sdn. Bhd. ("the Manager") are solely responsible, for the financial period ending 31 December 2007, as set out in the accompanying statement (stamped by us for purpose of identification) in accordance with the Malaysian Approved Standards on Auditing, AI 3400, applicable to the review of financial forecast. The profit forecast has been prepared for inclusion in the Prospectus in connection with the following exercises:

- (i) Acquisitions of the entire interest in the following Subject Properties:

	Subject Properties (as defined in the Prospectus)	Vendors	Acquisition Price (RM'000)
1.	Atrium Shah Alam 1	Sparkle Skyline Sdn Bhd ("SSSB")	57,200
2.	Atrium Shah Alam 2	Glory Blitz Industries Sdn Bhd ("GBISB")	49,100
3.	Atrium Puchong	Malaysian Assurance Alliance Berhad ("MAA")	38,500
4.	Atrium Rawang	MAA	10,000
	Total		<u>154,800</u>

Total purchase consideration for the above acquisitions of the Subject Properties is RM154,800,000, which will be financed by:

- (a) issuance of 106,300,000 new units in Atrium REIT to GBISB and SSSB at an issue price of RM1.00 per unit; and

11. FINANCIAL INFORMATION OF ATRIUM REIT *(Continued)*

Deloitte KassimChan

Atrium REIT Managers Sdn Bhd
29 January 2007

- (b) cash payment amounting to RM48,500,000 to MAA to be collectively raised from the Retail Offering and from new borrowings.
- (ii) Initial Public Offering of 75,500,000 units in Atrium REIT comprising the following Retail Offering and Institutional Offering:

Retail Offering

- 13,500,000 new units to the Malaysian public at an indicative retail price of RM1.05* per new unit, payable in full upon application;
- 2,000,000 new units to the eligible directors, employees and business associates of the Manager, and those of GBISB and SSSB at an indicative retail price of RM1.05* per new unit, payable in full upon application; and

Institutional Offering

- Offer for sale of 60,000,000 units by GBISB and SSSB to institutional and selected investors at the institutional price by way of bookbuilding process. The institutional price shall only be determined following the completion of the bookbuilding process.

* *The retail price will be subject to a refund in the event that the final retail price is less than RM1.05 per new unit. The final retail price will be equal to the lower of:*

- a) the retail price of RM1.05 per new unit; or*
- b) 97% of the institutional price, to be determined by way of bookbuilding and subject to rounding adjustments.*

- (iii) Listing of the entire 121,801,000 units in Atrium REIT on the Main Board of Bursa Malaysia Securities Berhad, which includes the units highlighted in Note (ii) above and the following:
- 1,000 initial units issued to the Manager at a retail price of RM1.05 per unit as promoter units to facilitate the initial constitution of Atrium REIT. This 1,000 promoter units will be disposed on the first day of the listing; and
 - The remaining 46,300,000 units held by SSSB and GBISB pursuant to the acquisitions of Atrium Shah Alam 1 and Atrium Shah Alam 2 respectively, out of which 5,000,000 units have been allocated by GBISB to Vivid Images Sdn Bhd ("VISB") pursuant to an agreement between GBISB and VISB dated 23 January 2007 as reward for participation and contribution by VISB to the listing.

Our review has been undertaken to enable us to form an opinion as to whether the profit forecast are, in all material aspects, properly prepared on the basis of the assumptions made by the Directors of the Manager and is presented on a basis consistent with the accounting policies to be adopted in the preparation of the financial statements of Atrium REIT. The Directors of the Manager are solely responsible for the preparation and presentation of the profit forecast and the assumptions on which the profit forecast are based.

11. FINANCIAL INFORMATION OF ATRIUM REIT *(Continued)*

Deloitte KassimChan

Atrium REIT Managers Sdn Bhd
29 January 2007

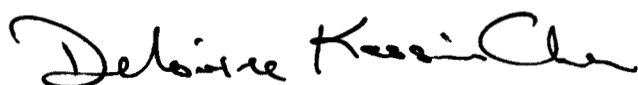
Forecast, in this context, means prospective financial information prepared on the basis of assumptions as to future events which management expects to take place and the actions which management expects to take as of the date the information is prepared (best-estimate assumptions). While information may be available to support the assumptions on which the financial forecast are based, such information is generally future oriented and therefore uncertain. Thus, actual results are likely to be different from the forecast since anticipated events frequently do not occur as expected and the variation could be material.

Subject to the matters stated in the preceding paragraphs:

- (i) Nothing has come to our attention which causes us to believe that the assumptions made by the Directors of the Manager, as set out in the accompanying statement, do not provide a reasonable basis for the preparation of the profit forecast; and
- (ii) In our opinion, the profit forecast, so far as the calculations are concerned, are properly prepared on the basis of the assumptions made by the Directors of the Manager and are presented on a basis consistent with the accounting policies to be adopted by Atrium REIT in the preparation of the financial statements of Atrium REIT.

We understand that this letter will be used solely for inclusion in the Prospectus in connection with the abovementioned exercises. As such, this letter should not be used or referred to, in whole or in part, for any other purpose without our prior written consent.

