

AMANAHRAYA REAL ESTATE INVESTMENT TRUST
INTERIM FINANCIAL REPORT FOR FINANCIAL PERIOD ENDED 31 DECEMBER 2015

CONDENSED STATEMENT OF FINANCIAL POSITION

	Note	As At End of Current Quarter (Unaudited) 31.12.2015 RM	As At End of Current Quarter (Audited) 31.12.2014 RM
ASSETS			
Non-current asset			
Investment properties	B8	884,820,000	938,070,000
		884,820,000	938,070,000
Current assets			
Trade and other receivables		3,560,712	1,576,963
Security deposits in Trust accounts and financial institution		35,964,840	43,936,743
Deposits placed with licensed financial institutions	B8	98,953,770	57,526,666
Asset held for sale - investment properties		78,000,000	34,000,000
Cash and bank balances		73,722	2,186,338
		216,553,044	139,226,710
TOTAL ASSETS		1,101,373,044	1,077,296,710
LIABILITIES			
Non-current liability			
Borrowings	B9	364,230,000	-
Trade and other payables	A14	29,966,565	38,570,521
		394,196,565	38,570,521
Current liabilities			
Borrowings	B9	-	364,146,837
Trade and other payables		16,997,832	15,867,028
Provision for income distributions	A8	8,638,801	761,127
		25,636,633	380,774,992
TOTAL LIABILITIES		419,833,198	419,345,513
NET ASSET VALUE (NAV)		681,539,846	657,951,197
FINANCED BY:			
UNITHOLDERS' FUND			
Unitholders' capital		519,685,915	519,685,915
Undistributed income (<i>Note 1</i>)		161,853,931	138,265,282
Total unitholders' fund		681,539,846	657,951,197
NUMBER OF UNITS IN CIRCULATIONS		573,219,858	573,219,858
NET ASSET VALUE (NAV) PER UNIT (RM):			
- Before income distribution (<i>Note 2</i>)		1.189	1.148
- After income distribution (<i>Note 3</i>)		1.156	1.130

Note 1:

This includes net appreciation in fair values of investment properties of RM142,043,281, 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 Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the financial statements).

AMANAHRAYA REAL ESTATE INVESTMENT TRUST
 INTERIM FINANCIAL REPORT FOR FINANCIAL PERIOD ENDED 31 DECEMBER 2015

CONDENSED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter 31.12.2015 RM	Restated Preceding Corresponding Quarter 31.12.2014 RM	Current Quarter 31.12.2015 RM	Restated Preceding Corresponding Quarter 31.12.2014 RM
GROSS REVENUE	15,583,717	13,958,901	61,607,065	55,232,076
PROPERTY EXPENSES				
Assessment	(318,516)	(67,163)	(1,315,716)	(1,381,050)
Quit rent	(19,043)	(40,765)	(145,655)	(167,743)
Other property operating expenses	1,048,942	628,489	(2,344,302)	(1,685,137)
TOTAL PROPERTY EXPENSES	711,383	520,561	(3,805,673)	(3,233,930)
Net rental income	16,295,099	14,479,462	57,801,392	51,998,146
Interest income	892,007	873,102	2,650,771	3,307,289
Other income	56,334	(336,682)	486,504	-
Changes in fair value of investment properties	23,059,600	64,786,699	23,059,600	75,316,699
TOTAL TRUST INCOME	40,303,040	79,802,581	83,998,267	130,622,134
TRUST EXPENSES				
Manager's fee	(1,249,616)	(1,183,246)	(4,950,464)	(4,493,860)
Trustee's fee	(91,638)	(86,771)	(363,034)	(329,550)
Administrative expenses	(65,165)	(126,927)	(332,895)	(415,794)
Valuation fee	(279,602)	(247,208)	(324,885)	(247,208)
Interest expenses	(4,548,720)	(4,272,945)	(17,159,294)	(16,954,853)
Other trust expense	(642,575)	(642,784)	(1,185,117)	(887,499)
Impairment loss on trade receivable	-	(44,109)	-	(44,109)
TOTAL TRUST EXPENSES	(6,877,316)	(6,603,990)	(24,315,689)	(23,372,873)
INCOME FOR THE FINANCIAL PERIOD	33,425,724	73,198,591	59,682,578	107,249,261
Taxation	-	-	-	-
INCOME AFTER TAXATION	33,425,724	73,198,591	59,682,578	107,249,261
Unrealised gain from revaluation of properties	(23,059,600)	(64,786,699)	(23,059,600)	(75,316,699)
REALISED INCOME AFTER TAX	10,366,124	8,411,892	36,622,978	31,932,562
DISTRIBUTION TO UNITHOLDERS(Note 1)				
- from current period realised net income	(10,366,124)	(8,411,892)	(36,144,081)	(31,932,562)
- from previous period realised net income	-	(1,905,959)	-	(5,326,653)
	(10,366,124)	(10,317,851)	(36,144,081)	(37,259,215)
REALISED INCOME RETAINED	-	(1,905,959)	478,897	(5,326,653)
UNREALISED INCOME RETAINED / (UTILISED)	23,059,600	64,786,699	23,059,600	75,316,699

