

AMANAHRAYA REAL ESTATE INVESTMENT TRUST
INTERIM FINANCIAL REPORT FOR FINANCIAL PERIOD ENDED 31 DECEMBER 2017

CONDENSED STATEMENT OF FINANCIAL POSITION

	Note	As At End of Current Quarter (Unaudited) 31.12.2017 RM	As At End of Current Quarter (Audited) 31.12.2016 RM
ASSETS			
Non-current asset			
Investment properties	B8	928,700,000	986,400,000
		928,700,000	986,400,000
Current assets			
Trade and other receivables		277,997,070	9,771,227
Security deposits in Trust accounts and financial institution		21,151,817	23,830,594
Deposits placed with licensed financial institutions		196,513,504	20,061,280
Asset held for sale - investment properties	B8	102,000,000	-
Cash and bank balances		254,490	230,195
		597,916,881	53,893,296
TOTAL ASSETS		1,526,616,881	1,040,293,296
LIABILITIES			
Non-current liability			
Borrowings	B9	738,131,688	290,150,000
Trade and other payables	A14	14,120,960	14,120,960
		752,252,648	304,270,960
Current liabilities			
Borrowings	B9	25,000,000	25,000,000
Trade and other payables		13,053,154	16,795,514
Provision for income distributions	A8	8,020,492	8,165,094
		46,073,646	49,960,608
TOTAL LIABILITIES		798,326,293	354,231,568
NET ASSET VALUE (NAV)		728,290,588	686,061,728
FINANCED BY:			
UNITHOLDERS' FUND			
Unitholders' capital		519,685,915	519,685,915
Undistributed income (Note 1)		208,604,673	166,375,813
Total unitholders' fund		728,290,588	686,061,728
NUMBER OF UNITS IN CIRCULATIONS		573,219,858	573,219,858
NET ASSET VALUE (NAV) PER UNIT (RM):			
- Before income distribution (Note 2)		1.2705	1.1969
- After income distribution (Note 3)		1.2571	1.1826

Note 1:

This includes net appreciation in fair values of investment properties of RM181,917,302, a surplus of appraised value over acquisition costs arising from the last valuation carried out in the previous financial years which are unrealised gains and are not available for income distribution, as well as balance of undistributed realised net income.

Note 2:

Being Net Asset Value before reflecting income distribution paid during the current period.

Note 3:

Being Net Asset Value after reflecting income distribution paid and provided during the current period.

(The Condensed Cash Flow Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to the financial statements).