Yours very truly,



Enclosure



ATRIUM REIT MANAGERS SDN. BHD.
(710526 V)

**ATRIUM REAL ESTATE INVESTMENT TRUST (“Atrium REIT”)
PROFIT FORECAST FOR THE FINANCIAL PERIOD ENDING 31 DECEMBER 2007**

Barring unforeseen circumstances and on the bases and assumptions set out below, the Board of Directors of Atrium REIT Managers Sdn Bhd (“the Manager”) forecast that the profit of Atrium REIT, prepared for illustrative purposes, for the financial period 1 April 2007 to 31 December 2007 will be as follows:

	Forecast 2007 (9 months) RM’000
Revenue	10,697
Profit before tax	7,501
Income tax expense	-
Profit after tax	7,501
Units in issue (’000)	121,801
Earnings per unit (sen)	6.16
Annualised earnings per unit (sen)	8.21

Principal Bases and Assumptions

The principal bases and assumptions upon which the profit forecast have been prepared are as follows:

General

1. (i) Acquisitions of the entire interest in the following Subject Properties:

	Subject Properties (as defined in the Prospectus)	Vendors	Acquisition Price (RM’000)
1.	Atrium Shah Alam 1	Sparkle Skyline Sdn Bhd (“SSSB”)	57,200
2.	Atrium Shah Alam 2	Glory Blitz Industries Sdn Bhd (“GBISB”)	49,100
3.	Atrium Puchong	Malaysian Assurance Alliance Berhad (“MAA”)	38,500
4.	Atrium Rawang	MAA	10,000
	Total		154,800

Stamped for the purpose of
identification only with our
letter/report dated
2-9 JAN 2007
Deloitte KassimChan
Kuala Lumpur/Petaling Jaya

11. FINANCIAL INFORMATION OF ATRIUM REIT (Continued)

Total purchase considerations for the above acquisition of the Subject Properties is RM154,800,000, which will be financed by:

- (a) issuance of 106,300,000 new units in Atrium REIT to GBISB and SSSB at an issue price of RM1.00 per unit; and
 - (b) cash payment amounting to RM48,500,000 to MAA to be collectively raised from the Retail Offering and from new borrowings.
- (ii) Initial Public Offering of 75,500,000 units in Atrium REIT comprising the following Retail Offering and Institutional Offering:

Retail Offering

- 13,500,000 new units to the Malaysian public at an indicative retail price of RM1.05* per new unit, payable in full upon application;
- 2,000,000 new units to the eligible directors, employees and business associates of the Manager, and those of GBISB and SSSB at an indicative retail price of RM1.05* per new unit, payable in full upon application; and

Institutional Offering

- Offer for sale of 60,000,000 units by GBISB and SSSB to institutional and selected investors at the institutional price by way of bookbuilding process. The institutional price shall only be determined following the completion of the bookbuilding process.

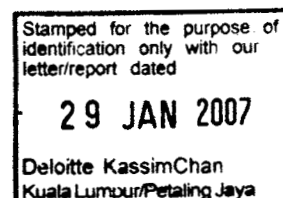
* *The retail price will be subject to a refund in the event that the final retail price is less than RM1.05 per new unit. The final retail price will be equal to the lower of:*

- a) the retail price of RM1.05 per new unit; or*
- b) 97% of the institutional price, to be determined by way of bookbuilding and subject to rounding adjustments.*

- (iii) Listing of the entire 121,801,000 units in Atrium REIT on the Main Board of Bursa Malaysia Securities Berhad, which includes the units highlighted in Note (ii) above and the following:

- 1,000 initial units issued to the Manager at a retail price of RM1.05 per unit as promoter units to facilitate the initial constitution of Atrium REIT. This 1,000 promoter units will be disposed on the first day of the listing; and
- The remaining 46,300,000 units held by SSSB and GBISB pursuant to the acquisitions of Atrium Shah Alam 1 and Atrium Shah Alam 2 respectively, out of which 5,000,000 units have been allocated by GBISB to Vivid Images Sdn Bhd ("VISB") pursuant to an agreement between GBISB and VISB dated 23 January 2007 as reward for participation and contribution by VISB to the listing.

2. There will be no significant changes in the prevailing economic and political conditions in Malaysia and elsewhere that may directly or indirectly affect the activities or performance of Atrium REIT.

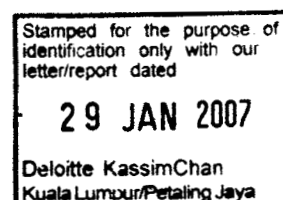


11. FINANCIAL INFORMATION OF ATRIUM REIT (Continued)

3. There will be no material changes in the present legislation and government regulations, including taxation and guidelines of regulatory authorities which will affect Atrium REIT's activities or the markets in which Atrium REIT operates.
4. Inflation rates will remain at current levels and there will not be any material fluctuation in prevailing exchange rates of foreign currencies against Ringgit Malaysia.
5. Existing financing facilities will remain available and the level of interest rates will not change materially from those presently prevailing.
6. There will be no major industrial disputes or any abnormal factors or changes, both domestic and overseas, which will adversely affect Atrium REIT's operations.
7. There will be no significant changes in the principal activities, management structure and accounting policies to be adopted by Atrium REIT.
8. Atrium REIT will not be engaged in any material litigation and there will be no legal proceedings, which will adversely affect its activities or performance or give rise to any additional contingent liabilities, which will materially affect its operations or business.
9. There will be no stamp duty expenses incurred by Atrium REIT in relation to the acquisition of the Subject Properties pursuant to the Stamp Duty (Exemption) (No.4) Order 2004 which stipulate that all instruments of transfer of real property to a REIT approved by the Securities Commission are exempted from stamp duty.
10. The Atrium REIT portfolio of properties will remain unchanged after the Subject Properties are acquired.

Revenue

11. The Subject Properties are expected to be rented to Exel Properties (M) Sdn. Bhd. ("Exel"), CEVA Logistics (Malaysia) Sdn. Bhd. (formerly known as TNT Logistics (Malaysia) Sdn. Bhd.) ("CEVA"), Danzasmal Domestic Logistics Services Sdn. Bhd. ("DHL") and Unilever Foods (Malaysia) Sdn. Bhd. ("Unilever") in accordance with a tenancy or lease agreement to be novated from each of the above mentioned tenants to Atrium REIT ("Lease Agreements").
12. Rental income is recognised in the income statement when it accrues and the occupancy rate is forecasted at 100% throughout the forecast period.
13. The Lease Agreements are generally long-term ranging from three (3) years to ten (10) years and all Lease Agreements are assumed renewed upon expiry in accordance with the terms of the existing Lease Agreements.
14. It is assumed that the Lease Agreements will be in effect throughout the forecast period and there will be no breach of terms and conditions of the Lease Agreements.
15. Interest income on fixed deposits and money market instruments placed with a licensed financial institution is recognised in the income statement on an accrual basis at an estimated rate of interest of 4% per annum.



