QUILL CAPITA TRUST - 3RD QUARTER 2011 FINANCIAL RESULTS * FINANCIAL STATEMENT AND RELATED ANNOUNCEMENT

** Asterisks denote mandatory information*

| | |
|---|---|
| **Name of Announcer *** | CAPITACOMMERCIAL TRUST |
| **Company Registration No.** | N.A. |
| **Announcement submitted on behalf of** | CAPITACOMMERCIAL TRUST ("CCT") |
| **Announcement is submitted with respect to *** | CAPITACOMMERCIAL TRUST |
| **Announcement is submitted by *** | Michelle Koh |
| **Designation *** | Company Secretary, CapitaCommercial Trust Management Limited (As manager of CCT) |
| **Date & Time of Broadcast** | 03-Nov-2011 17:49:49 |
| **Announcement No.** | 00099 |

>> ANNOUNCEMENT DETAILS

*The details of the announcement start here ...*

| | |
|---|---|
| **For the Financial Period Ended *** | 30-09-2011 |
| **Description** | Announcements by Quill Capita Trust ("QCT") - (1) 3rd Quarter 2011 Financial Results (2) News Release : QCT's 3Q 2011 Realised Earnings Per Unit increased by 8.6% (3) Corporate Presentation Slides dated 3 November 2011. |

| | |
|---|---|
| **Attachments** | QCT_3Q2011_NewsRelease.pdf<br>QCT_3Q2011_FinancialResults.pdf<br>QCT_3Q2011_CorporatePresentationSlides.pdf<br>Total size = **5320K**<br>(2048K size limit recommended)<br>**Total attachment size has exceeded the recommended value** |

BURSA MALAYSIA

# General Announcement

Form Version **8.1 (Enhanced)**
Initiated by **QUILL CAPITA TRUST** on **06/10/2011 09:39:18 AM**
Submitted by **QUILL CAPITA TRUST** on **03/11/2011 05:03:30 PM**
Reference No **QC-111006-34758**

**Submitted**

| **Company Information** | |
|---|---|
| Main Market Company | |
| New Announcement | |
| **Submitting Investment Bank/Advisor (if applicable)** | |
| **Submitting Secretarial Firm (if applicable)** | |
| * **Company name** | QUILL CAPITA TRUST |
| * **Stock name** | QCAPITA |
| * **Stock code** | 5123 |
| * **Contact person** | Corinne Tan |
| * **Designation** | Vice President |
| * **Contact number** | 03-27888188 |
| **E-mail address** | corinne.tan@qct.com.my |

| | |
|---|---|
| **Type** * | Announcement |
| **Subject** *: | OTHERS<br>**(Note : INFORMATION ENTERED IN THE DESCRIPTION FIELD WILL BE DISPLAYED AS THE TITLE OF THE ANNOUNCEMENT IN BURSA MALAYSIA'S WEBSITE)** |

Description *:-
**(Note : Please enter the announcement description in this field and the announcement details in the Announcement Details/Table Section or attach the full announcement details as an attachment)**
News Release : Quill Capita Trust's 3Q 2011 Realised Earnings Per Unit increased by 8.6%
**Announcement Details/Table Section :-**
(This field is for the details of the announcement, if applicable)

Kuala Lumpur, 3 November 2011: Quill Capita Management Sdn. Bhd. ("QCM"), the manager of Quill Capita Trust ("QCT"), a listed real estate investment trust ("REIT"), is pleased to announce that QCT has achieved realised net income of RM9.40 million for the third quarter ended 30 September 2011 ( 3Q 2011). This is an 8.3% increase in realised net income from RM8.68 million reported in the corresponding quarter last year ( 3Q 2010). This translates to an Earnings Per Unit (EPU) of 2.41 sen,which is 8.6% higher compared to 2.22 sen in 3Q 2010. The better performance is due to higher rental income contribution from the properties and lower property expenses. For further details of the announcement, please refer to file as attached.

**Attachment(s):- (please attach the attachments here)**
News Release QCT 3Q2011(Bursa).pdf

**NEWS RELEASE**

**Quill Capita Trust's 3Q 2011Realised Earnings Per Unit increased by 8.6%**

***Kuala Lumpur, 3 November 2011***: Quill Capita Management Sdn Bhd ("QCM"), the manager of Quill Capita Trust ("QCT"), a listed real estate investment trust ("REIT"), is pleased to announce that QCT has achieved realised net income of RM9.40 million for the third quarter ended 30 September 2011 (3Q 2011). This is an 8.3% increase in realised net income from RM8.68 million reported in the corresponding quarter last year (3Q 2010). This translates to an Earnings Per Unit (EPU) of 2.41 sen, which is 8.6% higher compared to 2.22 sen in 3Q 2010. The better performance is due to higher rental income contribution from the properties and lower property expenses.

For 3Q 2011, gross revenue increased by 1.4% to RM17.63 million as compared to RM17.39 million achieved in 3Q 2010. Year-to-date 3Q 2011 revenue rose by 1.6% to RM52.76 million from RM51.93 million for the same period last year. Correspondingly, net property income for 3Q 2011 increased by 10.9% to RM14.84 million from RM13.38 million in 3Q 2010 on the back of lower property expenses.

QCT's unaudited Consolidated Financial Statements for 3Q 2011 are available on its website (www.qct.com.my) and on Bursa Malaysia's website (www.bursamalaysia.com).

**Summary of QCT's 3Q 2011 Results**

| | **3Q 2011 (RM'000)** | **3Q 2010 (RM'000)** | **Variance %** |
|---|---|---|---|
| Gross Revenue | **17,630** | 17,389 | +1.4% |
| Net Property Income | **14,837** | 13,378 | +10.9% |
| Realised Net Income | **9,399** | 8,677 | +8.3% |

Dato' Mohammed Hussein, Chairman of QCM said: "We are pleased to deliver a good set of results which is better than market expectations for the quarter. Our active asset management strategies have ensured income stability through securing lease renewals. To-date, we have successfully secured renewals as well as signed new tenants for our leases due in 2011. Looking ahead, we are confident that despite current market uncertainties, QCT will be able to continue to deliver stable returns to its unitholders in 2011."

"We applaud the government's decision in the 2012 Budget to grant a five-year extension on the concessionary withholding tax rate of 10% on dividends for non-corporate institutions and individual unitholders. This incentive is expected to aid the development and maintain the attractiveness of the Malaysian REIT industry."

Chan Say Yeong, Chief Executive Officer of QCM, said: "As part of our proactive capital management plan, QCT has secured commitments for its new Commercial Papers (CP) of RM118.0 million to refinance its existing CP of similar amount, due on 30 November 2011. The new debt will expire on 5 September 2016. With this refinancing exercise, we have completed all of QCT's financing requirements in 2011 and 2012."

- End -

**About Quill Capita Trust**

Quill Capita Trust is a commercial Real Estate Investment Trust (REIT), established through a trust deed dated 9 October 2006. Managed by Quill Capita Management Sdn Bhd (QCM), the main thrust of Quill Capita Trust's activities include acquiring and investing in commercial properties in Malaysia to provide unitholders with long-term and sustainable distribution of income as well as capital growth potential. Currently, Quill Capita Trust owns 10 buildings comprising five in Cyberjaya, two in Kuala Lumpur, one each in Shah Alam and Petaling Jaya and one in Penang, valued at RM809.5 million.

QCM is owned by CapitaLand RECM Pte Ltd (40%), a wholly-owned subsidiary of CapitaLand Financial Limited, the financial services business unit of CapitaLand Limited; Quill Resources Holding Sdn Bhd (30%); and Coast Capital Sdn Bhd (30%). CapitaLand is one of Asia's largest real estate companies. Headquartered and listed in Singapore, the multi-local company's core businesses in real estate, hospitality and real estate financial services are focused in growth cities in Asia Pacific and Europe.

**Issued by Quill Capita Management Sdn Bhd**
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**IMPORTANT NOTICE**

The past performance of Quill Capita Trust ("QCT") is not indicative of the future performance of QCT. Similarly, the past performance of QCT Manager is not indicative of the future performance of the QCT Manager.

The value of units in QCT ("QCT Units") and the income derived from them may fall as well as rise. The QCT Units are not obligations of, deposits in, or guaranteed by, the QCT Manager. An investment in the QCT Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request that the QCT Manager redeem or purchase their QCT Units while the QCT Units are listed. It is intended that holders of the QCT Units may only deal in their QCT Units through trading on Bursa Malaysia Securities Berhad ("Bursa Malaysia"). Listing of the QCT Units on the Bursa Malaysia does not guarantee a liquid market for the QCT Units.

This release may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other developments or companies, shifts in expected levels of occupancy rate, property rental income, charge out collections, changes in operating expenses (including employee wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business.

You are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of the QCT Manager on future events.