AMANAHRAYA REAL ESTATE INVESTMENT TRUST
INTERIM FINANCIAL REPORT FOR FINANCIAL PERIOD ENDED 31 DECEMBER 2017

CONDENSED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter 31.12.2017 RM	Restated Preceding Corresponding Quarter 31.12.2016 RM	Current Quarter 31.12.2017 RM	Restated Preceding Corresponding Quarter 31.12.2016 RM
GROSS REVENUE	15,092,242	14,295,454	60,417,996	57,385,743
PROPERTY EXPENSES				
Assessment	(207,254)	(152,889)	(1,179,555)	(648,458)
Quit rent	(45,428)	(27,636)	(185,840)	(91,049)
Other property operating expenses	(2,457,318)	(918,902)	(5,871,187)	(3,344,457)
TOTAL PROPERTY EXPENSES	(2,710,001)	(1,099,427)	(7,236,581)	(4,083,964)
Net rental income	12,382,242	13,196,027	53,181,415	53,301,779
Interest income	288,299	154,361	791,896	1,585,321
Other income	188,256	(14,180)	587,633	497,745
Changes in fair value of investment properties	42,603,621	5,207,986	42,603,621	5,207,986
TOTAL TRUST INCOME	55,462,418	18,544,194	97,164,565	60,592,831
TRUST EXPENSES				
Manager's fee	(1,480,128)	(1,338,194)	(5,868,269.92)	(5,075,147)
Trustee's fee	(95,668)	(93,897)	(379,606)	(367,940)
Administrative expenses	(107,893)	(88,817)	(431,757)	(355,880)
Valuation fee	(334,131)	(195,853)	(371,867)	(271,253)
Interest expenses	(4,116,612)	(3,106,072)	(15,327,652)	(13,255,382)
Other trust expense	74,953	(182,313)	(531,487)	(726,054)
TOTAL TRUST EXPENSES	(6,059,479)	(5,005,146)	(22,910,638)	(20,051,656)
INCOME FOR THE FINANCIAL PERIOD	49,402,939	13,539,048	74,253,927	40,541,175
Taxation	-	-	-	-
INCOME AFTER TAXATION	49,402,939	13,539,048	74,253,927	40,541,175
Unrealised gain from revaluation of properties	(42,603,621)	(5,207,986)	(42,603,621)	(5,207,986)
REALISED INCOME AFTER TAX	6,799,317	8,331,062	31,650,306	35,333,189
DISTRIBUTION TO UNITHOLDERS^(Note 1)				
- from current period realised net income	(7,683,228)	(8,164,441)	(31,541,995)	(33,817,610)
- from previous period realised net income	-	-	-	-
	(7,683,228)	(8,164,441)	(31,541,995)	(33,817,610)
REALISED INCOME RETAINED	(883,911)	166,621	108,310	1,515,579
UNREALISED INCOME RETAINED / (UTILISED)	42,603,621	5,207,986	42,603,621	5,207,986

Note 1:

For the financial quarter ended 31 December 2017 the Manager proposes to distribute RM7,683,228 i.e.113% from current period's net realised income . The distribution amount will be reflected in the next quarter's report.

(The Condensed Cash Flow Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to the financial statements).

AMANAHRAYA REAL ESTATE INVESTMENT TRUST
INTERIM FINANCIAL REPORT FOR FINANCIAL PERIOD ENDED 31 DECEMBER 2017

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter 31.12.2017 RM	Preceding Corresponding Quarter 31.12.2016 RM	Current Year To-date 31.12.2017 RM	Preceding Corresponding Quarter 31.12.2016 RM
Net income for the financial period is made up as follows:				
- realised	6,799,317	8,331,062	31,650,306	35,333,189
- unrealised				
Changes in fair value of investment properties	42,603,621	5,207,986	42,603,621	5,207,986
	49,402,939	13,539,048	74,253,927	40,541,175
EARNINGS PER UNIT (SEN) B16				
- after manager fees (sen)	8.6185	2.3619	12.9538	7.0725
- before manager fees (sen)	8.8767	2.5954	13.9776	7.9579
DISTRIBUTION PER UNIT (SEN) (Note 1) B17				
- realised from current period	1.3404	1.4243	5.5026	5.8996
- realised from previous period	-	-	-	-
	1.3404	1.4243	5.5026	5.8996
DISTRIBUTION PER UNIT (%) (Note 1)				
- realised from current period	113%	98%	100%	96%
- realised from previous period	0%	0%	0%	0%
	113%	98%	100%	96%

Note 1:

The Manager distributes at least 95% (or such other percentage as determined by the Manager in its absolute discretion) of the distributable income with effect from the Financial Year 2010.

For the financial quarter ended 31 December 2017, the Manager proposed to distribute 113% of the net realised income from the current period's realised income. The distribution amount will be reflected in the next quarter's report. The cumulative distribution per unit for financial year ended 31 December 2017 is 100%. The distribution per unit (sen) is calculated based on the total distribution made for the financial period over the number of units in circulation at the end of the financial period.

(The Condensed Cash Flow Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to the financial statements).