11. FINANCIAL INFORMATION OF ATRIUM REIT (Continued)

Property Operating Expenses**16. Quit Rent, Assessment and Insurance**

It is assumed that quit rent, assessment and insurance charges for the Subject Properties during the forecast period is consistent with current actual expenses.

17. Property Management Fee

Property Management Fee is payable to the Property Manager, MN Associates (KL) Sdn. Bhd. and is calculated based on gross rental income as follows:

- a) First RM30,000 at 5% per annum;
- b) Subsequent balance up to RM100,000 at 3% per annum; and
- c) Remaining balance at 2% per annum.

It is assumed that an allowable discount of up to 30% of the computed gross Property Management Fee will be given by the Property Manager.

18. Repair and Maintenance

It is assumed that there will be no major defects, repair or refurbishment work to be done on the Subject Properties during the forecast period. Repair and maintenance expenses are forecasted to be similar to the expenses incurred in prior years.

Non-Property Operating Expenses**19. Manager's Fee**

Manager's Fee is payable to the REIT Manager, Atrium REIT Managers Sdn. Bhd. and is calculated at 0.5% per annum of the Net Asset Value of Atrium REIT.

20. Trustee's Fee

Trustee's Fee, excluding out of pocket expenses, is calculated at 0.04% per annum of the Net Asset Value of Atrium REIT, subject to a minimum of RM40,000 per annum.

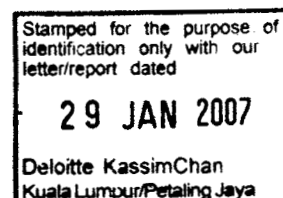
21. Other Non-Property Operating Expenses

Other non-property operating expenses are estimated to be 2.7% of rental income. Other non-property operating expenses include recurring expenses such as annual listing fees and expenses, audit and tax advisors' fees, and other miscellaneous expenses.

The tenants have never defaulted in their rental obligations. Hence, all rentals are assumed to be collectible and no allowance for doubtful debts is necessary.

Property Value and Valuation

22. Atrium REIT will adopt the fair value model as prescribed by the Malaysian Financial Reporting Standard ("FRS") 140, Investment Properties for the financial period ending 31 December 2007. Under FRS 140, which is effective for financial year beginning 1 January 2006, all changes in the fair value of the Subject Properties are recognised in the income statement. The Directors of the Manager assumed that the fair value of the Subject Properties as of 31 December 2007 is the same as the purchase consideration of the Subject Properties and there will be no material fluctuation in the market value of the Subject Properties during the forecast period.



11. FINANCIAL INFORMATION OF ATRIUM REIT (Continued)

23. It is assumed that valuation of the Subject Properties will be performed every three (3) years. The next valuation is scheduled to be performed during the financial year ending 31 December 2009.

Borrowing and Borrowing Costs

24. It is assumed that the Manager will obtain a five-year financing facility of RM43,700,000 with an estimated interest rate of 5.50% per annum, which will be used to part finance the acquisition of the Subject Properties. The financing facility will have a maturity of five (5) years from the date of the first drawdown and will be repaid in full via a bullet repayment at maturity. It is assumed that the financing facility will be available throughout the forecast period.

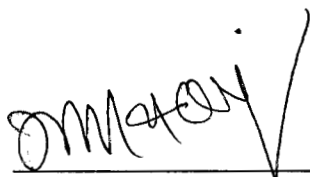
Interest expense incurred in respect of the financing facility is accrued and paid in the year it is incurred.

Taxation

25. Atrium REIT would be exempted from tax provided that Atrium REIT distributes 90% or more of its profit before tax to its Unitholders.

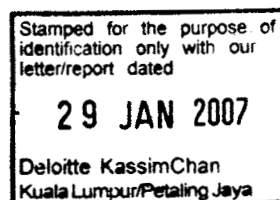
No current tax liabilities is forecasted during the forecast period as it is assumed that 95% of the profit before tax will be distributed.

Signed on behalf of the Board of Directors,



Lim Kok How
Director

29 January 2007





Deloitte KassimChan (AF 0080)
Chartered Accountants
Level 19, Uptown 1
1 Jalan SS 21/58
Damansara Uptown
47400 Petaling Jaya
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myaaa@deloitte.com
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29 January 2007

The Board of Directors
Atrium REIT Managers Sdn Bhd
34-3, Jalan 5/101C, Off Jalan Kaskas
Jalan Cheras
56100 Kuala Lumpur

Dear Sirs,

**ATRIUM REAL ESTATE INVESTMENT TRUST (“Atrium REIT”)
PROFIT PROJECTIONS FOR THE FINANCIAL YEARS ENDING 31 DECEMBER 2008
AND 31 DECEMBER 2009**

We have reviewed the profit projections of Atrium REIT, for which the Directors of Atrium REIT Managers Sdn. Bhd. (“the Manager”) are solely responsible, for the financial years ending 31 December 2008 and 2009, as set out in the accompanying statement (stamped by us for purpose of identification) in accordance with the Malaysian Approved Standards on Auditing, AI 3400, applicable to the review of financial projections. The profit projections have been prepared for inclusion in the Prospectus in connection with the following exercises:

- (i) Acquisitions of the entire interest in the following Subject Properties:

	Subject Properties (as defined in the Prospectus)	Vendors	Acquisition Price (RM'000)
1.	Atrium Shah Alam 1	Sparkle Skyline Sdn Bhd (“SSSB”)	57,200
2.	Atrium Shah Alam 2	Glory Blitz Industries Sdn Bhd (“GBISB”)	49,100
3.	Atrium Puchong	Malaysian Assurance Alliance Berhad (“MAA”)	38,500
4.	Atrium Rawang	MAA	10,000
	Total		<u>154,800</u>

Total purchase consideration for the above acquisitions of the Subject Properties is RM154,800,000, which will be financed by:

- (a) issuance of 106,300,000 new units in Atrium REIT to GBISB and SSSB at an issue price of RM1.00 per unit; and
- (b) cash payment amounting to RM48,500,000 to MAA to be collectively raised from the Retail Offering and from new borrowings.