BURSA MALAYSIA

# Financial Results

Form Version 8 (Enhanced)
Initiated by QUILL CAPITA TRUST on 06/10/2011 09:33:39 AM
Submitted by QUILL CAPITA TRUST on 03/11/2011 05:03:30 PM
Reference No QC-111006-34419

**Submitted**

## Company Information

Main Market Company
New Announcement

| | |
|---|---|
| **Submitting Investment Bank/Advisor (if applicable)** | |
| **Submitting Secretarial Firm (if applicable)** | |
| * **Company name** | QUILL CAPITA TRUST |
| * **Stock name** | QCAPITA |
| * **Stock code** | 5123 |
| * **Contact person** | Corinne Tan |
| * **Designation** | Vice President |
| * **Contact number** | 03-27888188 |
| **E-mail address** | corinne.tan@qct.com.my |

## Part A : To be filled by Public Listed Company

| | |
|---|---|
| * **Financial Year End** | **31/12/2011** |
| * **Quarter** | **3 Qtr** |
| * **Quarterly report for the financial period ended** | **30/09/2011** |
| * **The figures** | **have not been audited** |

## Please attach the full Quarterly Report here

QCT 3Q 2011 financial results (Bursa).pdf

## Remarks

- DEFAULT CURRENCY
- OTHER CURRENCY

**Currency** Malaysian Ringgit (MYR)

## Part A2 : SUMMARY OF KEY FINANCIAL INFORMATION

Summary of Key Financial Information for the financial period ended
* 30/09/2011

| | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|---|---|---|---|---|
| | CURRENT YEAR QUARTER * | PRECEDING YEAR CORRESPONDING QUARTER | CURRENT YEAR TO DATE * | PRECEDING YEAR CORRESPONDING |

| | | | | PERIOD |
|---|---|---|---|---|
| | 30/09/2011 | 30/09/2010 | 30/09/2011 | 30/09/2010 |
| | [dd/mm/yyyy] $$'000 | [dd/mm/yyyy] $$'000 | [dd/mm/yyyy] $$'000 | [dd/mm/yyyy] $$'000 |
| **1. Revenue** | 17,630 | 17,389 | 52,757 | 51,927 |
| **2. Profit/(loss) before tax** | 9,399 | 8,586 | 26,250 | 25,029 |
| **3. Profit/(loss) for the period** | 9,399 | 8,586 | 26,250 | 25,029 |
| **4. Profit/(loss) attributable to ordinary equity holders of the parent** | 9,399 | 8,677 | 26,250 | 24,452 |
| **5. Basic earnings/(loss) per share (Subunit)** | 2.41 | 2.22 | 6.73 | 6.27 |
| **6. Proposed/Declared dividend per share (Subunit)** | 0.00 | 0.00 | 4.00 | 3.85 |

| | AS AT END OF CURRENT QUARTER* | AS AT PRECEDING FINANCIAL YEAR END |
|---|---|---|
| **7. Net assets per share attributable to ordinary equity holders of the parent ($$)** | 1.2798 | 1.2764 |

**Remarks :**

**Definition of Subunit:**

**In a currency system, there is usually a main unit (base) and subunit that is a fraction amount of the main unit. Example for the subunit as follows:**

| Country | Base Unit | Subunit |
|---|---|---|
| Malaysia | Ringgit | Sen |
| United States | Dollar | Cent |
| United Kingdom | Pound | Pence |

**QUILL CAPITA TRUST**
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**
**FOR THE PERIOD ENDED 30 SEPTEMBER 2011 (UNAUDITED)**

| | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|---|---|---|---|---|
| | Current Year Quarter 30.09.2011 | Preceding Year Corresponding Quarter 30.09.2010 | Current Year To Date 30.09.2011 | Preceding Year Corresponding To Date 30.09.2010 |
| | RM | RM | RM | RM |
| **TOTAL INCOME** | | | | |
| Gross revenue | 17,630,412 | 17,388,716 | 52,756,959 | 51,926,754 |
| Property operating expenses | (2,792,981) | (4,010,995) | (10,831,135) | (12,248,047) |
| Net property income | 14,837,431 | 13,377,721 | 41,925,824 | 39,678,707 |
| Interest income | 180,088 | 141,614 | 501,144 | 342,179 |
| Gain on remeasurement of financial derivatives (a) | - | (91,397) | - | 576,831 |
| | 15,017,519 | 13,427,938 | 42,426,968 | 40,597,717 |
| **TOTAL EXPENDITURE** | | | | |
| Manager's fee | (1,348,581) | (1,247,548) | (3,997,377) | (3,811,755) |
| Trustee's fee | (63,093) | (61,479) | (189,619) | (183,877) |
| Borrowing costs | (4,245,522) | (3,664,974) | (11,489,966) | (10,883,521) |
| Valuation fees | 77,500 | 17,500 | (157,500) | (207,500) |
| Auditors' remuneration | (25,752) | (22,003) | (83,256) | (82,609) |
| Tax agent's fee | (3,133) | (2,403) | (12,589) | (9,264) |
| Administrative expenses | (10,049) | 138,654 | (246,691) | (390,521) |
| | (5,618,630) | (4,842,253) | (16,176,998) | (15,569,047) |
| **INCOME BEFORE TAX** | 9,398,889 | 8,585,685 | 26,249,970 | 25,028,670 |
| Income tax expense | - | - | - | - |
| **NET INCOME FOR THE PERIOD** | 9,398,889 | 8,585,685 | 26,249,970 | 25,028,670 |
| **OTHER COMPREHENSIVE INCOME** | | | | |
| Gain/(Loss) on remeasurement of financial derivatives (a) | (118,226) | - | 77,505 | - |
| **TOTAL COMPREHENSIVE INCOME FOR THE PERIOD** | 9,280,663 | 8,585,685 | 26,327,475 | 25,028,670 |
| **INCOME DISTRIBUTION** | | | | |
| -Interim distribution | - | - | (15,605,240) | (15,020,044) |
| -Provision for income distribution | (9,398,889) | (8,585,685) | (9,398,889) | (8,585,685) |
| **NET INCOME RETAINED** | (118,226) | - | 1,323,346 | 1,422,941 |
| **Net income for the period is made up as follows:** | | | | |
| **Realised** | 9,398,889 | 8,677,082 | 26,249,970 | 24,451,839 |
| **Unrealised** | - | (91,397) | - | 576,831 |
| **EARNINGS PER UNIT (b)** | | | | |
| - after manager's fees (sen) | 2.41 | 2.20 | 6.73 | 6.42 |
| - before manager's fees (sen) | 2.75 | 2.52 | 7.75 | 7.39 |
| **EARNINGS PER UNIT (REALISED) (c)** | | | | |
| - after manager's fees (sen) | 2.41 | 2.22 | 6.73 | 6.27 |
| - before manager's fees (sen) | 2.75 | 2.54 | 7.75 | 7.24 |

| | | | | |
|---|---|---|---|---|
| **INCOME DISTRIBUTION** | | | | |
| Distribution of Income | - | - | (15,605,240) | (15,020,044) |
| **Income distribution per unit** | | | | |
| **Gross (sen)** | - | - | 4.00 (d) | 3.85 (e) |

**(a)** This relates to the gain/(loss) on the remeasurement of the fair values of interest rate swaps ( "IRSs"). ( please refer Note B13)

**(b)** Earnings Per Unit is computed based on Net Income for the period divided by 390,131,000 units in circulation during the quarter.

**(c)** Earnings Per Unit (Realised) is computed based on Realised Net Income for the period divided by 390,131,000 units in circulation during the quarter.

**(d)** Interim gross distribution of 4.00 sen per unit relates to the distribution of income for the period 1 January 2011 to 30 June 2011, and was paid on 29 August 2011.

**(e)** Interim gross distribution of 3.85 sen per unit relates to the distribution of income for the period 1 January 2010 to 30 June 2010, and was paid on 30 August 2010.

The Condensed Consolidated Statement Of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the financial statements.

**QUILL CAPITA TRUST**
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**
**FOR THE PERIOD ENDED 30 SEPTEMBER 2011 (UNAUDITED)**

| | AS AT END OF CURRENT QUARTER | AS AT PRECEDING FINANCIAL YEAR END |
|---|---|---|
| | 30.09.2011 UNAUDITED RM | 31.12.2010 AUDITED RM |
| **NON-CURRENT ASSETS** | | |
| Plant and equipment | 706 | 1,606 |
| Investment properties | 809,500,000 | 809,500,000 |
| Derivative assets (i) | 1,015,202 | 672,093 |
| | 810,515,908 | 810,173,699 |
| **CURRENT ASSETS** | | |
| Trade and other receivables | 3,309,207 | 2,577,269 |
| Deposits with licensed financial institution | 18,529,717 | 21,398,049 |
| Cash on hand and at banks | 6,325,592 | 9,407,293 |
| | 28,164,516 | 33,382,611 |
| **CURRENT LIABILITIES** | | |
| Provision for income distribution | 9,398,889 | 16,307,476 |
| Trade and other payables | 9,419,118 | 10,603,404 |
| Borrowings | 117,241,448 | 116,106,127 |
| Security deposits | 8,999,037 | 4,138,520 |
| Derivative liabilities (i) | 265,604 | - |
| | 145,324,096 | 147,155,527 |
| **NET CURRENT LIABILITIES** | (117,159,580) | (113,772,916) |
| **NON-CURRENT LIABILITIES** | | |
| Borrowings | 188,104,847 | 188,009,931 |
| Security deposits | 5,950,866 | 10,413,583 |
| | 194,055,713 | 198,423,514 |
| **NET ASSETS** | **499,300,615** | **497,977,269** |
| Represented by: | | |
| **UNITHOLDERS' FUND** | | |
| Unitholders' capital | 411,712,067 | 411,712,067 |
| Undistributed income | 87,588,548 | 86,265,202 |
| | **499,300,615** | **497,977,269** |
| **NET ASSET VALUE PER UNIT ( before provision for distribution )** | 1.3039 | 1.3182 |
| **NET ASSET VALUE PER UNIT ( after provision for distribution )** | 1.2798 | 1.2764 |
| **NUMBER OF UNITS IN CIRCULATION** | 390,131,000 | 390,131,000 |

(i) These relate to the fair values of the IRSs (note B13).

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the financial statements.

**QUILL CAPITA TRUST**
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN NET ASSET VALUE**
**FOR THE PERIOD ENDED 30 SEPTEMBER 2011 (UNAUDITED)**

| | | Distributable | Non-Distributable | | | |
|---|---|---|---|---|---|---|
| | Unitholders' Capital | Undistributed Income Realised | Undistributed Income Unrealised | Gain/(Loss) On Remeasurement Of Financial Derivatives Unrealised | Total Undistributed Income | Unitholders' Funds |
| | RM | RM | RM | RM | RM | RM |
| **As at 1 January 2011** | 411,712,067 | 3,926,827 | 81,868,685 | 469,690 | 86,265,202 | 497,977,269 |
| Total Comprehensive Income for the period | - | 26,249,970 | - | 77,505 | 26,327,475 | 26,327,475 |
| Distribution paid on 29 August 2011 | - | (15,605,240) | - | - | (15,605,240) | (15,605,240) |
| Provision for distribution | - | (9,398,889) | - | - | (9,398,889) | (9,398,889) |
| **As at 30 September 2011** | 411,712,067 | 5,172,668 | 81,868,685 | 547,195 | 87,588,548 | 499,300,615 |

The Condensed Consolidated Statement of Changes in Net Asset Value should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the financial statements.

