

**ATRIUM REAL ESTATE INVESTMENT TRUST**

**SUMMARY OF KEY FINANCIAL INFORMATION**

9/30/2007

	INDIVIDUAL PERIOD	PRECEDING YEAR	CUMULATIVE PERIOD	PRECEDING YEAR
	CURRENT YEAR QUARTER	CORRESPONDING QUARTER	CURRENT YEAR TO DATE	CORRESPONDING PERIOD
	9/30/2007	9/30/2006	9/30/2007	9/30/2006
	RM'000	RM'000	RM'000	RM'000
1 Revenue	3,402	0	6,718	0
2 Profit/(loss) before tax	2,839	0	5,356	0
3 Profit/(loss) after tax and minority interest	2,839	0	5,356	0
4 Net profit/(loss) for the period	2,839	0	5,356	0
5 Basic earnings/(loss) per share (sen)	2.33	0.00	4.40	0.00
6 Dividend per share (sen)	2.20	0.00	4.20	0.00
			AS AT END OF CURRENT QUARTER	AS AT PRECEDING FINANCIAL YEAR END
7 Net assets per share (RM)			0.982	0.00

ATRIUM REAL ESTATE INVESTMENT TRUST

INTERIM FINANCIAL REPORT

Interim financial report on result for the financial quarter ended 30 September 2007

The figures have not been audited.

CONDENSED INCOME STATEMENTS

	CURRENT QUARTER 7/1/2007 TO 9/30/2007 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 9/30/2006 RM'000	CURRENT YEAR TO DATE 9/30/2007 RM'000	PRECEDING YEAR TO DATE 9/30/2006 RM'000
GROSS RECEIPTS	3,402	N/A	6,718	N/A
PROPERTY OPERATING EXPENSES	(210)	N/A	(415)	N/A
NET PROPERTY INCOME	3,192	N/A	6,303	N/A
OTHER INCOME	132	N/A	315	N/A
TRUST EXPENSES	(35)	N/A	(390)	N/A
FINANCE COSTS	(449)	N/A	(871)	N/A
INCOME BEFORE TAXATION	2,839	N/A	5,356	N/A
TAXATION	0	N/A	0	N/A
DISTRIBUTABLE INCOME	2,839	N/A	5,356	N/A
PROVISION FOR INCOME DISTRIBUTION	(2,680)	N/A	(5,116)	N/A
NET INCOME RETAINED	160	N/A	241	N/A
EARNINGS PER UNIT (SEN)	2.33	N/A	4.40	N/A
GROSS DISTRIBUTION UNIT (SEN)	2.20	N/A	4.20	N/A

As this is the first interim financial report prepared by the Trust, the comparative financial information for corresponding period is not available.

ATRIUM REAL ESTATE INVESTMENT TRUST

INTERIM FINANCIAL REPORT

CONDENSED BALANCE SHEET

	AS AT 9/30/2007 RM'000	AS AT 9/30/2006 RM'000
INVESTMENT PROPERTIES	<u>154,800</u>	<u>N/A</u>
<b>CURRENT ASSETS</b>		
Trade receivables	0	N/A
Other receivables	673	N/A
Unit trust in bonds	0	N/A
Deposits with licensed financial institution	16,742	N/A
Bank balance	<u>1,805</u>	<u>N/A</u>
	<u>19,220</u>	<u>N/A</u>
<b>CURRENT LIABILITIES</b>		
Trade payables	25	N/A
Other payables	968	N/A
Short term loan	43,700	N/A
Provision for income distribution	<u>2,680</u>	<u>N/A</u>
	<u>47,373</u>	<u>N/A</u>
<b>NET CURRENT ASSETS</b>	<u>(28,153)</u>	<u>N/A</u>
	<u>126,647</u>	<u>N/A</u>
<b>UNITHOLDERS' FUNDS</b>		
Unitholders' capital	121,801	N/A
Listing expenses	(2,450)	N/A
Retained income	<u>241</u>	<u>N/A</u>
	119,592	N/A
<b>NON-CURRENT LIABILITIES</b>		
Rental deposits received	<u>7,056</u>	<u>N/A</u>
	<u>126,647</u>	<u>N/A</u>
<b>Net asset value per unit (RM)</b>	<u>0.982</u>	<u>N/A</u>

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**ATRIUM REAL ESTATE INVESTMENT TRUST****INTERIM FINANCIAL REPORT****CONDENSED CASH FLOW STATEMENTS  
FOR THE QUARTER ENDED 30 SEPTEMBER 2007**