11. FINANCIAL INFORMATION OF ATRIUM REIT *(Continued)*

Deloitte KassimChan

Atrium REIT Managers Sdn Bhd
29 January 2007

- (ii) Initial Public Offering of 75,500,000 units in Atrium REIT comprising the following Retail Offering and Institutional Offering:

Retail Offering

- 13,500,000 new units to the Malaysian public at an indicative retail price of RM1.05* per new unit, payable in full upon application;
- 2,000,000 new units to the eligible directors, employees and business associates of the Manager, and those of GBISB and SSSB. at an indicative retail price of RM1.05* per new unit, payable in full upon application; and

Institutional Offering

- Offer for sale of 60,000,000 units by GBISB and SSSB to institutional and selected investors at the institutional price by way of bookbuilding process. The institutional price shall only be determined following the completion of the bookbuilding process.

* *The retail price will be subject to a refund in the event that the final retail price is less than RM1.05 per unit. The final retail price will be equal to the lower of:*

- a) the retail price of RM1.05 per unit; or*
- b) 97% of the institutional price, to be determined by way of bookbuilding and subject to rounding adjustments.*

- (iii) Listing of the entire 121,801,000 units in Atrium REIT on the Main Board of Bursa Malaysia Securities Berhad, which includes the units highlighted in Note (ii) above and the following:

- 1,000 initial units issued to the Manager at a retail price of RM1.05 per unit as promoter units to facilitate the initial constitution of Atrium REIT. This 1,000 promoter units will be disposed on the first day of the listing; and
- The remaining 46,300,000 units held by SSSB and GBISB pursuant to the acquisition of Atrium Shah Alam 1 and Atrium Shah Alam 2 respectively, out of which 5,000,000 units have been allocated by GBISB to Vivid Images Sdn Bhd ("VISB") pursuant to an agreement between GBISB and VISB dated 23 January 2007 as reward for participation and contribution by VISB to the listing..

Our review has been undertaken to enable us to form an opinion as to whether the profit projections are, in all material aspects, properly prepared on the basis of the assumptions made by the Directors of the Manager and are presented on a basis consistent with the accounting policies to be adopted in the preparation of the financial statements of Atrium REIT. The Directors of the Manager are solely responsible for the preparation and presentation of the profit projections and the assumptions on which the profit projections are based.

11. FINANCIAL INFORMATION OF ATRIUM REIT *(Continued)*

Deloitte KassimChan

Atrium REIT Managers Sdn Bhd
29 January 2007

We emphasise that a profit projection, in this context, means prospective information prepared on the basis of assumptions that include hypothetical assumptions as to future events and management's actions that may not necessarily occur as expected. Furthermore, the abovementioned profit projections cover an extended future period for which there are inherent risks, and therefore, should be treated with caution. Even if the events anticipated under the hypothetical assumptions occur, actual results are still likely to be different from the projections since other anticipated events frequently do not occur as expected and the variation may be material. These profit projections cannot be regarded as forecast of profits and we do not express or imply any opinion as to the possibility of their achievement.

Subject to the foregoing, in our opinion, the profit projections, so far as the calculations are concerned, are properly prepared on the basis of the assumptions made by the Directors of the Manager and are presented on a basis consistent with the accounting policies to be adopted by Atrium REIT in the preparation of the financial statements of Atrium REIT.

We understand that this letter will be used solely for inclusion in the Prospectus in connection with the abovementioned exercises. As such, this letter should not be used or referred to, in whole or in part, for any other purpose without our prior written consent.

Yours very truly,



Enclosure


ATRIUM REIT MANAGERS SDN. BHD.
 (710526 V)

**ATRIUM REAL ESTATE INVESTMENT TRUST (“Atrium REIT”)
 PROFIT PROJECTIONS FOR THE FINANCIAL YEARS ENDING 31 DECEMBER 2008
 AND 2009**

Barring unforeseen circumstances and on the bases and assumptions set out below, the Board of Directors of Atrium REIT Managers Sdn Bhd (“the Manager”) projects that the profits of Atrium REIT, which were prepared for illustrative purposes, for the financial years ending 31 December 2008 and 2009 will be as follows:

	2008 RM’000	2009 RM’000
Revenue	14,386	14,406
Profit before tax	10,104	10,121
Income tax expense	-	-
Profit after tax	10,104	10,121
Units in issue (’000)	121,801	121,801
Earnings per unit (sen)	8.30	8.31

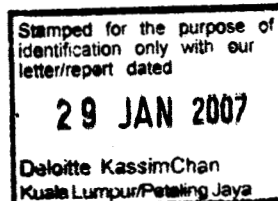
Principal Bases and Assumptions

The principal bases and assumptions upon which the profit projections have been prepared are as follows:

General

1. (i) Acquisitions of the entire interest in the following Subject Properties:

	Subject Properties (as defined in the Prospectus)	Vendors	Acquisition Price (RM’000)
1.	Atrium Shah Alam 1	Sparkle Skyline Sdn Bhd (“SSSB”)	57,200
2.	Atrium Shah Alam 2	Glory Blitz Industries Sdn Bhd (“GBISB”)	49,100
3.	Atrium Puchong	Malaysian Assurance Alliance Berhad (“MAA”)	38,500
4.	Atrium Rawang	MAA	10,000
	Total		154,800