**QUILL CAPITA TRUST**
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**
**FOR THE PERIOD ENDED 30 SEPTEMBER 2011 (UNAUDITED)**

| | CURRENT YEAR TO DATE 30.09.2011 RM | PRECEDING YEAR TO DATE 30.09.2010 RM |
|---|---|---|
| **OPERATING ACTIVITIES** | | |
| Income before tax | 26,249,970 | 25,028,670 |
| Adjustments for: | | |
| Borrowing costs | 11,489,966 | 10,883,521 |
| Gain on remeasurement of financial derivatives | - | (576,831) |
| Depreciation | 900 | 3,257 |
| Interest income | (501,144) | (342,179) |
| Operating cash flows before changes in working capital | 37,239,692 | 34,996,438 |
| Receivables | (1,107,724) | (125,245) |
| Payables | 468,352 | 774,067 |
| Cash flows from operations | 36,600,320 | 35,645,260 |
| Income tax paid | - | - |
| Net cash flows from operating activities | 36,600,320 | 35,645,260 |
| **INVESTING ACTIVITIES** | | |
| Additions to investment properties | - | (2,950) |
| Interest income | 504,930 | 350,449 |
| Net cash flows generated from investing activities | 504,930 | 347,499 |
| **FINANCING ACTIVITIES** | | |
| Distribution to unitholders | (31,912,716) | (30,235,154) |
| Finance costs paid | (10,708,700) | (10,613,367) |
| Proceeds from borrowings | 71,776,215 | - |
| Repayment of borrowings | (72,210,082) | - |
| Net cash flows used in financing activities | (43,055,283) | (40,848,521) |
| **NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS** | (5,950,033) | (4,855,762) |
| **CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD** | 30,805,342 | 26,043,887 |
| **CASH AND CASH EQUIVALENTS AT END OF PERIOD** | 24,855,309 | 21,188,125 |
| Cash and cash equivalents at end of period comprises: | | |
| Deposits with licensed financial institutions | 18,529,717 | 11,277,134 |
| Cash on hand and at banks | 6,325,592 | 9,910,991 |
| | 24,855,309 | 21,188,125 |

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes to the financial statements.

## A1 BASIS OF PREPARATION

The financial statements have been prepared under the historical cost convention except for investment properties and derivative financial instruments which are stated at fair value and presented in Ringgit Malaysia (RM).

The financial statements comply with the Financial Reporting Standards in Malaysia, provisions of the Trust Deed and the Securities Commission's Guidelines on Real Estate Investment Trusts.

## A2 BASIS OF CONSOLIDATION

The consolidated financial statements include the financial statements of QCT and its special purpose entities ("SPEs"). The SPEs were established for the specific purpose of raising financing on behalf of QCT for the acquisition of real estate properties and single-purpose companies. A SPE is consolidated if, based on an evaluation of the substance of its relationship with QCT and the SPE's risks and rewards, QCT concludes that it controls the SPE. SPEs controlled by QCT were established under terms that impose strict limitations on the decision-making powers of the SPE's management resulting in QCT receiving all of the benefits related to the SPE's operations and net assets.

## A3 CHANGES IN ACCOUNTING POLICIES

On 1 January 2011, QCT adopted, where applicable, the following FRSs, Amendments to FRSs and IC Interpretations mandatory for financial periods beginning on or after 1 March 2010, 1 July 2010 and 1 January 2011:

FRS 1 First-time Adoption of Financial Reporting Standards
FRS 3 Business Combinations (Revised)
Amendments to FRS 2 Share-based Payment
Amendments to FRS 5 Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 127 Consolidated and Separate Financial Statements
Amendments to FRS 138 Intangible Assets
Amendments to IC Interpretation 9 Reassessment of Embedded Derivatives
IC Interpretation 12 Service Concession Arrangements
IC Interpretation 15 Agreements for the Construction of Real Estate
IC Interpretation 16 Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17 Distributions of Non-cash Assets to Owners
Amendments to FRS 132: Classification of Rights Issues
Amendments to FRS 1: Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
Amendments to FRS 1: Additional Exemption for First-Time Adoption
Amendments to FRS 2: Share-based Payment - Group Cash settled Share-based Payment Transactions
Amendments to FRS 7: Improving Disclosures about Financial Instruments
IC Interpretation 4 Determining Whether An Arrangement contains a Lease
IC Interpretation 18 Transfers of Assets from Customers
Improvement to FRSs issued in 2010
TR1-4 Shariah Compliant Sale Contracts
IC Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments
Amendments to IC Interpretation 14 Prepayment of a Minimum Funding Requirement
FRS 124: Related Party Transactions (Revised)

The adoption of the above FRSs, Amendments to FRSs and IC Interpretations does not impact significantly the financial results of QCT.

## A4 AUDIT REPORT OF PRECEDING FINANCIAL YEAR ENDED 31 DECEMBER 2010

The audit report of the financial statements for the preceding year ended 31 December 2010 was not qualified.

## A5 SEASONALITY OR CYCLICALITY OF OPERATIONS

The business operations of QCT may be affected by seasonal or cyclical factors, including but not limited to changes in rental demand and supply of properties which depend on market conditions, economic cycle, financial performance of its tenants, availability of credit facilities and interest rate environment.

## A6 UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

During the current quarter under review, there were no unusual items due to their nature, size or incidence that affects the assets, liabilities, equity, net income or cash flows of QCT.

## A7 CHANGES IN ESTIMATES OF AMOUNTS REPORTED

There were no changes in the estimates of amounts reported during the current quarter.

## A8 CHANGES IN DEBT AND EQUITY

Save as disclosed in notes A12 and B12, there were no repurchase, resale and repayment of debt and equity instruments for the current quarter and period to date.

## A9 INCOME DISTRIBUTION POLICY

In line with the Trust Deed dated 9 October 2006, effective from financial year 2009, QCT intends to distribute at least 90% of its distributable income at least semi-annually or at such other intervals as the manager may determine.

## A10 SEGMENT REPORTING

No segment information is prepared as QCT's activities are predominantly in one industry segment and situated predominantly in Malaysia.

## A11 VALUATION OF INVESTMENT PROPERTIES

The investment properties are valued by independent registered valuers and the differences between the valuations and the book values of the respective properties are charged or credited to the statement of comprehensive income.

There were no revaluations on the investment properties for the quarter ended 30 September 2011.

## A12 SIGNIFICANT EVENTS DURING THE QUARTER ENDED 30 SEPTEMBER 2011

**Issuance of CPs/MTNs by a special purpose entity, Kinabalu Capital Sdn Bhd ("Kinabalu ")**

On 11 July 2011, the Securities Commission ("SC") approved the acquisition of Kinabalu to facilitate the implementation of a CP/MTN Programme of up to RM270 million ("RM270 million Programme") (Note B12(a)(iii)).

On 18 July 2011, QCT through Kinabalu entered into the RM270 million Programme for five years. The Programme is secured against a third party charge on Quill Building 1 - DHL1, Quill Building 2 - HSBC, Quill Building 4 - DHL2 and Tesco Building, Penang.

On 5 September 2011, Kinabalu issued CPs/MTNs totalling RM72 million (Note B12(a)(iii)) for repayment of the RM80 million 5-year term loan facilities under Samwise Capital Sdn. Bhd. (Note B12(b)).

## A 13 SIGNIGICANT EVENTS SUBSEQUENT TO THE QUARTER ENDED 30 SEPTEMBER 2011

There were no significant events subsequent to the quarter ended 30 September 2011.

## A14 CHANGES IN CONTINGENT LIABILITIES

There are no contingent liabilities to be disclosed.

## A15 CAPITAL COMMITMENTS

There were no capital commitment as at 30 September 2011.

## B1 REVIEW OF PERFORMANCE

**Quarter and year todate results**

QCT recorded total revenue of RM17.63 million and property operating expenses of RM2.79 million respectively for the current quarter ended 30 September 2011. Realised income of RM9.4 million was achieved. Borrowing costs of RM4.25 million and manager's fee of RM1.35 million were incurred during the quarter.

As compared with the preceding year corresponding quarter, the revenue is about 1.4% higher due mainly to increase in rental rates of some properties. Property operating expenses are lower by about 30.3% due mainly to less ad hoc repairs . Borrowing costs are higher by 15.8% due mainly to the write-off of balance of the unamortised transaction cost relating to the RM80 million 5- year term loan facilities (Note B12 (b)) which were repaid in September 2011 ahead of its maturity in 2014 .The resulting realised income of RM9.4 million is 8.3% higher than the preceding year corresponding quarter .

As compared to the immediate preceding quarter,the realised income of RM9.4 million is 2.5% higher due mainly to lower property operating expenses and trust expenses incurred during the current quarter,net of increased borrowing costs.

The performance of QCT for the quarter ended 30 Septemeber 2011 is in line with the investment objective of QCT.

## B2 INVESTMENT OBJECTIVES AND STRATEGIES

The investment objective of QCT is to acquire and invest in commercial properties primarily in Malaysia with a view to provide long-term growth and sustainable distribution of income to unitholders to achieve long-term growth in the net asset value per unit. There has been no change in the investment objective of QCT since the date of QCT's Annual Report for 2010.

The Manager will continue to focus on its portfolio management and acquisition growth strategy, active asset management strategy and capital management strategy to achieve the objective of QCT. There has been no change in the strategies employed by the Manager since the date of QCT's Annual Report for 2010 as they remain relevant in the current market conditions.

