




27 February 2015

AmFIRST REIT Records Realised Net Income of RM30.2 million For the Nine-Month Financial Period Ended 31 December 2014

Am ARA REIT Managers Sdn Bhd ("Am ARA"), the Manager of AmFIRST Real Estate Investment Trust ("AmFIRST REIT" or "the Trust") announced that for the nine-month financial period ended 31 December 2014, AmFIRST REIT recorded gross revenue and net property income of RM81.2 million and RM51.2 million respectively. Net realisable income available for distribution was RM30.2 million compared with the RM37.6 million reported during the same period of the last financial year, which translates into realised earnings per unit of 4.40 sen per unit. The fall in the performance was due to the drop in the occupancy at The Summit Subang USJ as a result of the ongoing repositioning and rebranding, which is expected to be completed by the first quarter of 2016, as well as the increase in property expenses arising mainly from the tariff hikes in electricity and assessment, and an increase in non-recurring repair and maintenance in some of our older buildings.

The Trust has been undertaking extensive asset enhancement initiatives ("AEIs") and repositioning works on its property assets this year. For the nine-month financial period ended 31 December 2014, AEIs totaling to RM21.0 million have been undertaken at The Summit Subang USJ, AmBank Group Leadership Centre, Menara AmBank and Bangunan AmBank Group. Going forward, The Summit Subang USJ is expected to contribute positively with higher rental reversion upon completion of the AEIs.



The Trust had on 23 December 2014, paid an interim income distribution of 3.09 sen per unit, amounting to RM21,209,809 for the six-month period from 1 April 2014 to 30 September 2014. This represents almost 100% of the Trust's realised net income for the financial period.

As part of the active interest rate management strategy to manage the exposure to interest rate risk, the Trust had on 6 January 2015 entered into a 5-Year Forward Start Interest Rate Swap contract with a notional amount of RM100 million ("IRS"), to convert floating rate liabilities to fixed rate liabilities to reduce the Trust's exposure from adverse fluctuations in interest rates.

The Trust's gearing stood at 36.2% as at 31 December 2014. This provides the Trust with sufficient headroom to gear up in the future for potential yield accretive and strategic acquisitions.

Acknowledging that 2014/2015 will be more challenging, the focus ahead will be on capital management, cost management, tenant retention, improving occupancy and pursuing selective yield accretive acquisition. The year has seen that the REITs have not been active on the acquisition front due to escalation in asking prices by owners which will lead to yield compression. Undaunted, the Manager is currently reviewing prospective properties and will endeavour to further grow the Trust with yield accretive and strategic acquisitions.

Am ARA is pleased to announce that on 8 January 2015, Mr Wong Khim Chon was appointed as the Executive Director and Chief Executive Officer of Am ARA. Mr Wong has more than 30 years working experience in various sectors of the property industry such as construction, property development, property management and asset management. He has held senior management positions in listed and private corporations. Mr Wong has a degree in Civil Engineering from the University of Malaya, a Diploma in Accounting and Finance from ACCA and an MBA from the University of Strathclyde, Scotland.



About AmFIRST REIT

Listed on 21 December 2006, AmFIRST REIT is currently one of the larger commercial space REITs in Malaysia with nine (9) properties worth RM1.3 billion under its portfolio, namely Bangunan AmBank Group, AmBank Group Leadership Centre, Menara AmFIRST REIT, Menara AmBank, Wisma AmFIRST, The Summit Subang USJ, Prima 9, Prima 10 and Jaya 99. It aims to invest in income-producing real estate which primarily is used for commercial, retail and/or office purposes. AmFIRST REIT is managed by Am ARA.

About Am ARA

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

AIGB is a wholly-owned subsidiary of AMMB Holdings Berhad while ARA is a wholly owned subsidiary of Singapore-based ARA AmFIRST (Singapore) Pte Ltd, which in turn is a wholly owned subsidiary of ARA Asset Management Limited ("ARA Group"), which is listed on the Main Board of the Singapore Exchange Securities Trading Limited.

For media enquiries, please contact Mr Wong Khim Chon, Executive Director/Chief Executive Officer, Tel: 03-7955 8122 or for more information, please visit our website at www.amfirstreit.com.my