11. FINANCIAL INFORMATION OF ATRIUM REIT (Continued)

Total purchase consideration for the above acquisitions of the Subject Properties is RM154,800,000, which will be financed by:

- (a) issuance of 106,300,000 new units in Atrium REIT to GBISB and SSSB at an issue price of RM1.00 per unit; and
 - (b) cash payment amounting to RM48,500,000 to MAA to be collectively raised from the Retail Offering and from new borrowings.
- (ii) Initial Public Offering of 75,500,000 units in Atrium REIT comprising the following Retail Offering and Institutional Offering:

Retail Offering

- 13,500,000 new units to the Malaysian public at an indicative retail price of RM1.05* per new unit, payable in full upon application;
- 2,000,000 new units to the eligible directors, employees and business associates of the Manager, and those of GBISB and SSSB at an indicative retail price of RM1.05* per new unit, payable in full upon application; and

Institutional Offering

- Offer for sale of 60,000,000 units by GBISB and SSSB to institutional and selected investors at the institutional price by way of bookbuilding process. The institutional price shall only be determined following the completion of the bookbuilding process.

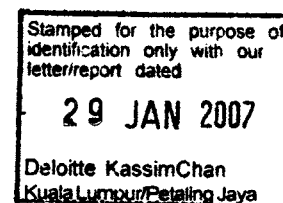
The retail price will be subject to a refund in the event that the final retail price is less than RM1.05 per new unit. The final retail price will be equal to the lower of:

- a) the retail price of RM1.05 per new unit; or*
- b) 97% of the institutional price, to be determined by way of bookbuilding and subject to rounding adjustments.*

- (iii) Listing of the entire 121,801,000 units in Atrium REIT on the Main Board of Bursa Malaysia Securities Berhad, which includes the units highlighted in Note (ii) above and the following:

- 1,000 initial units issued to the Manager at a retail price of RM1.05 per unit as promoter units to facilitate the initial constitution of Atrium REIT. This 1,000 promoter units will be disposed on the first day of the listing; and
- The remaining 46,300,000 units held by SSSB and GBISB pursuant to the acquisition of Atrium Shah Alam 1 and Atrium Shah Alam 2 respectively, out of which 5,000,000 units have been allocated by GBISB to Vivid Images Sdn Bhd (“VISB”) pursuant to an agreement between GBISB and VISB dated 23 January 2007 as reward for participation and contribution by VISB to the listing.

2. There will be no significant changes in the prevailing economic and political conditions in Malaysia and elsewhere that may directly or indirectly affect the activities or performance of Atrium REIT.



11. FINANCIAL INFORMATION OF ATRIUM REIT (Continued)

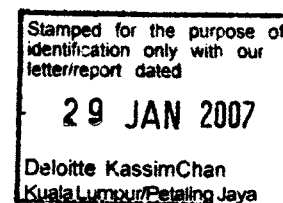
3. There will be no material changes in the present legislation and government regulations, including taxation and guidelines of regulatory authorities which will affect Atrium REIT's activities or the markets in which Atrium REIT operates.
4. Inflation rates will remain at current levels and there will not be any material fluctuation in prevailing exchange rates of foreign currencies against Ringgit Malaysia.
5. Existing financing facilities will remain available and the level of interest rates will not change materially from those presently prevailing.
6. There will be no major industrial disputes or any abnormal factors or changes, both domestic and overseas, which will adversely affect Atrium REIT's operations.
7. There will be no significant changes in the principal activities, management structure and accounting policies to be adopted by Atrium REIT.
8. Atrium REIT will not be engaged in any material litigation and there will be no legal proceedings, which will adversely affect its activities or performance or give rise to any additional contingent liabilities, which will materially affect its operations or business.
9. The Atrium REIT portfolio of properties will remain unchanged after the Subject Properties are acquired.

Revenue

10. The Subject Properties are expected to be rented to Exel Properties (M) Sdn. Bhd. ("Exel"), CEVA Logistics (Malaysia) Sdn. Bhd. (formerly known as TNT Logistics (Malaysia) Sdn. Bhd.) ("CEVA"), Danzasmal Domestic Logistics Services Sdn. Bhd. ("DHL") and Unilever Foods (Malaysia) Sdn. Bhd. ("Unilever") in accordance with a tenancy or lease agreement to be novated from each of the above mentioned tenants to Atrium REIT ("Lease Agreements").
11. Rental income is recognised in the income statement when it accrues and the occupancy rate is projected at 100% throughout the projection period. The Lease Agreements are generally long-term ranging from three (3) years to ten (10) years and all Lease Agreements are assumed renewed upon expiry in accordance with the terms of the existing Lease Agreements.
12. It is assumed that the Lease Agreements will be in effect throughout the projection period and there will be no breach of terms and conditions of the Lease Agreements.
13. Interest income on fixed deposits and money market instruments placed with a licensed financial institution is recognised in the income statement on an accrual basis at an estimated rate of interest of 4% per annum.

Property Operating Expenses**14. Quit Rent, Assessment and Insurance**

It is assumed that quit rent, assessment and insurance charges for the Subject Properties during the projection period is consistent with current actual expenses.



11. FINANCIAL INFORMATION OF ATRIUM REIT (Continued)

15. Property Management Fee

Property Management Fee is payable to the Property Manager, MN Associates (KL) Sdn. Bhd. and is calculated based on gross rental income as follows:

- a) First RM30,000 at 5% per annum;
- b) Subsequent balance up to RM100,000 at 3% per annum; and
- c) Remaining balance at 2% per annum.

It is assumed that an allowable discount of up to 30% of the computed gross Property Management Fee will be given by the Property Manager.

16. Repair and Maintenance

It is assumed that there will be no major defects, repair or refurbishment work to be done on the Subject Properties during the projection period. Repair and maintenance expenses are projected to be similar to the expenses incurred in the forecast period.