## B3 PROSPECTS

For the remaining months of the year, the Manager will continue to focus on proactive asset management strategies to improve tenant relations and to continue its effort to enhance the quality of its properties. It will also continue to adopt prudent capital management strategies, as well as to look out for potential yield accretive acquisition opportunities. The Manager is confident that QCT will achieve sustainable income distribution for the year.

## B4 REVENUE RECOGNITION

Revenue is recognised to the extent that it is probable that the economic benefits will flow to QCT and the revenue can be reliably measured.

Revenues from the rental of investment properties, service charges, car park income and utilities recovery are recognised on an accrual basis.

## B5 PROFIT FORECAST / PROFIT GUARANTEE VARIANCE

### a) Profit forecast

There has been no profit forecast issued by QCT for the financial year 2011.

### b) Profit guarantee

QCT is not involved in any arrangement whereby it provides profit guarantee.

## B6 TAXATION

Under Section 61A of the Income Tax Act 1967, the undistributed income of a REIT are exempted from income tax provided that the REIT distributes 90% or more of its total income for the year. If the REIT is unable to meet the 90% distribution criteria, the entire taxable income of the REIT for the year would be subject to income tax.

As QCT intends to distribute at least 90% of its total income for the year to its unitholders, no provision for tax has been made in the current quarter.

## B7 PROFIT ON SALE OF INVESTMENTS IN UNQUOTED SECURITIES/PROPERTIES

There were no disposal of investments in unquoted securities/properties during the current quarter and the period to date.

## B8 PARTICULARS OF PURCHASE OR DISPOSAL OF INVESTMENT IN QUOTED SECURITIES

There were no purchase or disposal of investments in quoted securities during the current quarter and the period to date.

## B9 STATUS OF CORPORATE PROPOSALS

There were no corporate proposals during the current quarter and period to date.

## B10 UTLILISATION OF PROCEEDS RAISED FROM ANY NEW ISSUANCE

There were no issuance of new units during the quarter and period to date.

## B11 COMPOSITION OF INVESTMENT PORTFOLIO AS AT 30 SEPTEMBER 2011

As at 30 September 2011, QCT's portfolio comprised of ten commercial buildings as follows:

| | Investment properties | Cost of Investment RM | Market Value as at 30 September 2011 RM | Market value as % of NAV |
|---|---|---|---|---|
| 1 | QB1 -DHL 1 & QB 4-DHL2 | 109,100,000 | 122,000,000 | 24.43% |
| 2 | QB 2- HSBC | 107,500,000 | 118,000,000 | 23.63% |
| 3 | QB 3- BMW | 59,400,000 | 72,000,000 | 14.42% |
| 4 | Wisma Technip | 125,000,000 | 154,000,000 | 30.84% |
| 5 | Part of Plaza Mont' Kiara | 90,000,000 | 110,000,000 | 22.03% |
| 6 | QB5- IBM | 43,000,000 | 44,000,000 | 8.81% |
| 7 | QB 8 -DHL XPJ | 28,800,000 | 25,000,000 | 5.01% |
| 8 | QB10-HSBC Section 13 | 22,740,000 | 26,500,000 | 5.31% |
| 9 | Tesco Building Penang | 132,000,000 | 138,000,000 | 27.64% |
| | | 717,540,000 | 809,500,000 | |

There were no changes to the total number of commercial buildings held by QCT since the preceding financial year ended 31 December 2010.

There were no major capital expenditure incurred during the quarter. Maintenance costs were normal expenses incurred for the upkeep of the buildings.

## B12 BORROWINGS AND DEBT SECURITIES

| | As at end of current quarter ended 30 September 2011 |
|---|---|
| **Current liabilities :** | |
| **CPs** | |
| | RM |
| Face value of CPs issued | 118,000,000 |
| Discount | (2,052,244) |
| Cash proceeds | 115,947,756 |
| Accretion of interest expense on CPs | 1,361,305 |
| | 117,309,061 |
| Transaction costs c/f | (267,491) |
| Amortisation of transaction costs during the period | 199,878 |
| | **117,241,448** |
| **Non- current liabilities:** | |
| **CPs** | |
| Face value of CPs issued | 12,000,000 |
| Discount | (223,785) |
| Cash proceeds | 11,776,215 |
| Accretion of interest expense on CPs | 31,969 |
| | 11,808,184 |
| Transaction costs c/f | (37,171) |
| Amortisation of transaction costs during the period | 620 |
| | 11,771,633 |
| **MTNs** | |
| Face value of MTNs issued | 177,000,000 |
| Transaction costs c/f | (858,699) |
| | 176,141,301 |
| Amortisation of transaction costs during the period | 191,913 |
| | 176,333,214 |
| **RM80 million 5-year Term Loan Facilities** | |
| Loan drawndown | 72,210,082 |
| Transaction costs c/f | (527,308) |
| | 71,682,774 |
| Amortised and written off transaction costs during the period | 527,308 |
| | 72,210,082 |
| Less : Repayment on 5/9/11 | (72,210,082) |
| | - |
| **Total Non-Current Borrowings** | **188,104,847** |

## B12 BORROWINGS AND DEBT SECURITIES (cont'd)

**a** **Commercial Papers ("CPs") / Medium Term Notes ("MTNs") Programmes ("CPs/MTNs Programme")**

**(i)** **CP/MTN Programme of up to RM118 million ( "RM118 million Programme")**

On 3 November 2006, QCT through its SPE, Gandalf Capital Sdn. Bhd., established a 7 year RM118 million Programme to raise funds from the private debt securities market to part finance acquisitions of its investment properties.

Todate, the RM118 million Programme has been fully issued, as follows:

- On 1 December 2006, CPs of nominal value of RM91.9 million were issued. The effective interest rate on the CPs is 3.995 % p.a until 30 November 2011, resulting from the IRS arrangement as disclosed in Note B13.
- On 14 March 2008, CPs of nominal value of RM24 million were issued. The effective interest rate is 4.14% p.a from 15 December 2008 to 30 November 2011 due to the IRS arrangement as disclosed in Note B13.
- On 15 December 2008, CPs of nominal value of RM2.1 million were issued. The effective interest rate is 4.14% p.a due to the IRS arrangement as disclosed in Note B13.

The Programme will mature in 4Q 2011 and will be refinanced by part of the RM270 million Programme (Note B12(a)(iii)).

**(ii)** **CP/MTN Programme of up to RM134 million ("RM134 million Programme")**

On 30 July 2008, QCT through its SPE, Boromir Capital Sdn. Bhd. ("Boromir"), established a 7 year CP/MTN Programme of up to RM134 million ("RM134 million Programme").

In 2008, MTNs totalling RM117 million were issued to finance the acquisition of certain investment properties of QCT, as follows:

- On 15 September 2008, RM64 million of the MTNs were issued at interest rate of 5.2% p.a for 5 years till year 2013. The effective interest rate is 4.36% p.a due to the IRS arrangements as disclosed in Note B13.
- On 7 November 2008, MTNs of RM45 million were issued for 5 years to 2013 at interest rate of 5.2% p.a.
- On 9 December 2008, RM8 million of MTNs were issued for 2 years to 2010 at interest rate of 5% p.a.

The RM8 million MTNs matured in December 2010 and were redeemed using proceeds from issuance of new MTNs of RM8 million from the Programme at interest rate of 4.2%, which will mature in 2013.

**(iii)** **CP/MTN Programme of up to RM270 million ("RM270 million Programme")**

On 18 July 2011, QCT through Kinabalu Capital Sdn. Bhd. ("Kinabalu") entered into a RM270 million Programme for five years.

On 5 September 2011, CPs/MTNs totalling RM72 million were issued by Kinabalu, details as follows:

- RM12 million nominal values of CPs at interest rate of 3.74% p.a
- RM60 million of MTNs for 3 years, at interest rate of 4.9% p.a

The proceeds from the issuance were utilised for the repayment of the amounts drawndown of RM72.21 million under the RM80 million 5-year Term Loan Facilities of Samwise Capital Sdn. Bhd. (Note B12(b)).

## B12 BORROWINGS AND DEBT SECURITIES (cont'd)

### b Term Loan Facilities

**RM80 million 5-year Term Loan Facilities from Great Eastern Life Assurance (Malaysia) Berhad ("GE") and Alliance Bank Malaysia Berhad ("Alliance") ("RM80 million 5-year Term Loan Facilities")**

On 29 June 2009, QCT through its SPE, Samwise Capital Sdn.Bhd., obtained financing facilities totalling RM80 million from GE and Alliance.

The facilities included fixed rate tranche of RM60 million and floating rate tranche of RM20 million. RM72,210,082 were drawndown in November 2009. There has been no further drawdown since November 2009.

The average interest rate for the facilities is 4.82% p.a.

The facilities have been been repaid on 5 September 2011 ahead of its maturity in November 2014, using proceeds from issuance of the RM72 million CPs/MTNs from the RM270 million Programme (Note B12(a)(iii)).

## B13 DERIVATIVE FINANCIAL INSTRUMENTS

As part of the active interest rate management strategy of QCT, the following Interest Rate Swap ("IRS") arrangements have been entered into and are still in place as at the reporting date :

(i) On 18 April 2007, an IRS arrangement swapping floating rate for fixed rate for a notional amount of RM90 million ("IRS No.1") was entered into in relation to the RM91.9 million nominal value CPs issued by the Manager with a financial institution (the "Bank"). Pursuant to IRS No.1, QCT will pay a fixed rate of 3.745% p.a to the Bank whilst the Bank will pay a floating rate to QCT. IRS No. 1 commenced on 31 May 2007 and will mature on 30 November 2011.