AMANAHRAYA REAL ESTATE INVESTMENT TRUST
 INTERIM FINANCIAL REPORT FOR FINANCIAL PERIOD ENDED 31 DECEMBER 2017

CONDENSED STATEMENT OF CHANGES IN NET ASSET VALUE
 FROM 1 JANUARY 2017 TO 31 DECEMBER 2017 (UNAUDITED)

	Unitholder's Capital RM	----- Distributable Income -----		Total RM
		Realised RM	Unrealised RM	
At 1 January 2017	519,685,915	27,434,146	138,941,667	686,061,728
Operation for the financial period ended 31 December 2017				
Total comprehensive income for the financial period	-	31,650,306	42,603,621	74,253,927
Realisation of distributable income from disposal of properties				
<i>Increase in net assets resulting from operations</i>	-	<i>31,650,306</i>	<i>42,603,621</i>	<i>74,253,927</i>
Unitholders' transactions				
Distribution to unitholders - 2016 final	-	(8,165,371)	-	(8,165,371)
Distribution to unitholders - Q1, 2017	-	(8,177,381)	-	(8,177,381)
Distribution to unitholders - Q2, 2017	-	(7,661,631)	-	(7,661,631)
Distribution to unitholders - Q3, 2017	-	(8,020,683)	-	(8,020,683)
<i>Increase in net assets resulting from unitholders' transactions</i>	-	<i>(32,025,067)</i>	-	<i>(32,025,067)</i>
At 31 December 2017	519,685,915	27,059,385	181,545,288	728,290,588

(The Condensed Cash Flow Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to the financial statements).

AMANAHRAYA REAL ESTATE INVESTMENT TRUST
 INTERIM FINANCIAL REPORT FOR FINANCIAL PERIOD ENDED 31 DECEMBER 2017

CONDENSED STATEMENT OF CHANGES IN NET ASSET VALUE
 FROM 1 JANUARY 2016 TO 31 DECEMBER 2016 (AUDITED)

	Unitholder's Capital RM	--- Distributable Income ---		Total RM
		Realised RM	Unrealised RM	
At 1 January 2016	519,685,915	19,810,650	142,043,281	681,539,846
Operation for the financial period ended 31 December 2016				
Total comprehensive income for the financial period	-	35,333,189	5,207,986	40,541,175
Realisation of unrealised income upon disposal of investment property	-	8,309,600	(8,309,600)	-
<i>Increase in net assets resulting from operations</i>	-	<i>43,642,789</i>	<i>(3,101,614)</i>	<i>40,541,175</i>
Unitholders' transactions				
Distribution to unitholders - 2015 final	-	(10,366,124)	-	(10,366,124)
Distribution to unitholders - Q1, 2016	-	(8,966,757)	-	(8,966,757)
Distribution to unitholders - Q2, 2016	-	(8,521,181)	-	(8,521,181)
Distribution to unitholders - Q3, 2016	-	(8,165,231)	-	(8,165,231)
<i>Increase in net assets resulting from unitholders' transactions</i>	-	<i>(36,019,293)</i>	-	<i>(36,019,293)</i>
At 31 December 2016	519,685,915	27,434,146	138,941,667	686,061,728

(The Condensed Cash Flow Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to the financial statements).

