

**AMANAHRAYA REAL ESTATE INVESTMENT TRUST (“ARREIT” OR “FUND”)**

- (I) PROPOSED ACQUISITIONS BY CIMB TRUSTEE BERHAD, ON BEHALF OF ARREIT, OF 3 PARCELS OF LEASEHOLD LAND LOCATED IN DISTRICT OF PETALING, SELANGOR DARUL EHSAN TOGETHER WITH THE BUILDINGS ERECTED THEREON; AND**
- (II) PROPOSED INCREASE IN THE EXISTING APPROVED FUND SIZE OF ARREIT**

*(Unless otherwise stated, definitions used in this announcement shall carry the same meanings as defined in the announcement dated 2 September 2010 in relation to the Proposals (“Announcement”).*

We refer to the announcements dated 2 September 2010, 6 September 2010 and 22 September 2010 in relation to the Proposals.

On behalf of the Board of Directors of AmanahRaya-REIT Managers Sdn Bhd (“**Manager**”), Maybank Investment Bank Berhad wishes to announce that the market value of Kompleks PKNS as appraised by Rahim & Co Chartered Surveyors Sdn Bhd (being the independent registered valuer appointed by the Manager, on behalf of the Fund) has been revised from RM89,000,000 to RM93,800,000 due to the inclusion of the income from advertising and promotion. Accordingly, the total purchase consideration for the Proposed Acquisitions has been revised from RM270,000,000 to RM274,800,000 (“**Revision**”). On 14 February 2011, CIMB Trustee Berhad, the trustee for ARREIT (“**Trustee**”), has entered into a letter of agreement with PKNS for the Revision (“**Letter of Agreement**”), and another letter of agreement to revise the Rent for Kompleks PKNS due to the Revision, and to revise the composition of the property management committee for Kompleks PKNS, whereby the property management committee shall comprise 6 members, by whom 3 shall be appointed by the Trustee and 3 shall be appointed by PKNS. The chairman of the property management committee shall be appointed by the Trustee.

According to the Letter of Agreement, ARREIT will satisfy the total purchase consideration of RM274,800,000 (“**Purchase Consideration**”) by the Completion Date in the following manner:

- (i) A sum of RM109,920,000, representing 40% of the Purchase Consideration, shall be satisfied by the issuance of 124,909,091 new Units at an issue price of RM0.88 per Unit to PKNS, in the following proportion:
  - (a) 42,636,364 Consideration Units in respect of Kompleks PKNS;
  - (b) 40,909,091 Consideration Units in respect of the SACC Mall; and
  - (c) 41,363,636 Consideration Units in respect of Menara PKNS.
- (ii) A sum of RM164,880,000, representing 60% of the Purchase Consideration, shall be paid in cash to PKNS in the following proportion:
  - (a) RM56,280,000 in respect of Kompleks PKNS;
  - (b) RM54,000,000 in respect of the SACC Mall; and
  - (c) RM54,600,000 in respect of Menara PKNS.

Accordingly, the proposed increase in the existing approved fund size of ARREIT will be from 573,219,858 Units to 698,128,949 Units.

In addition, the security deposit under Section 2.3(iv)(a) of the Announcement has increased from RM7,120,000 to RM7,504,000 for Kompleks PKNS, reflecting 1 year’s average Rent for Kompleks PKNS.

In furtherance thereto, the changes to the effects of the Proposals under Section 8 of the Announcement due to the Revision, are set out below:

**Table 1: Rent**

Period commencing from the Commencement Date	Monthly rental for Kompleks PKNS RM
Year 1 to Year 3	566,708.33
Year 4 to Year 6	605,791.66
Year 7 to Year 9	644,875.00
Year 10 to Year 12	683,958.33

**Table 2: Units**

	No. of Units
Existing as at 30 December 2010	573,219,858
Issuance of the Consideration Units	124,909,091
<b>Enlarged Unitholders' capital</b>	<b>698,128,949</b>