	<b>For the quarter ended 30.09.07 RM'000</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	
Profit before taxation	2,839
Adjustments for:	
Interest income	(132)
Interest expense	449
Operating profit before changes in working capital	<u>3,157</u>
Decrease/(Increase) in receivables	(189)
(Decrease)/Increase in payables	<u>164</u>
<b>Cash generated from operating activities</b>	3,132
Tax paid	<u>0</u>
<b>Net cash generated from operating activities</b>	<u>3,132</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	
Disposal of asset *	253
Interest income	<u>132</u>
<b>Net cash generated from investing activities</b>	<u>385</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	
Unitholders' capital	0
Interest paid	(449)
Listing expenses	0
Borrowings	0
Distribution to Unitholders	(2,436)
<b>Net cash used in financing activities</b>	<u>(2,885)</u>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	631
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD</b>	<u>17,916</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF PERIOD (a)</b>	<u><u>18,547</u></u>
Note (a)	30.09.07
Cash and cash equivalents	RM'000
Unit trust in bonds	0
Bank balance	1,805
Deposits with licensed financial institution	<u>16,742</u>
Cash and cash equivalent at end of the period	<u><u>18,547</u></u>

\* Reversal of renovation costs

As this is the first interim financial report prepared by the Trust, the comparative financial information for corresponding period is not available.

**ATRIUM REAL ESTATE INVESTMENT TRUST**

**INTERIM FINANCIAL REPORT**

**CONDENSED STATEMENT OF CHANGES IN NET ASSET  
VALUE  
FOR THE PERIOD ENDED 30 SEPTEMBER 2007**

	<b>Unitholders' capital RM</b>	<b>Retained Income Rm'000</b>	<b>Total RM'000</b>
Net assets as at date of establishment 28/11/2006	0	0	0
Proceeds from promoter unit	1		1
Proceeds from Initial Public Offering	121,800	0	121,800
Listing expenses	(2,450)	0	(2,450)
Distributable income for the period	0	5,356	5,356
Income distributed for quarter ended 30/06/07	0	(2,436)	(2,436)
Provision for income distribution for qtr ended 30/09/07	0	(2,680)	(2,680)
As at 30/09/2007	<u>119,351</u>	<u>241</u>	<u>119,592</u>

# ATRIUM REAL ESTATE INVESTMENT TRUST

## NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2007

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### **A1. Basis of Preparation**

The quarterly financial report is unaudited and has been prepared in accordance with the requirements of Financial Reporting Standard (FRS) 134 “Interim Financial Reporting” and Paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad.

The accounting policies and methods of computation adopted by the Trust in this quarterly financial report are consistent with those adopted in the prospectus of Atrium REIT dated 28 February 2007.

### **A2. Audit Report of preceding financial year ended 31 December 2006**

There was no annual report of preceding financial year ended 31 December 2006 as the Trust was established on the 28 November 2006 and commenced operations on the 2 April 2007.

### **A3. Seasonality or Cyclicity of Operations**

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

### **A.4 Exceptional or Unusual Items**

During the current financial quarter, there was no item of an exceptional or unusual nature that affects the assets, liabilities, equity, net income or cash flows of the Trust.

### **A.5 Changes in estimates of amounts reported**

This is not applicable as there was no estimate of amount reported.

### **A.6 Changes in Debt and Equity Securities**

There was no issuance, cancellation, repurchase, resale and repayment of debts and equity securities during the current financial quarter. The outstanding debt is disclosed in Note B9.

### **A.7 Income Distribution**

Based on the quarter result ended 30 September 2007, there will be an Interim Distribution of 2.2 sen per unit, amounting to RM2, 679,622 to be made on the 28 November 2007.

### **A.8 Segment Reporting**

No segment information is prepared as the Trust’s activities are predominantly in one industry segment and occur predominantly in Malaysia.

## **A.9 Valuation of Property, Plant & Equipment**

The valuations of property, plant and equipment have been brought forward without any amendments from the valuation report dated 29 January 2007.

## **A10. Material Events Subsequent to the end of the interim period**

There is no material event subsequent to the end of the interim period other than acquisition of an industrial property at Senai Industrial Park for RM 12.5 million for which the Sale and Purchase Agreement had been executed on 10 October 2007.

## **A11. Changes in the Composition of the Trust**

There is no change in composition of the Trust during the current financial quarter.

## **A12. Changes in Contingent Liabilities**

There is no contingent liability to be disclosed.