Note 1:

For the financial quarter ended 31 December 2015 the Manager proposes to distribute RM10,366,124 i.e.100% from current period's net realised income .
 The distribution amount will be reflected in the next quarter's report.

(The Condensed Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the financial statements).

AMANAHRAYA REAL ESTATE INVESTMENT TRUST
 INTERIM FINANCIAL REPORT FOR FINANCIAL PERIOD ENDED 31 DECEMBER 2015

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter 31.12.2015 RM	Preceding Corresponding Quarter 31.12.2014 RM	Current Year To-date 31.12.2015 RM	Preceding Corresponding Quarter 31.12.2014 RM
Net income for the financial period is made up as follows:				
- realised	10,366,124	8,411,892	36,622,978	31,932,562
- unrealised				
Changes in fair value of investment properties	23,059,600	64,786,699	23,059,600	75,316,699
	33,425,724	73,198,591	59,682,578	107,249,261
EARNINGS PER UNIT (SEN) B16				
- after manager fees (sen)	5.8312	12.7697	10.4118	18.7100
- before manager fees (sen)	6.0492	12.9761	11.2754	19.4939
DISTRIBUTION PER UNIT (SEN) (Note 1) B17				
- realised from current period	1.8084	1.4675	6.3054	5.5707
- realised from previous period	-	0.3325	-	0.9293
	1.8084	1.8000	6.3054	6.5000
DISTRIBUTION PER UNIT (%) (Note 1)				
- realised from current period	100%	100%	99%	100%
- realised from previous period	0%	23%	0%	17%
	100%	123%	99%	117%

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 2015, the Manager proposed to distribute 100% 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 2015 is 99%. 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 Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the financial statements).

AMANAHRAYA REAL ESTATE INVESTMENT TRUST
INTERIM FINANCIAL REPORT FOR FINANCIAL PERIOD ENDED 31 DECEMBER 2015

CONDENSED STATEMENT OF CHANGES IN NET ASSET VALUE
FROM 1 JANUARY 2015 TO 31 DECEMBER 2015 (UNAUDITED)

	----- Distributable Income -----			Total RM
	Unitholder's Capital RM	Realised RM	Unrealised RM	
At 1 January 2015	519,685,915	17,443,583	120,821,699	657,951,197
Operation for the financial period ended 31 December 2015				
Total comprehensive income for the financial period	-	36,622,978	23,059,600	59,682,578
Realisation of distributable income from disposal of properties				
<i>Increase in net assets resulting from operations</i>	-	36,622,978	23,059,600	59,682,578
Unitholders' transactions				
Distribution to unitholders - 2014 final	-	(10,317,851)	-	(10,317,851)
Distribution to unitholders - Interim Q1 2015	-	(8,023,166)	-	(8,023,166)
Distribution to unitholders - Interim Q2 2015		(9,115,914)	-	(9,115,914)
Distribution to unitholders - Interim Q3 2015		(8,636,998)	-	(8,636,998)
<i>Increase in net assets resulting from unitholders' transactions</i>	-	(36,093,929)	-	(36,093,929)
At 31 December 2015	519,685,915	17,972,632	143,881,299	681,539,846

(The Condensed Statement of Changes in Net Asset Value should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the financial statements).