AMANAHRAYA REAL ESTATE INVESTMENT TRUST
 INTERIM FINANCIAL REPORT FOR FINANCIAL PERIOD ENDED 31 DECEMBER 2017

CONDENSED STATEMENT OF CASH FLOW

	Current Year To-date 31.12.2017 RM	Preceding Year To-date 31.12.2016 RM
Cash Flows From Operating Activities		
Income before taxation	74,253,927	40,541,175
Adjustment for:-		
Finance costs	15,327,652	13,255,382
Interest income	(791,896)	(1,585,321)
Change in the fair value of properties	(42,603,621)	(5,207,986)
Operating income before working capital changes	<u>46,186,061</u>	<u>47,003,250</u>
Changes in working capital:-		
Trade and other receivables	(265,522,602)	5,989,150
Trade and other payables	(16,044,462)	563,169
Net cash from operating activities	<u>(235,381,003)</u>	<u>53,555,569</u>
Cash Flows From Investing Activities		
Interest received	767,432	1,519,900
Proceeds from disposal of investment properties	-	78,000,000
Acquisition of investment property	-	(96,000,000)
Improvement of properties	(1,696,379)	(372,014)
Net cash from investing activities	<u>(928,946)</u>	<u>(16,852,114)</u>
Cash Flows From Financing Activities		
Distribution paid to unitholders		
- in respect of current financial year	(15,839,012)	(17,487,938)
- in respect of previous financial year	(8,165,371)	(10,366,124)
Drawdown of term loan	-	(108,000,000)
Repayment of term loan	450,000,000	33,920,000
Interest paid	(13,209,147)	(13,505,410)
Net cash (used in) financing activities	<u>412,786,469</u>	<u>(115,439,472)</u>
Net increase in cash and cash equivalents	176,476,520	(78,736,017)
Cash and cash equivalents at beginning of financial period	20,291,475	99,027,492
Cash and cash equivalents at end of financial period	<u>196,767,995</u>	<u>20,291,475</u>
Cash and cash equivalents comprise:-		
Cash and bank balances	254,490	230,195
Deposits placed with licensed financial institutions	196,513,504	20,061,280
	<u>196,767,995</u>	<u>20,291,475</u>

(The Condensed Cash Flow Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to the financial statements).

**AMANAHRAYA REAL ESTATE INVESTMENT TRUST
QUARTERLY UNAUDITED FINANCIAL RESULT FOR THE FIRST QUARTER ENDED 31 DECEMBER 2017**

A. DISCLOSURE REQUIREMENTS AS PER MALAYSIAN FINANCIAL REPORTING STANDARDS (MFRS) 134

A1. BASIS OF PREPARATION

This quarterly financial report is unaudited and has been prepared in accordance with Malaysian Financial reporting Standards (MFRSs). In preparing this quarterly financial report MFRS 134: Interim Financial Reporting has been applied. In addition, this quarterly financial report has been prepared in accordance with Paragraph 9.44 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

A2. METHOD OF COMPUTATION AND CHANGES IN ACCOUNTING POLICIES

The methods of computation used in the preparation of the quarterly financial report are consistent with those adopted in the preparation of the audited financial statements and audited information of AmanahRaya Real Estate Investment Trust (ARREIT or "Trust") for the financial year ended 31 December 2016. There is no impact upon the adoption of MFRSs on the financial reports.

A3. AUDIT REPORT OF PRECEDING FINANCIAL YEAR ENDED 31 DECEMBER 2016

The audit report of the Trust's financial statements for the financial year ended 31 December 2016 was not subject to any qualification.

A4. SEASONALITY OR CYCLICALITY OF OPERATIONS

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

A5. UNUSUAL ITEMS

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

A6. CHANGES IN ESTIMATES

This is not applicable as no estimates were previously reported.

A7. DEBTS AND EQUITY SECURITIES

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

A8. INCOME DISTRIBUTION

The Trust has paid its first interim income distribution on 14 July 2017 amounting to RM8,177,381. The Trust has also made the payment for second interim income distribution amounting to RM7,661,106 which had been be paid on 13 October 2017. For the third quarter, the Trust has paid RM8,020,280 which had been distributed to the unitholders on 12 January 2018.

A9. SEGMENTAL REPORTING

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

A10. VALUATION OF INVESTMENT PROPERTIES

For the quarter under review, there were increase of RM42,603,621 in the fair values of the investment properties held since last revaluation exercise.

A11. MATERIAL AND SIGNIFICANT EVENT

On 19 December 2016, the Manager ARRM, namely Amanah Raya Berhad ("ARB") had on 19 December 2016 entered into the following agreements with KDA Capital Malaysia Sdn Bhd ("KDA Capital"): Share Sale Agreement between ARB and KDA Capital in respect of the proposed disposal by ARB of 735,000 ordinary shares of RM1.00 each in ARRM equivalent to 49% shareholdings in ARRM to KDA Capital for a cash consideration of RM5,145,000 only;

Shareholders Agreement between ARB and KDA Capital to regulate the relationship between ARB and KDA Capital as shareholders of ARRM; and

REIT Unit Sale Agreement between ARB and KDA Capital in respect of the proposed purchase of 85,982,979 REIT units representing 15% of AmanahRaya REIT's units from ARB by KDA Capital at RM1.00 per REIT unit equivalent to RM85,982,979 by way of Direct Business Transaction.