Non-Property Operating Expenses**17. Manager's Fee**

Manager's Fee is payable to the REIT Manager, Atrium REIT Managers Sdn. Bhd. and is calculated at 0.5% per annum of the Net Asset Value of Atrium REIT.

18. Trustee's Fee

Trustee's Fee, excluding out of pocket expenses, is calculated at 0.04% per annum of the Net Asset Value of Atrium REIT, subject to a minimum of RM40,000 per annum.

19. Other Non-Property Operating Expenses

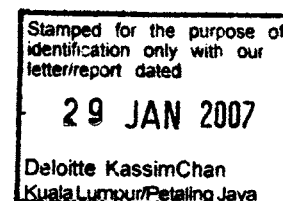
Other non-property operating expenses are estimated to be 2.7% of rental income. Other non-property operating expenses include recurring expenses such as annual listing fees and expenses, audit and tax advisors' fees, and other miscellaneous expenses.

The tenants have never defaulted in their rental obligations. Hence, all rentals are assumed to be collectible and no allowance for doubtful debts is necessary.

Property Value and Valuation

20. Atrium REIT will adopt the fair value model as prescribed by the Malaysian Financial Reporting Standard ("FRS") 140, Investment Properties beginning in the financial period ending 31 December 2007. Under FRS 140, which is effective for financial year beginning 1 January 2006, all changes in the fair value of the Subject Properties are recognised in the income statement. The Directors of the Manager assumed that there will be no material fluctuation in the market value of the Subject Properties during the projection period.

21. It is assumed that valuation of the Subject Properties will be performed every three (3) years. The next valuation is scheduled to be performed during the financial year ending 31 December 2009.



11. FINANCIAL INFORMATION OF ATRIUM REIT (Continued)

Borrowing and Borrowing Costs

22. It is assumed that the Manager will obtain a five-year financing facility of RM43,700,000 with an estimated interest rate of 5.50% per annum, which will be used to part finance the acquisition of the Subject Properties. The financing facility will have a maturity of five (5) years from the date of the first drawdown and will be repaid in full via a bullet repayment at maturity. It is assumed that the financing facility will be available throughout the projection period.

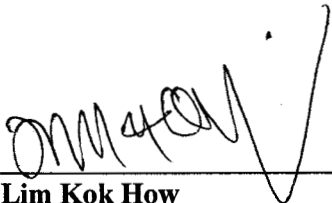
Interest expense incurred in respect of the financing facility is accrued and paid in the year it is incurred.

Taxation

23. Atrium REIT would be exempted from tax provided that Atrium REIT distributes 90% or more of its profit before tax to its Unitholders.

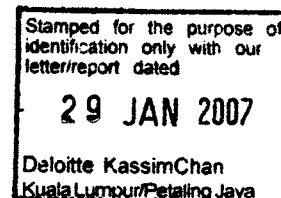
No current tax liabilities is projected during the projection period as it is assumed that 95% of the profit before tax will be distributed.

Signed on behalf of the Board of Directors,



Lim Kok How
Director

29 January 2007



11. FINANCIAL INFORMATION OF ATRIUM REIT *(Continued)*

11.4 PROFORMA BALANCE SHEETS

The following is a summary of the proforma balance sheets of Atrium REIT as at the date of establishment, and prepared for illustrative purposes only, to show the effects of the Acquisitions, the IPO and the Listing.

	Proforma 1 As at the date of establishment of Atrium REIT RM'000	Proforma 2 After Proforma 1, the Acquisitions, the IPO and the Listing RM'000
Non-Current Asset		
Investment properties	-	154,800
Current Asset		
Cash and bank balances	1	15,532
Current Liability		
Tenancy deposits	-	(7,056)
Net current assets	1	8,476
Long Term Liability		
Borrowings	-	(43,700)
	1	119,576
Unitholders' Fund		
Units in issue	1	119,576
	1	119,576
NAV (RM'000)	1	119,576
No. of Units in issue ('000)	1	121,801
NAV per Unit (RM)	1.05	0.98

The proforma balance sheets together with the notes and assumptions are set out in Section 11.5 of this Prospectus.

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11.5 REPORTING ACCOUNTANTS' LETTER ON THE PROFORMA BALANCE SHEETS

Deloitte.

Deloitte KassimChan (AF 0080)
Chartered Accountants
Level 19, Uptown 1
1 Jalan SS 21/58
Damansara Uptown
47400 Petaling Jaya
Malaysia

29 January 2007

The Board of Directors
Atrium REIT Managers Sdn Bhd
34-3, Jalan 5/101C, Off Jalan Kaskas
Jalan Cheras
56100 Kuala Lumpur

P. O. Box 10093
50704 Kuala Lumpur
Malaysia

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Dear Sirs,

**ATRIUM REAL ESTATE INVESTMENT TRUST ("Atrium REIT")
PROFORMA BALANCE SHEETS AS OF DATE OF ESTABLISHMENT AND DATE OF LISTING**

We have reviewed the presentation of the proforma balance sheets of Atrium REIT as of date of establishment and date of listing, together with the notes thereto, for which the Directors of Atrium REIT Managers Sdn Bhd ("the Manager") is solely responsible, as set out in the Prospectus dated 28 February 2007 in connection with the following exercises:

- (i) Acquisitions of the entire interest in the following Subject Properties:

	Subject Properties (as defined in the Prospectus)	Vendors	Acquisition Price (RM'000)
1.	Atrium Shah Alam 1	Sparkle Skyline Sdn Bhd ("SSSB")	57,200
2.	Atrium Shah Alam 2	Glory Blitz Industries Sdn Bhd ("GBISB")	49,100
3.	Atrium Puchong	Malaysian Assurance Alliance Berhad ("MAA")	38,500
4.	Atrium Rawang	MAA	10,000
	Total		<u>154,800</u>

Total purchase consideration for the above acquisitions of the Subject Properties is RM154,800,000, which will be financed by:

- (a) issuance of 106,300,000 new units in Atrium REIT to GBISB and SSSB at an issue price of RM1.00 per unit; and
- (b) cash payment amounting to RM48,500,000 to MAA to be collectively raised from the Retail Offering and from new borrowings.