(ii) On 18 August 2008, an IRS arrangement swapping fixed rate for floating rate for a notional amount of RM64 million ("IRS No.2") was entered into in relation to the RM64 million nominal value MTNs issued by the Manager with the Bank. Pursuant to IRS No. 2, QCT will pay a floating rate to the Bank whilst the Bank will pay a fixed rate of 5.2% p.a to QCT. IRS No.2 commenced on 15 September 2008 and will mature on 17 September 2013.

(iii) On 10 October 2008, an IRS arrangement swapping floating rate for fixed rate for a notional amount of RM25.5 million ("IRS No.3") was entered into in relation to the RM26.1 million nominal value CPs issued by the Manager with the Bank. Pursuant to IRS No. 3, QCT will pay a fixed rate of 3.89% p.a to the Bank whilst the Bank will pay a floating rate to QCT. IRS No.3 commenced on 15 December 2008 and will mature on 30 November 2011.

(iv) On 5 November 2008, an IRS arrangement swapping floating rate for fixed rate for a notional amount of RM64 million ("IRS No.4") was entered into in relation to the RM64 million nominal value MTNs issued by the Manager with the Bank. Pursuant to IRS No.4, QCT will pay a fixed rate of 4.36% p.a to the Bank whilst the Bank will pay a floating rate to QCT. IRS No. 4 commenced on 16 March 2009 and will mature on 17 September 2013.

The differences between the floating rate and the fixed rate of the respective IRSs are settled between QCT and the Bank semi-annually and are charged or credited to the statement of comprehensive income accordingly.

The risk associated with the IRSs above would be credit risk, which is the counterparty risk of the financial institutions with whom the IRSs were contracted. However, the Manager has taken precaution to mitigate this risk by entering the IRSs contracts with reputable licensed financial institutions.

## B13 DERIVATIVE FINANCIAL INSTRUMENTS (Cont'd)

The fair values of the IRSs and the maturity profile as at 30 September 2011 are as follows:

| | Fair values of derivative assets/(liabilities) as at 30 September 2011 |
|---|---|
| | RM |
| - less than one year | (265,604) |
| - one to three years | 1,015,202 |
| - more than three years | - |
| Total | 749,598 |

QCT was eligible to apply hedge accounting for its IRSs wef 1 October 2010, and changes in fair values of the IRSs since then were taken to reserve in the statement of financial position. Prior to adoption of hedge accounting, the fair value changes of the IRSs were credited or charged to the income statement.

## B14 CHANGES IN MATERIAL LITIGATION

There is no pending material litigation as at the date of issuance of this report.

## B15 INCOME DISTRIBUTION

The distribution policy of QCT is to distribute at least 90% of its distributable income at least semi-annually or at such other intervals as the Manager may determine.

An interim income distribution of RM15,605,240 or 4.00 sen per unit, being 92.6% of the realised income for the period 1 January 2011 to 30 June 2011 were made on 29 August 2011.

There is no proposed income distribution for the quarter ended 30 September 2011. A provision for income distribution of RM9,398,889 being 100% of realised net income for the quarter has been made in the financial statements.

Income distribution to resident individuals, non-resident individuals, resident institutional investors, non-resident institutional investors and non-resident companies are subject to withholding tax as follows:

| | |
|---|---|
| Resident and non-resident individuals | 10% |
| Resident and non-resident institutional investors | 10% |
| Resident companies (flow through) | 0% |
| Non - resident companies | 25% |

## B16 CHANGES IN NAV AND MARKET PRICE SINCE THE LAST REPORTING DATE

| | As at 30 September 2011 | As at 30 June 2011 |
|---|---|---|
| NAV (RM) | 499,300,615 | 499,418,841 |
| Number of units in circulation (unit) | 390,131,000 | 390,131,000 |
| NAV per unit (RM) (after provision for distribution) | 1.2798 | 1.2801 |
| Market price (RM) | 1.00 | 1.08 |

NAV per unit is arrived at by dividing the NAV with the number of units in circulation as at the date of reporting.

The changes in NAV per unit is due mainly to remeasurement of financial derivatives in the current quarter.

The Manager believes that the movement in market price is due mainly to changes in market sentiment.

## B17 MANAGER'S FEE AND SOFT COMMISSION

Pursuant to the Trust Deed, the Manager is entitled to receive from QCT the following fees:

(i) Base fee of 0.4% per annum of the gross asset value, payable monthly in arrears;

(ii) Performance fee of 3% per annum on the net investment income, payable semi-annually in arrears. However, for the first five years after the date of listing on 8 January 2007, no performance fee shall be payable in the event that QCT fails to achieve a minimum annualised distributable income per unit of 6 sen (after deducting performance fee);

(iii) Acquisition fee of 1% of the acquisition value of any asset, being authorised investments, acquired by QCT; and

(iv) Divestment fee of 0.5% of the disposal value of any asset divested by QCT.

Total fees accrued to the Manager (inclusive of 6% service tax) for the quarter ended 30 September 2011 are :

| | RM |
|---|---|
| Base fee | 898,054 |
| Performance fee | 450,527 |
| | 1,348,581 |

There were no other fees paid to the Manager save as disclosed above.

During the quarter, the Manager did not receive any soft commission from its brokers/dealers by virtue of transactions conducted for QCT.

## B18 TRUSTEE'S FEE

Trustee's fee is payable to Mayban Trustees Berhad ("Trustee"), which is computed at 0.03% per annum on the first RM2.5 billion gross asset value and 0.02% per annum on the gross asset value in excess of RM2.5 billion, payable monthly in arrears.

Trustee's fee accrued to the Trustee for the quarter ended 30 September 2011 amounted to RM63,093.

## B19 UNITHOLDINGS BY THE MANAGER

As at 30 September 2011, the Manager did not hold any units in QCT.

## B20 UNITHOLDINGS BY PARTIES RELATED TO THE MANAGER

| | No. of units | Percentage of total units | Market Value as at 30 September 2011 RM |
|---|---|---|---|
| HLG Nominee (Tempatan) Sdn. Bhd. for : | | | |
| -Quill Properties Sdn. Bhd. | 45,997,000 | 11.79% | 45,997,000 |
| -Quill Land Sdn. Bhd. | 48,767,000 | 12.50% | 48,767,000 |
| -Quill Estates Sdn. Bhd. | 22,276,000 | 5.71% | 22,276,000 |
| HSBC Nominees (Asing) Sdn. Bhd. for CapitaCommercial Trust | 117,040,000 | 30.00% | 117,040,000 |
| | 234,080,000 | 60.00% | 234,080,000 |

The Manager's directors' direct unitholding in QCT:

| | No. of units | Percentage of total units | Market Value as at 30 September 2011 RM |
|---|---|---|---|
| Dato' Dr. Low Moi Ing, J.P | 50,000 | 0.01% | 50,000 |
| Dato' Michael Ong Leng Chun | 50,000 | 0.01% | 50,000 |
| Datuk Hj Abdul Karim Bin Abu Bakar | 1,000 | 0.00% | 1,000 |
| Datuk Dr. Mohamed Arif Bin Nun | 50,000 | 0.01% | 50,000 |
| Aw Hong Boo ( Alternate to Dato' Dr. Low Moi Ing, J.P) | 50,000 | 0.01% | 50,000 |

The Manager's directors' indirect unitholding in QCT:

| | No. of units | Percentage of total units | Market Value as at 30 September 2011 RM |
|---|---|---|---|
| Dato' Dr. Low Moi Ing, J.P | 117,040,000 (a) | 30.00% | 117,040,000 |
| Dato' Michael Ong Leng Chun | 117,050,000 (b) | 30.00% | 117,050,000 |

(a) Deemed interested by virtue of her direct shareholding in Quill Properties Sdn. Bhd., Quill Land Sdn. Bhd. and Quill Estates Sdn. Bhd.

(b) Deemed interested by virtue of his direct shareholding in Quill Properties Sdn. Bhd., Quill Land Sdn. Bhd., Quill Estates Sdn. Bhd., and units held by his parent pursuant to Section 6(A) of the Companies Act, 1965.

The market value of the units is computed based on the closing price as of 30 September 2011 of RM1.00 per unit.

## B21 RESPONSIBILITY STATEMENT AND STATEMENT BY THE DIRECTORS OF THE MANAGER

The Manager is responsible for the preparation of the quarterly report.

In the opinion of the directors of the Manager, the quarterly report has been prepared in accordance with FRS 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 and fair view of the financial position of QCT as at 30 September 2011 and of its financial performance and cash flows for the quarter ended on that date and duly authorised for release by the Board of the Manager on 3 November 2011.

**BY ORDER OF THE BOARD**

**LEE FONG YONG**
**COMPANY SECRETARY (MAICSA No. 7005956)**
**Quill Capita Management Sdn Bhd**
**(Company No: 737252-X)**
**(As Manager of Quill Capita Trust )**
**Kuala Lumpur**

**Date: 3 November 2011**

# General Announcement

Form Version **8.1 (Enhanced)**
Initiated by **QUILL CAPITA TRUST** on **06/10/2011 09:40:26 AM**
Submitted by **QUILL CAPITA TRUST** on **03/11/2011 05:03:29 PM**
Reference No **QC-111006-34826**

**Submitted**

| Company Information | |
|---|---|
| Main Market Company | |
| New Announcement | |
| **Submitting Investment Bank/Advisor (if applicable)** | |
| **Submitting Secretarial Firm (if applicable)** | |
| * **Company name** | QUILL CAPITA TRUST |
| * **Stock name** | QCAPITA |
| * **Stock code** | 5123 |
| * **Contact person** | Corinne Tan |
| * **Designation** | Vice President |
| * **Contact number** | 03-27888188 |
| **E-mail address** | corinne.tan@qct.com.my |

**Type** * Announcement

**Subject** *: OTHERS
**(Note : INFORMATION ENTERED IN THE DESCRIPTION FIELD WILL BE DISPLAYED AS THE TITLE OF THE ANNOUNCEMENT IN BURSA MALAYSIA'S WEBSITE)**

**Description** *:-
**(Note : Please enter the announcement description in this field and the announcement details in the Announcement Details/Table Section or attach the full announcement details as an attachment)**
Quill Capita Trust : Corporate Presentation Slides dated 3 November 2011
**Announcement Details/Table Section** :-
(This field is for the details of the announcement, if applicable)

Corporate presentation slides dated 3 November 2011 are as attached for reference.