The agreement has been completed on 13 March 2017.

The management company is now known as AmanahRaya-Kenedix Reit Manager Sdn Bhd.

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

There were no changes in the composition of ARREIT for the current quarter and the total number of units issued stands at 573,219,858.

A13. CONTINGENT LIABILITIES OR CONTINGENT ASSETS

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

A14. TRADE AND OTHER PAYABLES

Included in the Current and Non-Current Liabilities - Trade and Other Payables are tenant deposits of RM15,472,909 received from lessees for tenancy contracts with tenure of one to twenty five years.

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

B1. REVIEW OF PERFORMANCE

The Manager is pleased to report to the unitholders of ARREIT the results for the fourth financial quarter ended 31 December 2017.

For the period ended 31 December 2017, the Trust recorded a cumulative rental income of RM60,417,996 as against preceding corresponding period of RM57,385,743. The increase in rental income of 5% was contributed by the acquisition of three (3) new properties on 2016. Interest income and other income were recorded lower at RM1,379,529 in comparison to the cumulative preceding quarter of RM2,083,066 due to lower fixed deposit placement and zero late interest charge incurred in 2017. The other income mainly consists of utilities usage charges at Contraves Building in Cyberjaya..

Total cumulative property expenses for the period under review increased to RM7,236,581 from RM4,083,964 in the preceding corresponding period. The increase was mainly due to higher major repair cost incurred mainly for HELP University. Higher maintenance costs are also being incurred which is in line with the increase in number of assets as compared to year 2016.

On the other hand, total cumulative non-property expenses for the period also has recorded an increase from RM22,910,638 in the corresponding period to RM20,051,656. The increase was mainly contributed by the interest term loan from Public Bank Berhad including coupon rate from Medium term notes of RM950 million which have been disbursed on 22 December 2017 and the increase in management fee that due to the change of base fee from 0.75% to 0.85% of Net Asset Value of ARREIT.

For the quarter under review, the fund had also recorded an increase in fair value of its investment properties (unrealised gain) amounting to RM42.6 million. Net income before tax inclusive of unrealised gain was RM74,253,927 as against RM40,541,175 in the previous corresponding period. Realised income is recorded lower than the preceding corresponding period at RM31,650,306 (preceding corresponding period - RM35,333,189).

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

	Current Quarter 31.12.2017 RM	Preceding Corresponding Quarter 31.12.2016 RM
Revenue		
- Gross revenue (rental income)	15,092,242	14,295,454
- Interest and other income	476,555	140,181
- Changes in fair value of investment properties	42,603,621	5,207,986
Total	<u>58,172,418</u>	<u>19,643,621</u>
Expenses		
Property expenses	(2,710,001)	(1,099,427)
Non-property expenses	(6,059,479)	(5,005,146)
Total	<u>(8,769,480)</u>	<u>(6,104,573)</u>
Income before taxation	<u>49,402,939</u>	<u>13,539,048</u>

The Trust's rental income for the current quarter ended 31 December 2017 is higher by 6% than the preceding corresponding quarter. Interest income and other income are slightly higher than last corresponding quarter by RM336,374 .

The Trust's property expenses incurred for the current quarter was significantly higher in comparison to the preceding quarter partly due to the increase in repair and maintenance costs of new acquisition and tenancy renewal properties. Non-property expenses is also higher than the previous corresponding quarter due by the interest term loan from Public Bank Berhad including coupon rate from Medium term notes of RM950 million which have been disbursed on 22 December 2017 and the increase in management fee that due to the change of base fee from 0.75% to 0.85% of Net Asset Value of ARREIT.