11. FINANCIAL INFORMATION OF ATRIUM REIT *(Continued)*

Deloitte KassimChan

Atrium REIT Managers Sdn Bhd
29 January 2007

- (ii) Initial Public Offering of 75,500,000 units in Atrium REIT comprising the following Retail Offering and Institutional Offering:

Retail Offering

- 13,500,000 new units to the Malaysian public at an indicative retail price of RM1.05* per new unit, payable in full upon application;
- 2,000,000 new units to the eligible directors, employees and business associates of the Manager, and those of GBISB and SSSB at an indicative retail price of RM1.05* per new unit, payable in full upon application; and

Institutional Offering

- Offer for sale of 60,000,000 units by GBISB and SSSB to institutional and selected investors at the institutional price by way of bookbuilding process. The institutional price shall only be determined following the completion of the bookbuilding process.

- * *The retail price will be subject to a refund in the event that the final retail price is less than RM1.05 per new unit. The final retail price will be equal to the lower of:*
- a) *the retail price of RM1.05 per new unit; or*
 - b) *97% of the institutional price, to be determined by way of bookbuilding and subject to rounding adjustments.*

- (iii) Listing of the entire 121,801,000 units in Atrium REIT on the Main Board of Bursa Malaysia Securities Berhad, which includes the units highlighted in Note (ii) above and the following:

- 1,000 initial units issued to the Manager at a retail price of RM1.05 per unit as promoter units to facilitate the initial constitution of Atrium REIT. This 1,000 promoter units will be disposed on the first day of the listing; and
- The remaining 46,300,000 units held by SSSB and GBISB pursuant to the acquisition of Atrium Shah Alam 1 and Atrium Shah Alam 2 respectively, out of which 5,000,000 units have been allocated by GBISB to Vivid Images Sdn Bhd ("VISB") pursuant to an agreement between GBISB and VISB dated 23 January 2007 as reward for participation and contribution by VISB to the listing.

In our opinion:

- (i) the proforma balance sheets, which have been prepared for illustrative purposes only, have been properly compiled on the bases of preparation stated;
- (ii) such bases are consistent with the accounting policies to be adopted in the preparation of the financial statements of Atrium REIT; and
- (iii) the adjustments as explained in Notes and Assumptions to the Proforma Balance Sheets are appropriate for the purposes of the proforma balance sheets.

11. FINANCIAL INFORMATION OF ATRIUM REIT *(Continued)*

Deloitte KassimChan

Atrium REIT Managers Sdn Bhd
29 January 2007

We understand that this letter will be used solely for inclusion in the Prospectus in connection with the abovementioned exercise. As such, this letter should not be used or referred to, in whole or in part, for any other purposes without our prior written consent.

Yours very truly,

A handwritten signature in black ink, appearing to read "Deloitte KassimChan", written in a cursive style.

Enclosure


ATRIUM REIT MANAGERS SDN. BHD.
 (710526 V)

**ATRIUM REAL ESTATE INVESTMENT TRUST (“Atrium REIT”)
 PROFORMA BALANCE SHEETS AS OF DATE OF ESTABLISHMENT AND DATE OF LISTING**

The proforma balance sheets as set out below are prepared for illustrative purposes only and incorporate the transactions described in the Notes and Assumptions to the Proforma Balance Sheets to show the effects on the financial statements of Atrium REIT as if they were effected on the date of establishment.

	Note	Proforma 1 As of the Date of Establishment (RM'000)	Proforma 2 After Proforma 1, Acquisition of the Subject Properties, Initial Public Offering and Listing (RM'000)
Non-Current Asset			
Investment properties	2	-	154,800
Current Asset			
Cash and bank balances	3	1	15,532
Current Liability			
Tenancy deposits		-	(7,056)
Net Current Asset		1	8,476
Non-Current Liability			
Borrowings	4	-	(43,700)
		1	119,576
Unitholders' Funds			
Units in issue	5	1	119,576
		1	119,576
Number of units in issue ('000)		1	121,801
Net asset value (“NAV”) per unit (RM)		1.05	0.98

Stamped for the purpose of
 identification only with our
 letter/report dated
29 JAN 2007
 Deloitte KassimChan
 Kuala Lumpur/Petaling Jaya

NOTES AND ASSUMPTIONS TO THE PROFORMA BALANCE SHEETS OF ATRIUM REIT

1. Basis of preparation

The proforma balance sheets of Atrium REIT have been prepared based on the accounting policies consistent with those to be adopted by Atrium REIT in the preparation of the financial statements of Atrium REIT. The proforma balance sheets are prepared for illustrative purposes only to reflect the effects of the following scenarios:

Proforma 1

Proforma 1 illustrates the balance sheet of Atrium REIT as of date of establishment and includes 1,000 initial units issued to Atrium REIT Managers Sdn. Bhd. (“the Manager”) as promoter units at an issue price of RM1.05 per unit to facilitate the initial constitution of Atrium REIT.