AMANAHRAYA REAL ESTATE INVESTMENT TRUST
 INTERIM FINANCIAL REPORT FOR FINANCIAL PERIOD ENDED 31 DECEMBER 2015

CONDENSED STATEMENT OF CHANGES IN NET ASSET VALUE
 FROM 1 JANUARY 2014 TO 31 DECEMBER 2014 (AUDITED)

	----- Distributable Income -----			Total RM
	Unitholder's Capital RM	Realised RM	Unrealised RM	
At 1 January 2014	519,685,915	22,405,256	45,505,000	587,596,171
Operation for the financial period ended 31 December 2014				
Total comprehensive income for the financial period	-	31,932,562	75,316,699	107,249,261
<i>Increase in net assets resulting from operations</i>	-	<i>31,932,562</i>	<i>75,316,699</i>	<i>107,249,261</i>
Unitholders' transactions				
Distribution to unitholders - 2013 final	-	(9,951,671)	-	(9,951,671)
Distribution to unitholders - Q1, 2014	-	(9,745,356)	-	(9,745,356)
Distribution to unitholders - Q2, 2014	-	(7,452,492)	-	(7,452,492)
Distribution to unitholders - Q3, 2014	-	(9,744,716)	-	(9,744,716)
<i>Increase in net assets resulting from unitholders' transactions</i>	-	<i>(36,894,235)</i>	-	<i>(36,894,235)</i>
At 31 December 2014	519,685,915	17,443,583	120,821,699	657,951,197

(The Condensed Statement of Changes in Net Asset Value should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the financial statements).

AMANAHRAYA REAL ESTATE INVESTMENT TRUST
INTERIM FINANCIAL REPORT FOR FINANCIAL PERIOD ENDED 31 DECEMBER 2015

CONDENSED STATEMENT OF CASH FLOW

	Current Year To-date 31.12.2015 RM	Preceding Year To-date 31.12.2014 RM
Cash Flows From Operating Activities		
Income before taxation	59,682,578	107,249,261
Adjustment for:-		
Finance costs	17,159,294	16,954,853
Interest income	(2,650,771)	(3,307,289)
Change in the fair value of properties	(23,059,600)	(75,316,699)
Operating income before working capital changes	<u>51,131,501</u>	<u>45,580,126</u>
Changes in working capital:-		
Trade and other receivables	6,301,077	36,953,414
Trade and other payables	(9,672,933)	4,970,994
Net cash from operating activities	<u>47,759,645</u>	<u>87,504,534</u>
Cash Flows From Investing Activities		
Interest received	2,337,849	3,307,289
Proceeds from disposal of investment properties	34,000,000	-
Acquisition of investment property	-	(30,000,000)
Improvement of properties	(1,690,400)	(2,161,317)
Net cash from investing activities	<u>34,647,449</u>	<u>(28,854,028)</u>
Cash Flows From Financing Activities		
Distribution paid to unitholders		
- in respect of current financial year	(17,137,083)	(26,182,090)
- in respect of previous financial year	(10,317,851)	(9,951,651)
Interest paid	(15,637,672)	(16,659,465)
Net cash (used in) financing activities	<u>(43,092,606)</u>	<u>(52,793,206)</u>
Net increase in cash and cash equivalents	39,314,488	5,857,300
Cash and cash equivalents at beginning of financial period	<u>59,713,004</u>	<u>53,855,704</u>
Cash and cash equivalents at end of financial period	<u>99,027,492</u>	<u>59,713,004</u>
Cash and cash equivalents comprise:-		
Cash and bank balances	73,722	2,186,338
Deposits placed with licensed financial institutions	98,953,770	57,526,666
	<u>99,027,492</u>	<u>59,713,004</u>

(The Condensed Cash Flow Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the financial statements).

AMANAHRAYA REAL ESTATE INVESTMENT TRUST
QUARTERLY UNAUDITED FINANCIAL RESULT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2015

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 2014. There is no impact upon the adoption of MFRSs on the financial reports.