## **B. EXPLANATORY NOTES REQUIRED BY BURSA MALAYSIA REVISED LISTING REQUIREMENTS.**

### **B1. Review of Performance**

The Trust recorded RM3.402 million and RM2.839 million of revenue and profit before taxation respectively for the quarter ended 30 September 2007.

### **B2. Comparison with Preceding Quarter**

	Current Quarter 01.07.07 to 30.09.07 RM'000	Previous Quarter 03.04.07 to 30.06.07 RM'000
Revenue	<u>3,402</u>	<u>3,316</u>
Net Profit before taxation	2,839	2,517
Taxation	0	0
Net Profit after taxation	<u>2,839</u>	<u>2,517</u>

### B.3. Prospects

The Trust, after considering the strength of the industrial real estate portfolio invested which is 100% leased to multi-national corporations, is expected to achieve expected performance for financial year ending 31 December 2007 as disclosed in the prospectus dated 28 February 2007.

### B.4 Profit Forecast

This is not applicable as the Trust did not issue any profit forecast or profit guarantee for the current financial quarter.

### B.5 Taxation

Pursuant to the present tax system for Real Estate Investment Trust (“REIT”), a REIT will be fully exempted from income tax provided at least 90% of its income is distributed to unitholders with effect from the year of assessment 2007.

### B.6 Sales of Unquoted Investment and /or Properties

There was no sale of unquoted investment or properties during the current financial quarter.

### B.7 Quoted Investment

During the current financial quarter, the following quoted investment was disposed:

#### Public Mutual Select Bond Fund

	Units	Unit Price RM	Total Investment RM
Purchased - 07/05/2007	7,417,710	1.0785	8,000,000
Bonus Issue - 01/06/2007	296,708	-	-
Dividend – 01/06/2007	335,306	-	-
	<u>8,049,724</u>	-	<u>8,000,000</u>
Disposed on 11/09/2007	8,049,724	1.0103	8,132,636
Gain	<u>0</u>	-	<u>132,636</u>

### B.8 Corporate Development

There was no corporate proposal announced during the current financial quarter.

### B.9 Borrowings and Debt Securities

The borrowing of RM43.7 million is a short term revolving credit with 5 years maturity and secured.

The interest rate charged per annum is 0.3% above cost of fund. The present interest payable is about 4.0% p.a.

The financial institution took a first legal charge over two investment properties valued at RM67.2 million as their securities. This financing facility has a maturity of 5 years from the date of first drawdown and will be repaid in full via a bullet repayment at maturity.



## **B10. Off Balance Sheet Financial Instruments**

No off balance sheet financial instruments were utilised for the current financial quarter.

## **B11. Material litigation**

There was no material litigation as at the end of current financial quarter.

## **B12. Income distribution**

The Board of Atrium Reit Managers Sdn Bhd has declared an interim income distribution of 2.2 sen of the income after taxation (realised) for the quarter ended 30 September 2007, to be paid on 28 November 2007 to the unitholders registered in the Record of Depositors on 7 November 2007. The annualized interim distribution is slightly higher than the forecasted annualized Distribution per unit of 7.80 sen as contained in the Prospectus dated 28 February 2007.

Withholding tax will be deducted for distribution made to the following types of unitholders :

- Resident individual (withholding tax at 15%)
- Non Resident individual (withholding tax at 15%)
- Resident institutional investors (withholding tax at 20%)
- Non-resident institutional investors (withholding tax at 20%)
- Resident companies (No withholding tax. Subject to corporate tax at prevailing rate of 27%)
- Non-resident companies (withholding tax at 27% for Year of Assessment 2007)

## **B13. Distribution Per Unit**

The distribution per unit of the Trust has been computed by dividing the provision for income distribution for the current financial quarter by the total number of units in issue during the current financial quarter.

	Current Quarter 01.07.07 to 30.09.07	Previous Quarter 03.04.07 to 30.06.07
Provision for income distribution (RM)	<u>2,679,622</u>	<u>2,436,020</u>
Number of units in issue (units)	<u>121,801,000</u>	<u>121,801,000</u>
Distribution per unit (sen)	<u>2.2</u>	<u>2.0</u>

By Order of the Board  
Ho Hea Ming  
Secretary  
Atrium Reit Managers Sdn Bhd  
Company No : 710526-V  
(As the Manager of Atrium Real Estate Investment Trust)  
Kuala Lumpur  
Dated : 19 October 2007