Net income before tax is recorded at RM49,402,939 which is increased than the income before tax in the preceding corresponding quarter.

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

B3. PROSPECTS

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

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

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

B4. VARIANCES

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

B5. ACQUISITION OR DISPOSAL OF INVESTMENT PROPERTIES

On September 2017, ARREIT entered into sale and purchase agreement for the acquisition of an investment property Vista Tower for a total consideration of RM455,000,000. The acquisition have been completed on 16 January 2018.

On December 2017, ARREIT also entered into sale and purchase agreement for the disposal of an investment property Silver Bird Factory for a total consideration of RM105,000,000. The disposal expected to be completed by Quarter 2, 2018.

B6. TAXATION

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

Thus, based on the income distribution made for the current quarter, the Trust has not provided any tax expenses for the period. A numerical reconciliation between the applicable income tax expense and effective income tax expense on the Trust is as follows:

	Current Quarter 31.12.2017 RM	Preceding Corresponding Quarter 31.12.2016 RM	Current Year To-date 31.12.2017 RM	Preceding Year To-date 31.12.2016 RM
Earnings before taxation	49,402,939	13,539,048	74,253,927	40,541,175
Taxation at Malaysia Statutory tax rate @ 25%	12,350,733.33	2,359,673	18,563,481.33	2,359,673
Non-deductible expenses	108,498	123,952	399,930	123,952
Effect of interest income and other income not subject to tax	(72,075)	(206,717)	(197,974)	(206,717)
Effect of income not subject to tax	(10,650,905)	-	(10,650,905)	-
Effect of income distribution exempted from tax	(1,736,251)	(2,276,908)	(8,114,532)	(2,276,908)
Tax expenses	-	-	-	-

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

B7. CORPORATE PROPOSAL AND DEVELOPMENT

There were no new corporate proposal and development announced during the current quarter.

B8. As at 31 December 2017 The Trust's composition of investment portfolio are as follows:

	Acquisition cost (Asset & Enhancement) RM	Fair value as at 31.12.2017 RM	Percentage of fair value to Net Asset Value %	Percentage of fair value to Total Asset %
Investment properties				
<i>Hospitality</i>				
	31,000,000	35,900,000	4.93	2.35
* Holiday Villa Alor Setar	57,161,319	81,000,000	11.12	5.31
<i>Education</i>				
	52,500,000	70,000,000	9.61	4.59
* SEGi College	145,000,000	179,000,000	24.58	11.73
<i>Commercial</i>				
	18,300,000	16,000,000	2.20	1.05
* Block A & B, South City Plaza	53,946,379	75,000,000	10.30	4.91
* Wisma Amanah Raya Berhad (Jalan Semantan)	130,585,000	165,000,000	22.66	10.81
* Selayang Mall	99,120,000	118,000,000	16.20	7.73
* Dana 13				
<i>Industrial</i>				
*+ Silver Bird Factory	92,000,000	102,000,000	14.01	6.68
* AIC Factory	19,200,000	36,000,000	4.94	2.36
Gurun Automotive Warehouse	23,970,000	20,000,000	2.75	1.31
* Wisma Comcorp	30,000,000	35,800,000	4.92	2.35
Toshiba	32,000,000	32,000,000	4.39	2.10
* Deluge Factory	24,000,000	25,000,000	3.43	1.64
* Contraves	40,000,000	40,000,000	5.49	2.62
	<u>848,782,698</u>	<u>1,030,700,000</u>	<u>141.52</u>	<u>67.52</u>
Others				
Deposits placed with licensed financial institutions		196,513,504	26.98	12.87
++ <i>Asset held for sale</i>				
* <i>Charged to financial institution for credit facility</i>				

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

B9. BORROWINGS AND DEBT SECURITIES

	Current Year To-date 31.12.2017 RM	Preceding Year To-date 31.12.2016 RM
Long term borrowings		
- Term Loan I,II,III and IV	290,150,000	290,150,000
- Unrated medium term notes	450,000,000	-
- Unamortised transaction costs	(2,018,312)	-
	<hr/>	<hr/>

The borrowings are secured by way of legal charge on certain properties of the Trust. The average effective interest rate (annualised) for these borrowings is 4.60% (preceding correspondence quarter: 4.65%). The gearing ratio is currently 49.99%.