A3. AUDIT REPORT OF PRECEDING FINANCIAL YEAR ENDED 31 DECEMBER 2014

The audit report of the Trust's financial statements for the financial year ended 31 December 2014 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 7 July 2015 amounting to RM8,022,785. The Trust has also distributed RM9,115,915 on 16 October 2015 as second interim dividend. For the third interim dividend, the management has proposed and provided RM8,639,257 to be distributed to the unitholders on 08 January 2016.

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

The triennial revaluation as prescribed by the REIT Guidelines has been completed for thirteen properties and the increase in fair values of the investment properties amounting to RM23,059,600 has been recognised during the financial year.

A11. MATERIAL AND SIGNIFICANT EVENT

On 23 June 2015, CIMB Islamic Trustee Berhad has entered into a conditional Sale and Purchase Agreement to dispose Wisma Amanahraya, Jalan Ampang to Annex Sentral Sdn Bhd. The transaction is deemed to be a related party transaction pursuant to Chapter 9 of REIT Guidelines and subject to the approval of minority unitholders. The approval from unitholders have been obtained via EGM (Extraordinary General Meeting) that held on 17 September 2015.

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 Non-Current Liabilities - Trade and Other Payables are tenant deposits of RM3,208,043 received from Lessees for tenancy contracts with tenure of more than one year.

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 2015.

For the period ended 31 December 2015, the Trust recorded a cumulative rental income of RM61,607,065 as against preceding corresponding period of RM55,232,076. The increase in rental income of 12% is contributed by the new leases at Wisma AmanahRaya Jalan Semantan and Wisma Comcorp. Interest income was recorded lower at RM2,650,257 in comparison to the cumulative preceding quarter of RM3,307,289.

Total cumulative property expenses for the period under review increased to RM3,805,673 from RM3,233,930 in the preceding corresponding period. The increase was mainly due to increase in property management fees and property repair and maintenance of RM699,871.

On the other hand, total non-property expenses for the period has recorded an increase from RM24,315,689 in the corresponding period to RM23,372,873. The increase is mainly due to increase in manager's fees due to increase in NAV by RM456,604, interm term loan by RM204,440 and legal fee on Silverbird case by RM343,686.

For the period under review, the fund had also recorded an increase in fair value of its investment properties (unrealised gain) amounting to RM23.06 million. Net income before tax inclusive of unrealised gain was RM59,682,578 as against RM107,249,261 in the previous corresponding period. However, realised income is recorded 15% higher than the preceding corresponding period at RM36,622,978 (preceding corresponding period - RM31,932,562).

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

	Current Quarter 31.12.2015 RM	Preceding Corresponding Quarter 31.12.2014 RM
Revenue		
- Gross revenue (rental income)	15,583,717	13,958,901
- Interest and other income	948,341	536,420
- Changes in fair value of investment properties	23,059,600	64,786,699
Total	<u>39,591,658</u>	<u>79,282,020</u>
Expenses		
Property expenses	711,383	520,561
Non-property expenses	(6,877,316)	(6,603,990)
Total	<u>(6,165,933)</u>	<u>(6,083,429)</u>
Income before taxation	<u>33,425,725</u>	<u>73,198,591</u>

The Trust's rental income for the current quarter ended 31 December 2015 is higher by 12% than the preceding corresponding quarter. Interest income is slightly higher than last corresponding quarter by 77%. The Trust has also recognised an unrealised income of RM23.06 million from increase in fair value of its investment properties during the quarter.

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 for the properties. Non-property expenses is higher than the previous corresponding quarter due to increase in manager's fee, valuation fees and professional fees.

Consequently, net income before tax inclusive of unrealised gain from revaluation is recorded at RM33,425,7246. Realised income before tax for the quarter is RM10,366,124 which is about 23% higher than the preceding corresponding quarter of RM8,411,892.

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

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

B6. TAXATION

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

Thus, based on the 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 31.12.2015 RM	Preceding Corresponding Quarter 31.12.2014 RM	Current Year To-date 31.12.2015 RM	Preceding Year To-date 31.12.2014 RM
Earnings before taxation	33,425,724	73,198,591	59,682,578	107,249,261
Taxation at Malaysia				
Statutory tax rate @ 25%	8,356,431	18,299,648	14,920,645	26,812,315
Non-deductible expenses	262,558	292,599	543,524	526,138
Effect of interest income and other income not subject to tax	(223,002)	(218,276)	(662,693)	(826,823)
Effect of income not subject to tax	(5,764,900)	(16,196,674)	(5,764,901)	(18,829,174)
Effect of income distribution exempted from tax	(2,631,087)	(2,177,297)	(9,036,575)	(7,682,456)
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

On 23 June 2015, CIMB Islamic Trustee Berhad has entered into a conditional sales and purchase agreement with Annex Sentral Sdn Bhd (related party) to dispose Wisma Amanah Raya Jalan Ampang for a disposal consideration of RM78 million.