**Table 3: Substantial Unitholders' unitholdings**

Based on the Record of Depositors of ARREIT as at 30 December 2010, the proforma effects of the Proposed Acquisitions on the substantial Unitholders' direct unitholdings in ARREIT are as follows:

Substantial Unitholders	As at 30 December 2010		After the Proposed Acquisitions	
	No. of Units held	%	No. of Units held	%
Kumpulan Wang Bersama <sup>(1)</sup>	305,985,908	53.38	305,985,908	43.83
PKNS <sup>(1)</sup>	32,360,000	5.65	157,269,091	22.53
Royal Bank of Scotland Plc	38,295,000	6.68	38,295,000	5.49

**Note:**

<sup>(1)</sup> On 2 September 2010, Amanah Raya Berhad ("ARB") (as trustees for Kumpulan Wang Bersama ("KWB")) entered into a conditional share sale agreement with PKNS for the disposal by KWB, a fund managed by ARB, and acquisition by PKNS of up to 70,000,000 Units at RM0.95 per Unit ("**Proposed Units Disposal**"). The completion of the Proposed Units Disposal will only take place after the completion of the Proposed Acquisitions. Upon completion of the Proposed Acquisitions and the Proposed Units Disposal, PKNS will hold up to 227,269,091 Units, representing up to 32.55% interest in the Fund, whilst KWB's unitholdings in ARREIT will be reduced to 235,985,908 Units, representing 33.80% interest in the Fund.

**Table 4: Net asset value and gearing**

	Audited as at 31 December 2009 RM'000	After the completed acquisitions <sup>(1)</sup> RM'000	After the Proposed Acquisitions RM'000
Unitholders' capital	403,292	(2) 519,062	(5) 627,482
Undistributed income	36,812	36,812	36,812
Net asset value	<u>440,104</u>	<u>555,874</u>	<u>664,294</u>
Number of Units in circulation ('000)	431,553	(2) 573,220	(5) 698,129
Net asset value per Unit (RM)	1.0198	0.9697	0.9515
Total borrowings	253,000	(3) 364,230	(6) 530,610
Total assets	748,001	(4) 1,002,961	(7) 1,279,111
Gearing (%) <sup>(8)</sup>	33.82	36.32	41.48

**Notes:**

<sup>(1)</sup> After taking into account the acquisitions of Selayang Mall and Dana 13, which was completed on 7 May 2010.

<sup>(2)</sup> After taking into account the issuance of 141,666,667 Units under a private placement which were issued at an issue price of RM0.84 per Unit and expenses incurred of about RM3.23 million. The said private placement was completed on 7 May 2010.

<sup>(3)</sup> After taking into consideration the additional bank borrowings of RM111.23 million to part finance the acquisitions of Selayang Mall and Dana 13.

<sup>(4)</sup> After taking into consideration the acquisitions of Selayang Mall and Dana 13 of RM227.0 million and security deposit for Selayang Mall of RM27.96 million.

<sup>(5)</sup> After taking into account the issuance of 124,909,091 Units under the Proposed Acquisitions at an issue price of RM0.88 per Unit and after netting-off estimated expenses for the Proposals of RM1.50 million.

<sup>(6)</sup> After taking into consideration the additional bank borrowings of RM166.38 million (inclusive of estimated expenses of RM1.50 million) to part finance the Proposed Acquisitions.

<sup>(7)</sup> After taking into consideration the acquisitions of the Properties of RM274.80 million and utilities deposit for the Properties of RM1.35 million.

<sup>(8)</sup> Total borrowings divided by total assets.

In addition, on 14 February 2011, the Trustee and PKNS have also entered into separate letters of agreement to revise the composition of the property management committee for the SACC Mall and Menara PKNS, whereby the property management committee shall comprise 6 members, by whom 3 shall be appointed by the Trustee and 3 shall be appointed by PKNS. The chairman of the property management committee shall be appointed by the Trustee.

**This announcement is dated 14 February 2011.**