

**Press  
Release**

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**AmFIRST REIT - QUANTUM LEAP IN PERFORMANCE**

Am ARA REIT Managers Sdn Bhd, the Manager of AmFIRST Real Estate Investment Trust ("AmFIRST"), is most pleased to announce that AmFIRST has recorded yet another sterling set of results for the Quarter ended 30 June 2008.

Compared with the corresponding quarter last year (April to June 2007), revenue for the current quarter surged 75.7% to hit RM22.5m on the back of contribution from The Summit, Subang USJ - AmFIRST's latest acquisition that was completed in March 2008. Consequently, Net Property Income recorded an impressive 63.1% jump from RM9.2m to reach RM15.1m. This resulted in a significant leap in distributable income from RM7.5m to RM9.6m - a milestone increase of 28.2%. In terms of distribution per unit ("DPU") the RM9.6m works out to 2.23 sen for the quarter, which on an annualised basis, amounts to 8.97 sen. Based on the closing price of AmFIRST of RM0.88 per unit on 30 June 2008, its annualized distribution yield is an attractive 10.1%.

The results were equally noteworthy when compared with the preceding quarter's performance (January to March 2008). The current quarter revenue saw a marked increase of 52.0% over the preceding quarter's; net property income increased by 45.5% and, distributable income, by 24.4%.

"We are indeed very happy to present our latest quarterly results to our Unitholders. This is a milestone for AmFIRST and represents a quantum leap in our performance - with a 28.2% jump in our distributable income as compared with the corresponding quarter for our last financial year. This sizeable increase in our DPU has catapulted us to a higher level of performance. Once again, we have demonstrated that we are able to deliver good income growth for our Unitholders," commented Mr. Anthony Ooi, Acting Chief Executive Officer of the Manager.

"We will continue to work hard to extract the best value out of the existing assets in AmFIRST's portfolio. There is still room to further improve the earning capacity and potential of some of the assets - in the area of car park income, building occupancy, rental rates, advertising income and higher income from space re-configuration," added Mr. Ooi.

Mr. Ooi further remarked: "Given our fundamentally strong property portfolio, management quality, established Sponsor (AmInvestment Bank Group) and experienced partner in Singapore-listed ARA Asset Management Limited Group (who manages a total of four REITs as well as Private Real Estate Funds - with Total Assets Under Management of US\$7.7 billion as at end of June 2008), we will continue to build upon our unique strengths and we are confident that we would be able to differentiate ourselves and emerge at the forefront of the Malaysian REIT market".

**Portfolio performance**

Apart from growth coming from acquisitions, AmFIRST continues to enjoy good organic growth from having a pro-active asset management and leasing strategy. During the quarter, underpinned by continued good demand for office space, especially in the Golden Triangle area, office rentals remained firm. During this period, AmFIRST achieved rental reversion of 15% for its tenancy renewals.

Three of AmFIRST's office buildings (namely Menara AmBank, Bangunan AmBank Group and AmBank Group Leadership Centre) that are located in the Golden Triangle area achieved high average occupancy rate of 94% as at the end of the current quarter. From July 2008 till the end of the current financial year ending 31 March 2009, 280,000 square feet of tenanted space in these buildings are due for renewal and this is expected to generate further growth for the remaining period of the current financial year.

Another office building, Kelana Brem Towers, achieved 100% occupancy as at end of the current quarter - catering to its own niche market in Kelana Jaya. As for the remaining standalone office building (Menara Merais), as part of its pro-active asset management strategy, the Manager is finalising plans to upgrade the building to further enhance its quality and competitive standing and to attract quality tenants. Asset enhancement works are expected to commence within the current

financial year.

The addition of The Summit Subang USJ asset (which comprises an office tower, hotel tower, a retail podium and more than 2,000 car park bays) boosted portfolio income from April 2008 onwards. The car park income from The Summit increased total car park income of the portfolio by 89% during the current quarter. (AmFIRST now owns more than 4,000 car park bays in its portfolio.) Meanwhile, The Summit Hotel (which is tenanted out to an operator) achieved occupancy rate of 75% as at end of June 2008, with Average Room Rate of RM157/- per night. On top of the fixed rent that AmFIRST collects, there is a profit-sharing element that enables AmFIRST to enjoy any upside in the hotel performance.

As for the office and retail space at The Summit Subang USJ that is owned by AmFIRST, the occupancy of the office space stood at 98% and that of the retail space, 70%, as at end of the quarter. The Manager intends to focus its efforts on improving the performance of the retail complex. Towards this end, it is in the final stages of appointing a professional retail Consultant to develop a comprehensive market repositioning strategy to improve the competitive standing and performance of the complex.

**About AmFIRST REIT** Listed on 21 December 2006, AmFIRST REIT is currently one of the larger commercial space REITs in Malaysia with six properties worth RM840 million under its portfolio namely Bangunan AmBank Group, Menara AmBank, AmBank Group Leadership Training Centre, Menara Merais, Kelana Brem Towers and The Summit Subang USJ. It aims to diversify its property portfolio through investment in income-producing real estate, which is primarily used for commercial, retail and/or office purposes. AmFIRST REIT is managed by Am ARA REIT Managers Sdn Bhd.

In relation to the initial public offering on 9 November 2006, the financial advisor, managing underwriter, sole book runner and lead arranger was AmInvestment Bank Berhad, while Mayban Trustee Berhad was the Trustee.

**About AM ARA REIT Managers Sdn Bhd** AM ARA was incorporated in Malaysia on 20 April 2006 and is a wholly-owned by Am ARA REIT Holdings Sdn Bhd. Am ARA REIT Holdings is 70% owned by AmInvestment Group Berhad (AIGB) and 30% owned by ARA Asset Management (Malaysia) Limited.

AIGB is a 51% owned by subsidiary of AMMB Holdings Berhad while ARA Asset Management (Malaysia) Limited is a wholly-owned subsidiary of Singapore-based ARA Asset Management Limited, a member of the Cheung Kong Group of Hong Kong.

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