B8. As at 31 December 2015 The Trust's composition of investment portfolio are as follows:

	Acquisition cost RM	Fair value as at 31.12.2015 RM	Percentage of fair value to Net Asset Value %	Percentage of fair value to Total Asset %
Investment properties				
<i>Hospitality</i>				
Holiday Villa Alor Setar	31,000,000	35,900,000	5.27	3.26
Holiday Villa Langkawi	55,000,000	80,920,000	11.87	7.35
<i>Education</i>				
SEGi College	52,500,000	65,500,000	9.61	5.95
* SEGi Campus College	145,000,000	170,000,000	24.94	15.44
<i>Commercial</i>				
Block A & B, South City Plaza	18,300,000	26,000,000	3.81	2.36
* ++ Wisma AmanahRaya (Jalan Ampang)	68,000,000	78,000,000	11.44	7.08
* Wisma Amanah Raya Berhad (Jalan Semantan)	53,000,000	72,000,000	10.56	6.54
* Selayang Mall	128,165,000	144,000,000	21.13	13.07
* Dana 13	99,120,000	110,000,000	16.14	9.99
<i>Industrial</i>				
* Silver Bird Factory	92,000,000	95,000,000	13.94	8.63
* AIC Factory	19,200,000	24,000,000	3.52	2.18
Gurun Automotive Warehouse	23,970,000	27,500,000	4.03	2.50
Wisma Comcorp	30,000,000	34,000,000	4.99	3.09
	815,255,000	962,820,000	141.27	87.42
Others				
Deposits placed with licensed financial institutions		98,953,770	14.52	8.98

++ *Asset held for sale*

* *Charged to financial institution for credit facility*

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 31.12.2015 RM	Preceding Year To-date 31.12.2014 RM
Long term borrowings - secured	364,230,000	364,146,837

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 4.65% (preceding correspondence quarter: 4.49%). The gearing ratio is currently 33.07%.

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 2015, 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 2015, 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

A material litigation has arisen between AmanahRaya REIT with Standard Confectionary Sdn Bhd and High-5 Conglomerate Berhad on Silver Bird Factory ("the Property") in respect of the declaration to annul AmanahRaya REIT's right to the Property. The Trustee had

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 2016
Non-resident unitholders;	
- Non-resident company	Withholding tax at 25%; effective from 1 January 2012 to 31 December 2016
- Non-resident institutional investor	Withholding tax at 10%; effective from 1 January 2012 to 31 December 2016
- Non-resident other than company and institutional investors	Withholding tax at 10%; effective from 1 January 2012 to 31 December 2016

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 31.12.2015 RM	Preceding Corresponding Quarter 31.12.2014 RM
Earnings after taxation	33,425,724	73,198,591
Total number of units issued	573,219,858	573,219,858
Earnings per unit (sen)		
- realised	1.8084	1.4675
- unrealised	4.0228	13.1392
	5.8312	14.6067

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

	Current Quarter 31.12.2015 RM	Preceding Corresponding Quarter 31.12.2014 RM
Provision for income distribution	10,366,124	10,317,851
Total number of units issued	573,219,858	573,219,858
Distribution per unit (sen) (realised)	1.8084	1.8000

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 2015 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 19 February 2016.

By Order of the Board
 NORHASLINDA BINTI SAMIN
 JERRY JESUDIAN A/L JOSEPH ALEXANDER
 LEONG SHIAK WAN (f)
 Joint Company Secretaries
 AmanahRaya-REIT Managers Sdn Bhd (Company No. 856167-A)
 (As the Manager of AmanahRaya Real Estate Investment Trust)
 Kuala Lumpur
 Dated: 19 February 2016