	Current Year To-date 31.12.2017 RM	Preceding Year To-date 31.12.2016 RM
Short term borrowings		
- revolving credit facility	25,000,000	-
	<hr/>	<hr/>

The facility are offered and limited by RM30 million. The average effective interest rate for these facility is COF + 0.5% (floating rate) and base on the tenure of 1, 3 and 6 months.

B10. UTILISATION OF PROCEEDS RAISED FROM ISSUANCE OF NEW UNITS

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

B11. SOFT COMMISSION

During the financial quarter ended 31 December 2017, the Manager or its delegates did not receive any soft commission from its broker, by virtue of transactions conducted by the Trust.

B12. PURCHASE OR DISPOSAL OF INVESTMENT IN QUOTED SECURITIES

During the financial quarter ended 31 December 2017, there was no purchase or disposal of investment in quoted securities.

B13. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

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

B14. MATERIAL LITIGATION

In respect of the litigation which has arisen between AmanahRaya-REIT with Standard Confectionary Sdn Bhd and High-5 Conglomerate Berhad on Silver Bird Factory, the Court has given order for vacant possession and consequential relief to AmanahRaya-REIT. The Manager has successfully repossessed the Property on 4 July 2016.

B15. INCOME DISTRIBUTION

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

<u>Types of unit holders</u>	<u>Rates of tax</u>
Resident unitholders;	
- Resident company	No withholding tax; tax at prevailing corporate tax rate
- Unitholders other than a resident company	Withholding tax at 10%; effective from 1 January 2012 to 31 December 2019
Non-resident unitholders;	
- Non-resident company	Withholding tax at 24%; effective from 1 January 2016 to 31 December 2017
- Non-resident institutional investor	Withholding tax at 10%; effective from 1 January 2012 to 31 December 2019
- Non-resident other than company and institutional investors	Withholding tax at 10%; effective from 1 January 2012 to 31 December 2019

B16. EARNINGS PER UNIT

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

	Current Quarter 31.12.2017 RM	Preceding Corresponding Quarter 31.12.2016 RM
Earnings after taxation	49,402,939	13,539,048
Total number of units issued	573,219,858	573,219,858
Earnings per unit (sen)		
- realised	1.1862	1.4534
- unrealised	7.4323	0.9085
	8.6185	2.3619

B17. DISTRIBUTION PER UNIT

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

	Current Quarter 31.12.2017 RM	Preceding Corresponding Quarter 31.12.2016 RM
Provision for income distribution	7,683,228	8,164,441
Total number of units issued	573,219,858	573,219,858
Distribution per unit (sen) (realised)	1.3404	1.4243

B18. STATEMENT BY THE DIRECTORS OF THE MANAGER

In the opinion of the Directors of the Manager, the quarterly report has been prepared in accordance with MFRS 134: Interim Financial Reporting and Paragraph 9.44 of the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad so as to give a true fair view of the financial position of ARREIT as 31 December 2017 and of its financial performance and cash flows for the quarter/period ended on that date and duly authorised for release by the Board of the Manager on 15 February 2018.

By Order of the Board
 JERRY JESUDIAN A/L JOSEPH ALEXANDER
 LEONG SHIAK WAN (f)
 Joint Company Secretaries
 AmanahRaya-KENEDIX REIT Manager Sdn Bhd (Company No. 856167-A)
 (As the Manager of AmanahRaya Real Estate Investment Trust)
 Kuala Lumpur
 Dated: 15 February 2018