**Attachment(s):- (please attach the attachments here)**
Corporate Presentation Slides_3Q 2011 Results-Bursa.pdf

# 3rd QUARTER 2011
# FINANCIAL RESULTS


**3 November 2011**

# Contents

- Financial Results
- Portfolio Update
- Conclusion

# Important Notice

*This presentation is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for units in QCT. The past performance of QCT is not necessarily indicative of the future performance of QCT.*

*This presentation may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitations) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income and occupancy, changes in operating expenses including employee wages, benefits and training, property expenses and governmental and public policy changes. You are cautioned not to place undue reliance on these forward-looking statements which are based on the manager's current view of future events.*

*The value of units in QCT (Units") and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request the manager to redeem their Units while the Units are listed. It is intended that unitholders may only deal in their Units through trading on the Main Board of Bursa Malaysia Securities Berhad. Listing of the Units on the Bursa Securities does not guarantee a liquid market for the Units.*

*The information in this Announcement must not be published outside Malaysia.*

# Financial Results

# Summary of Profit & Loss

| (RM'000) | (Unaudited) 3Q 2011 |
|---|---|
| **Total Gross Revenue** | **17,630** |
| Total Operating Expenses | (2,793) |
| **Net Property Income** | **14,837** |
| Interest Income | 181 |
| **Net Investment Income** | **15,018** |
| Interest and Other Expenses | (5,619) |
| Income  Before Taxation | 9,399 |
| **Net Income** | **9,399** |

# 3Q 2011 – EPU increased by 8.6%

| (RM'000) | (Unaudited) 3Q 2010 | (Unaudited) 3Q 2011 | Variance |
|---|---|---|---|
| Gross Revenue | 17,389 | 17,630 | +1.4% |
| NPI[1] | 13,378 | 14,837 | + 10.9% |
| Net Income [2] | 8,677 | 9,399 | +8.3%* |
| EPU [3] | 2.22 sen | 2.41 sen | +8.6%* |

1 NPI refers to Net Property Income
2 Net Income (excluding unrealised income)
3 EPU refers to Realised Earnings Per Unit
* The difference between the variance (%) for Net Income and EPU is due to rounding

# YTD 2011 – YTD EPU increased by 7.3%

| (RM'000) | (Unaudited) YTD 2010 | (Unaudited) YTD 2011 | Variance |
|---|---|---|---|
| Gross Revenue | 51,927 | 52,757 | +1.6% |
| NPI[1] | 39,679 | 41,926 | + 5.7% |
| Net Income [2] | 24,452 | 26,250 | +7.3% |
| EPU [3] | 6.27 sen | 6.73 sen | +7.3% |

1 NPI refers to Net Property Income
2 Net Income (excluding unrealised income)
3 EPU refers to Realised Earnings Per Unit



Quill Capita Trust

# Total Assets – RM838.68 million
# NAV per unit – RM1.2798

| | (Audited) as at 31 Dec 10 (RM'000) | (Unaudited) as at 31 March 11 (RM'000) | (Unaudited) as at 30 Jun 11 (RM'000) | (Unaudited) as at 30 Sept 11 (RM'000) |
|---|---|---|---|---|
| Non Current Assets | 810,174 | 810,081 | 810,369 | 810,516 |
| Current Assets | 33,383 | 27,115 | 36,042 | 28,164 |
| **Total Assets** | **843,557** | **837,196** | **846,411** | **838,680** |
| Current Liabilities | 147,156 | 145,227 | 152,822 | 145,324 |
| Non Current Liabilities | 198,424 | 194,084 | 194,170 | 194,056 |
| Net Assets | 497,977 | 497,885 | 499,419 | 499,300 |
| No of Units | 390,131 | 390,131 | 390,131 | 390,131 |
| **NAV per Unit (RM)** | **1.2764** | **1.2762** | **1.2801** | **1.2798** |

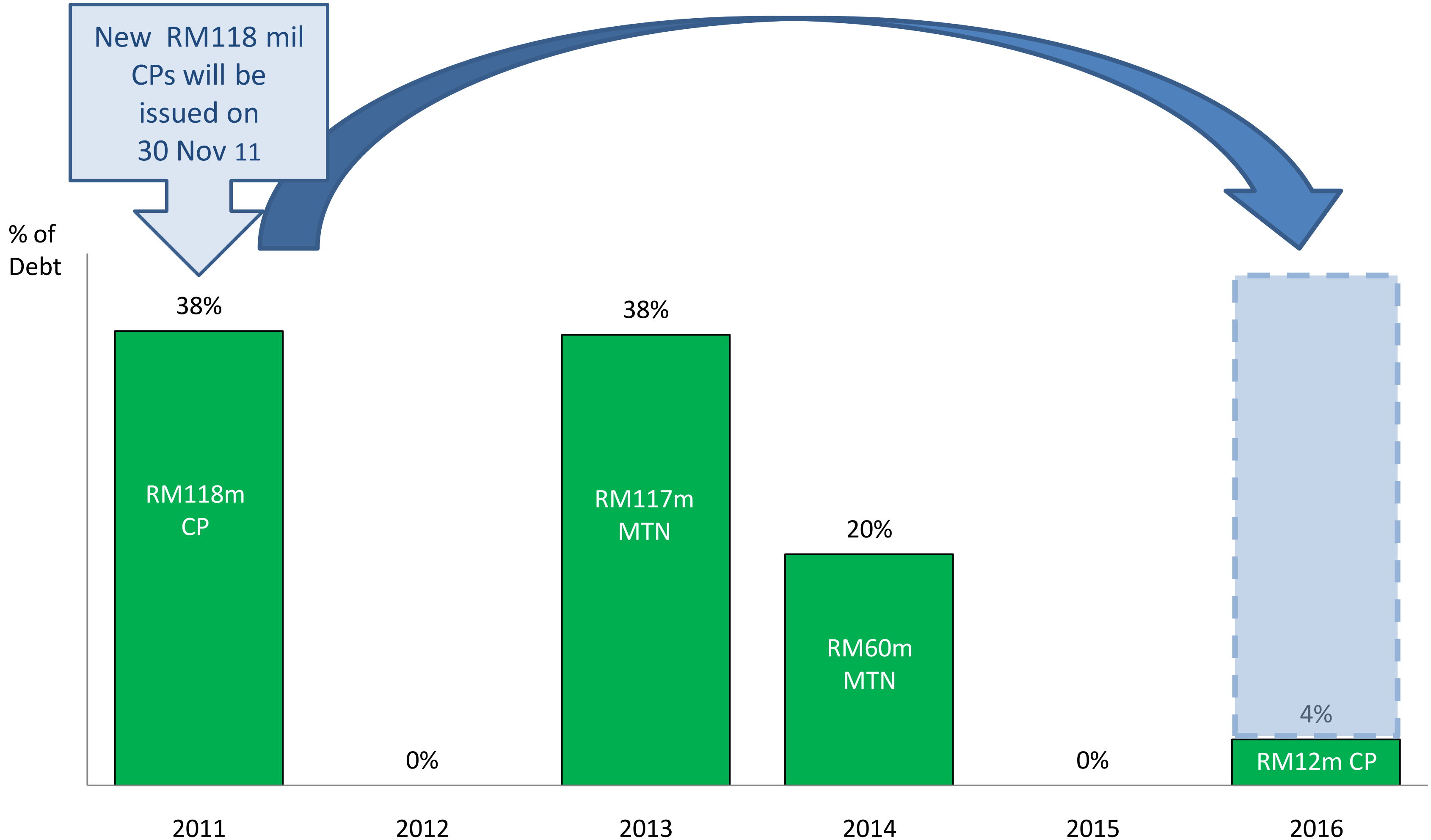
# Stable Financial Indicators

| | (Audited) as at 31 Dec 10 (RM'000) | (Unaudited) as at 31 March 11 (RM'000) | (Unaudited) as at 30 Jun 11 (RM'000) | (Unaudited) as at 30 Sept 11 (RM'000) |
|---|---|---|---|---|
| **Total Debts** | **304,116** | **305,185** | **304,288** | **305,346** |
| **Gearing Ratio (x)**[1] | **0.36x** | **0.36x** | **0.36x** | **0.36x** |
| Net Debt as % of EBITDA (x)[2] | 6.15x | 6.41x | 5.58x | 5.76x |
| **Interest Coverage (x)** [3] | **3.44x** | **3.33x** | **3.77x** | **3.69x** |
| Average Term to Maturity [4] | 2.29 | 2.04 | 1.79 | 1.58 |
| **Average Cost of Debt (p.a)**[5] | **4.45%** | **4.46%** | **4.45%** | **4.45%** |

Notes:

1. Gearing ratio refers to Gross Debt over Total Assets.
2. Net Debt as % of Earnings before Interest Taxation Depreciation and Amortization (EBITDA)
3. Interest coverage refers to year to date (YTD) EBITDA / YTD Interest Expense
4. Average Term to Maturity means weighted average time lapse to maturity. The Average Term to Maturity will be extended to 3.41 upon completion of the refinancing of RM118 mil CPs
5. Average Cost of Debt is calculated based on YTD Interest Expense / Average Weighted Borrowings