Proforma 2

Proforma 2 incorporates Proforma 1 and adjustments for the acquisitions of the Subject Properties, the Initial Public Offering and the Listing as illustrated below:

(i) Acquisitions of the entire interest in the following Subject Properties:

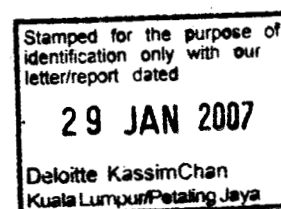
	Subject Properties (as defined in the Prospectus)	Vendors	Acquisition Price (RM'000)
1.	Atrium Shah Alam 1	Sparkle Skyline Sdn Bhd (“SSSB”)	57,200
2.	Atrium Shah Alam 2	Glory Blitz Industries Sdn Bhd (“GBISB”)	49,100
3.	Atrium Puchong	Malaysian Assurance Alliance Berhad (“MAA”)	38,500
4.	Atrium Rawang	MAA	10,000
	Total		154,800

Total purchase consideration for the above acquisitions of the Subject Properties is RM154,800,000, which will be financed by:

- (a) issuance of 106,300,000 new units in Atrium REIT to GBISB and SSSB at an issue price of RM1.00 per unit; and
 - (b) cash payment amounting to RM48,500,000 to MAA to be collectively raised from the Retail Offering and from new borrowings.
- (ii) Initial Public Offering of 75,500,000 units in Atrium REIT comprising the following Retail Offering and Institutional Offering:

Retail Offering

- 13,500,000 new units to the Malaysian public at an indicative retail price of RM1.05* per new unit, payable in full upon application;



11. FINANCIAL INFORMATION OF ATRIUM REIT (Continued)

- 2,000,000 new units to the eligible directors, employees and business associates of the Manager, and those of GBISB and SSSB at an indicative retail price of RM1.05* per new unit, payable in full upon application; and

Institutional Offering

- Offer for sale of 60,000,000 units by GBISB and SSSB to institutional and selected investors at the institutional price by way of bookbuilding process. The institutional price shall only be determined following the completion of the bookbuilding process.

* *The retail price will be subject to a refund in the event that the final retail price is less than RM1.05 per new unit. The final retail price will be equal to the lower of:*

- a) *the retail price of RM1.05 per new unit; or*
- b) *97% of the institutional price, to be determined by way of bookbuilding and subject to rounding adjustments.*

(iii) Listing of the entire 121,801,000 units in Atrium REIT on the Main Board of Bursa Malaysia Securities Berhad, which includes the units highlighted in Note (ii) above and the following:

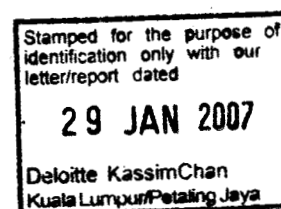
- 1,000 initial units issued at a retail price of RM1.05 per unit to the Manager as promoter units to facilitate the initial constitution of Atrium REIT. This 1,000 promoter units will be disposed on the first day of the listing; and
- The remaining 46,300,000 units held by SSSB and GBISB pursuant to the acquisition of Atrium Shah Alam 1 and Atrium Shah Alam 2 respectively, out of which 5,000,000 units have been allocated by GBISB to Vivid Images Sdn Bhd (“VISB”) pursuant to an agreement between GBISB and VISB dated 23 January 2007 as reward for participation and contribution by VISB to the listing.

2. Investment properties

Investment properties comprise the cost of acquisitions of the Subject Properties. The market value of the Subject Properties based on a valuation exercise carried out by an independent professional valuer, Messrs. Azmi & Co Sdn. Bhd. in February 2006 is RM158,300,000.

Atrium Shah Alam 1 and Atrium Rawang have been pledged as security for the borrowings as mentioned in Note 4 below.

The investment properties are to be recorded using the fair value model as prescribed by the Malaysian Financial Reporting Standard (“FRS”) 140, Investment Properties. Under FRS 140, which is effective for financial year beginning 1 January 2006, investment properties are initially measured at cost. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the balance sheet date. All changes in the fair value of the investment properties are recognised in the income statement.



11. FINANCIAL INFORMATION OF ATRIUM REIT (Continued)

3. Cash and bank balances

Cash and bank balances comprise the following:

	RM'000
Rental deposits received from tenants	7,056
Proceeds from Retail Offering	16,275
Proceeds from issue of promoter units	1
Proceeds from borrowings	43,700
Payment for the acquisitions of the Subject Properties	(48,500)
Payment of estimated listing expenses	(3,000)
	<hr/>
	15,532
	<hr/>

A breakdown of the estimated listing expenses is as follows:

	RM'000
Regulatory fees	107
Professional fees	750
Underwriting, brokerage fees and commissions	380
Advertisement and printing expenses	695
Other miscellaneous expenses	1,068
	<hr/>
	3,000
	<hr/>

4. Borrowings

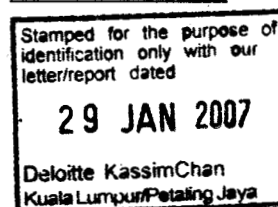
Borrowings of RM43,700,000 bears interest at an estimated interest rate of 5.5% per annum, is obtained for the purpose of part financing the acquisition of the Subject Properties. The securities of the borrowings are a first party first legal charge over the Atrium Shah Alam 1 and an assignment of Atrium Rawang.

The borrowings will be repaid in full with a bullet repayment at the end of five (5) years from the date of the first drawdown.

5. Units in issue

Units in issue comprise the following:

	RM'000
Part payment for the acquisitions of the Subject Properties by units	106,300
Proceeds from Retail Offering	16,275
Proceeds from issue of promoter units	1
Estimated listing expenses	(3,000)
	<hr/>
	119,576
	<hr/>



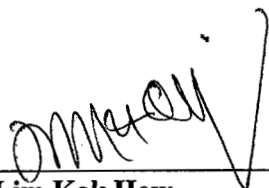
11. FINANCIAL INFORMATION OF ATRIUM REIT (Continued)

The proceeds from the Retail Offering and issue of promoter units will be utilised as follows:

	RM'000
Part payment for the acquisitions of the Subject Properties	4,800
Working capital	8,476*
Estimated listing expenses	3,000
	<hr/>
	16,276
	<hr/>

* Includes the RM1,050 proceeds from the issue of 1,000 promoter units.

On behalf of the Board of Directors,



Lim Kok How
Director

29 January 2007