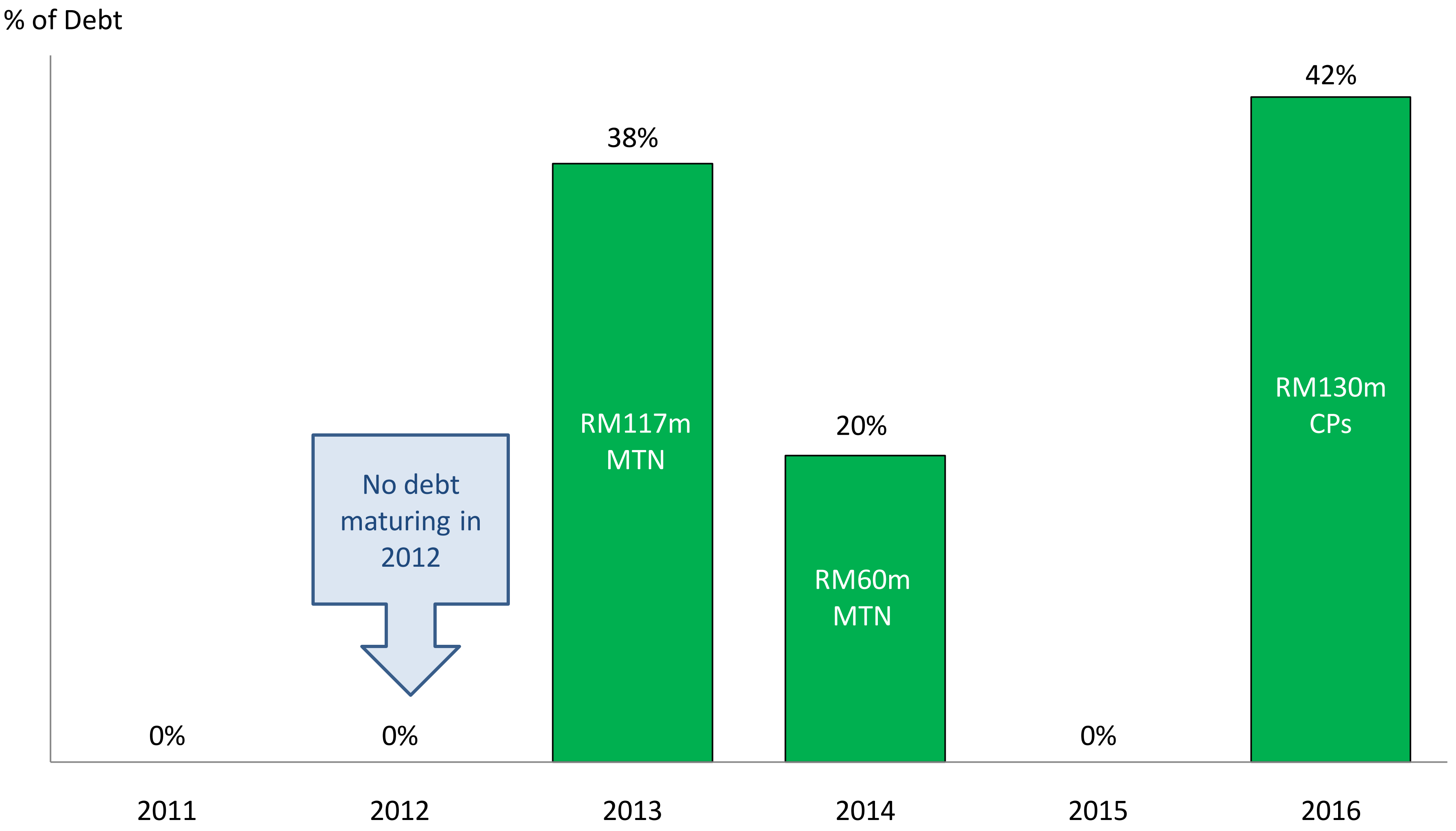
# Current Debt Profile
# – Secured Financing Ahead of Maturity




As at 30 Sept 2011, total debt of RM307.0 million (principal) comprises of RM130 million Commercial Paper (CPs) and RM177 million of Medium Term Notes (MTNs).

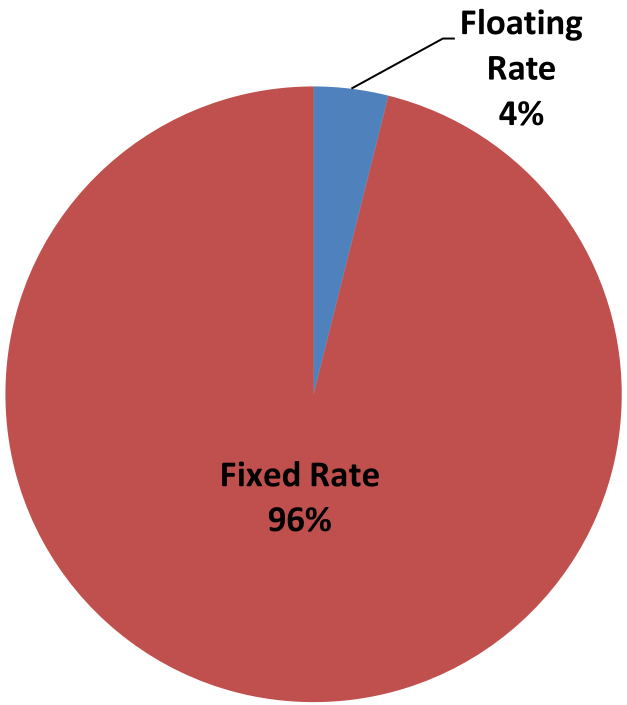

QuillCapita Trust

# Debt Profile – After 30 November 2011



# Low Interest Rate Risk

As at 30 September 2011



# Portfolio Update

Quill Capita Trust

# Portfolio of Quality Assets

**Quill Building 1 - DHL 1**

**Quill Building 4 - DHL 2**

**Quill Building 2 - HSBC**

**Quill Building 3 - BMW**

**Quill Building 5 - IBM**

**Part of Plaza Mon't Kiara**

**Wisma Technip**

**Quill Building 10 - HSBC (S13)**

**Quill Building 8 - DHL (XPJ)**

**TESCO Building Penang**


**10 Properties worth RM809.5 million with NLA of 1,288,149 sq ft**

***Excluding car park area**

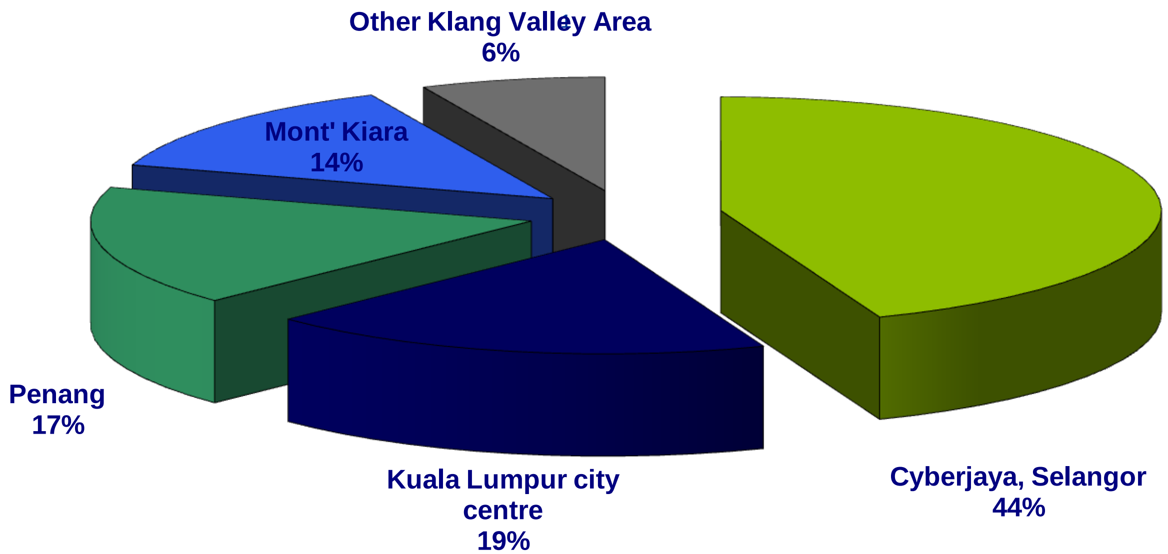
Note: The current market value of the respective buildings were valued by CH Williams Talhar & Wong Sdn Bhd on 31 December 2010.

# Geographical Diversification

**By Valuation**

## 10 properties well spread over Cyberjaya, Kuala Lumpur, Selangor and Penang.

| | |
|---|---|
| ***Klang Valley*** | ***39%*** |
| ***Cyberjaya*** | ***44%*** |
| ***Penang*** | ***17%*** |

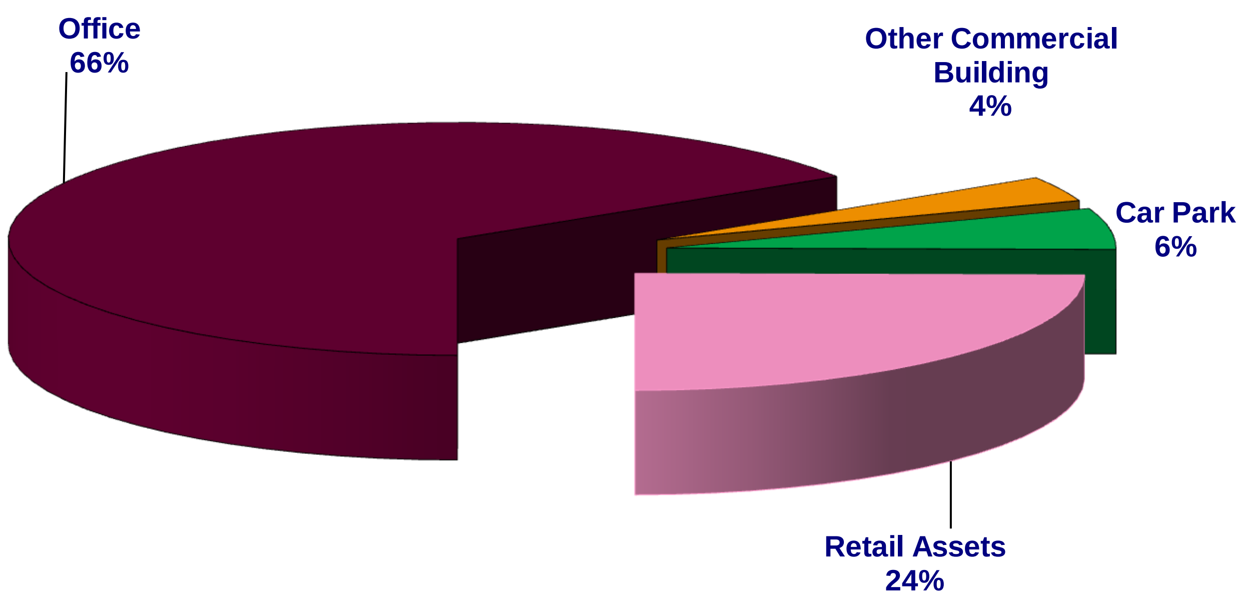



Notes:

(1) Other Klang Valley Area refers to Klang Valley generally excluding KL city centre and Mont' Kiara

# Diversified Segmental Contributions

**By Valuation**




Notes:

(1) Office comprises Quill Buildings (excluding Quill Building 8-DHL (XPJ) at Glenmarie, Shah Alam) and Wisma Technip

(2) Retail Assets refers to retail portion of Plaza Mont' Kiara & TESCO Building Penang

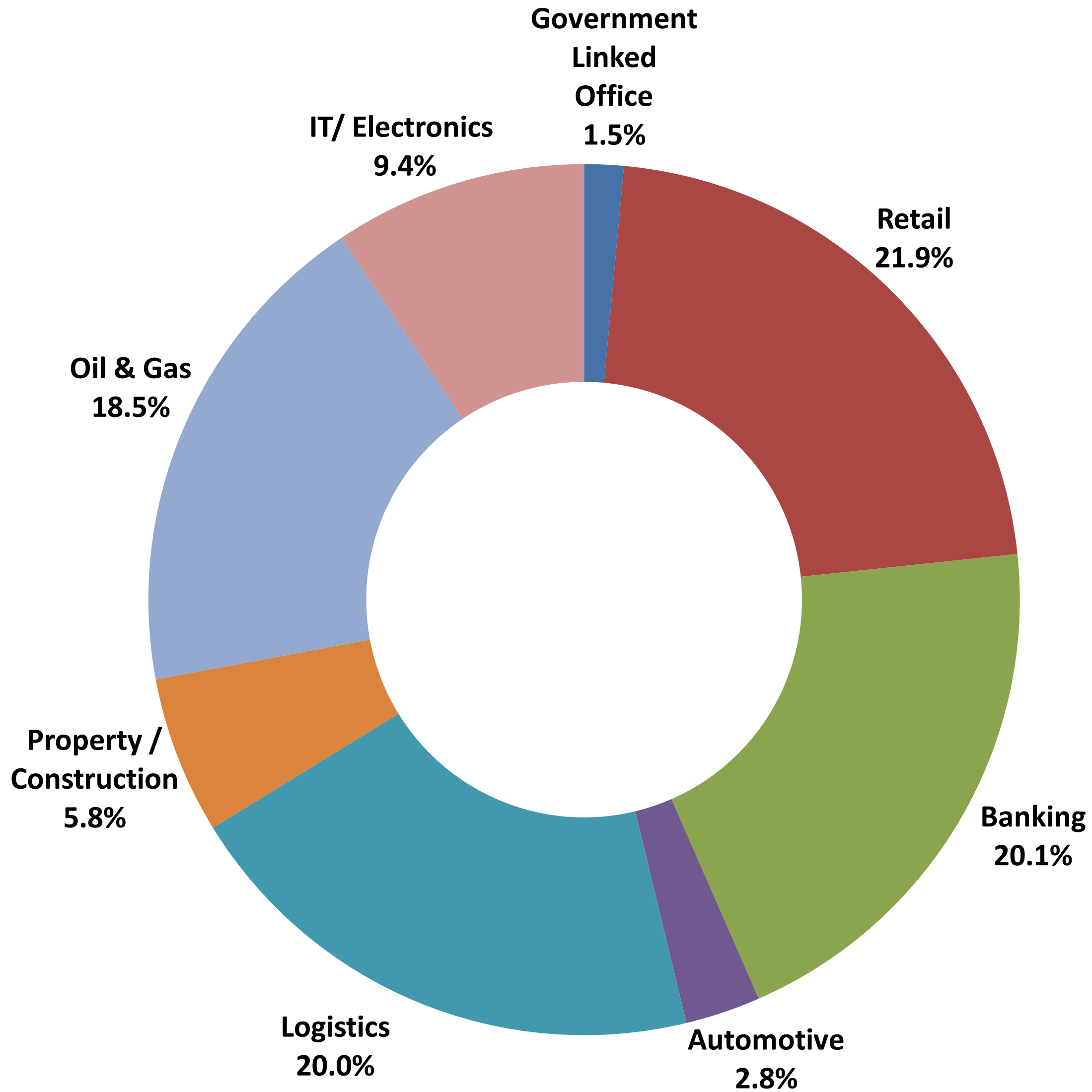
(3) Car Park refers to car parking bays in Plaza Mont' Kiara

(4) Other commercial building refers to Quill- Building 8- DHL (XPJ) at Glenmarie, Shah Alam

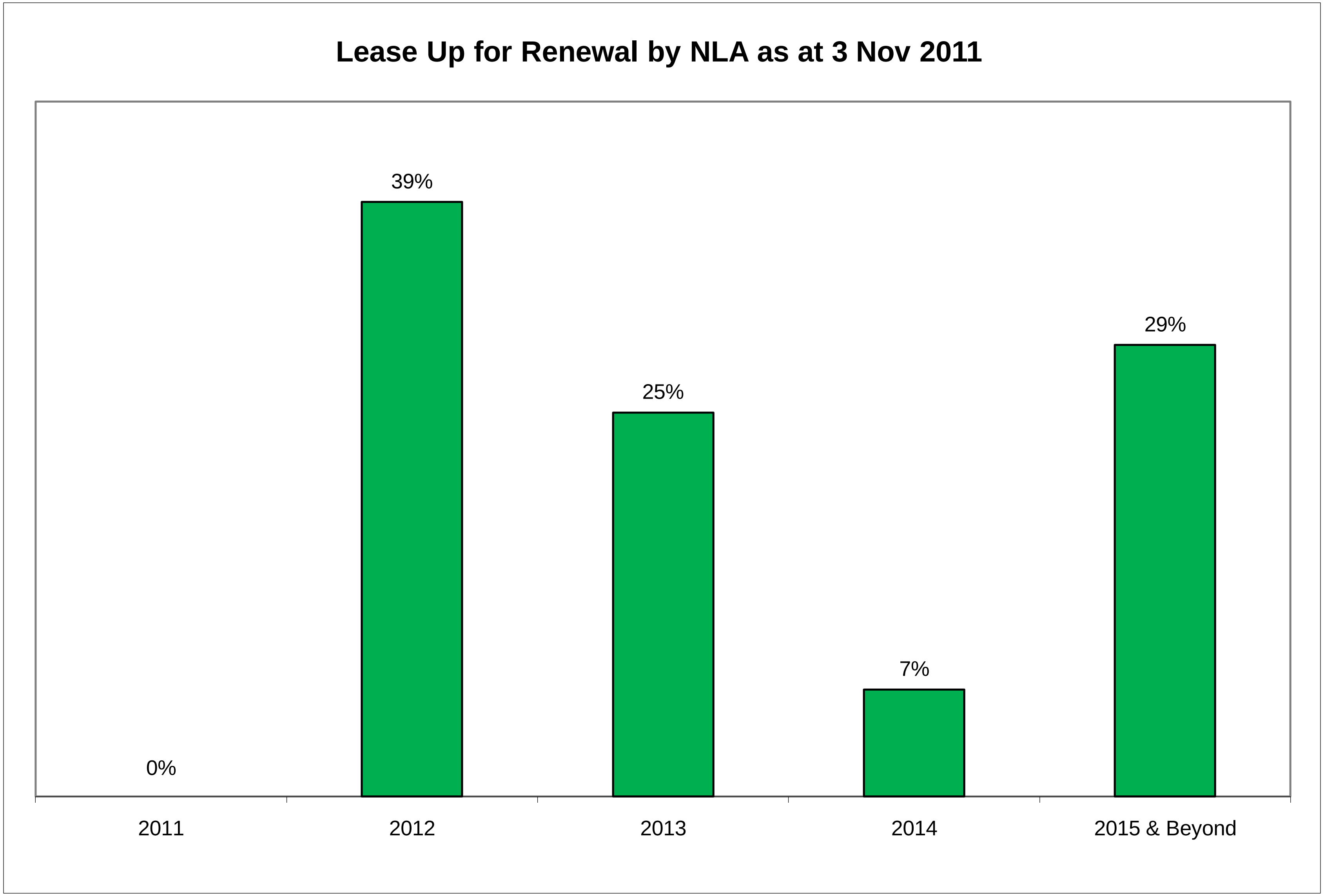
(5) Based on valuation dated 31 December 2010

# Well Balanced Tenancy Mix

By NLA



# Lease Renewal Profile



# Conclusion

# In Summary

## 3Q 2011 : Positive Quarter

- EPU increased by 8.6% as compared to 3Q2010.
- Net income is higher due mainly to higher rental income contribution from the properties and lower property operating expenses.
- Secured commitment for new RM118 million CP to redeem the existing RM118 million CP due on 30 Nov 2011.

## Continuing Strategies

- Proactive asset management strategies to focus on tenant relations and continuous building improvements.
- Continue to explore yield accretive acquisition opportunities.
- Prudent capital management strategies.

# Thank You

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