

QUILL CAPITA TRUST - 1ST QUARTER 2012 FINANCIAL RESULTS * FINANCIAL STATEMENT AND RELATED ANNOUNCEMENT

Like  0

* 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-May-2012 18:21:31
Announcement No.	00118

>> ANNOUNCEMENT DETAILS

The details of the announcement start here ...

For the Financial Period Ended *	31-03-2012
Description	Announcements by Quill Capita Trust ("QCT") - (1) 1st Quarter 2012 Financial Results (2) News Release : QCT's Realised Earnings Per Unit Increased by 5.1% in 1Q 2012 (3) Corporate Presentation Slides dated 3 May 2012.
Attachments	 QCT_NewsRelease_1Q2012.pdf  QCT_CorporatePresentation_1Q2012.pdf  QCT_1Q2012Results.pdf Total size = 5424K (2048K size limit recommended) Total attachment size has exceeded the recommended value



Financial Results

Form Version 8 (Enhanced)

Initiated by QUILL CAPITA TRUST on 10/04/2012 03:36:01 PM

Submitted by QUILL CAPITA TRUST on 03/05/2012 05:01:34 PM

Reference No QC-120410-56161

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
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Part A : To be filled by Public Listed Company

* Financial Year End	31/12/2012
* Quarter	1 Qtr
* Quarterly report for the financial period ended	31/03/2012
* The figures	have not been audited

Please attach the full Quarterly Report here

[QCT 1Q 2012 financials and notes \(Bursa\).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
* 31/03/2012

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER *	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE *	PRECEDING YEAR CORRESPONDING PERIOD
	31/03/2012	31/03/2011	31/03/2012	31/03/2011
	[dd/mm/yyyy] \$\$'000	[dd/mm/yyyy] \$\$'000	[dd/mm/yyyy] \$\$'000	[dd/mm/yyyy] \$\$'000
1. Revenue	17,784	17,513	17,784	17,513
2. Profit/(loss) before tax	8,071	7,683	8,071	7,683
3. Profit/(loss) for the period	8,071	7,683	8,071	7,683
4. Profit/(loss) attributable to ordinary equity holders of the parent	8,071	7,683	8,071	7,683
5. Basic earnings/(loss) per share (Subunit)	2.07	1.97	2.07	1.97
6. Proposed/Declared dividend per share (Subunit)	0.00	0.00	0.00	0.00
	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 (\$\$)		1.2984		1.2947
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 CAPITAL TRUST
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2012 (UNAUDITED)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Quarter	To Date	To Date
	31.03.2012	31.03.2011	31.03.2012	31.03.2011
	RM	RM	RM	RM
TOTAL INCOME				
Gross revenue	17,784,185	17,513,615	17,784,185	17,513,615
Property operating expenses	(4,493,552)	(4,486,417)	(4,493,552)	(4,486,417)
Net property income	13,290,633	13,027,198	13,290,633	13,027,198
Interest income	197,822	158,283	197,822	158,283
	13,488,455	13,185,481	13,488,455	13,185,481
TOTAL EXPENDITURE				
Manager's fee	(1,363,037)	(1,347,488)	(1,363,037)	(1,347,488)
Trustee's fee	(63,936)	(62,563)	(63,936)	(62,563)
Finance costs	(3,457,446)	(3,581,015)	(3,457,446)	(3,581,015)
Valuation fees	(170,000)	(182,500)	(170,000)	(182,500)
Auditors' remuneration	(30,753)	(28,752)	(30,753)	(28,752)
Tax agent's fee	(6,829)	(5,328)	(6,829)	(5,328)
Administrative expenses	(325,188)	(294,962)	(325,188)	(294,962)
	(5,417,189)	(5,502,608)	(5,417,189)	(5,502,608)
INCOME BEFORE TAX	8,071,266	7,682,873	8,071,266	7,682,873
Income tax expense	-	-	-	-
NET INCOME FOR THE PERIOD	8,071,266	7,682,873	8,071,266	7,682,873
OTHER COMPREHENSIVE INCOME				
Gain/(Loss) on remeasurement of financial derivatives (a)	1,420,037	(92,123)	1,420,037	(92,123)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	9,491,303	7,590,750	9,491,303	7,590,750
Net income for the period is made up as follows:				
Realised	8,071,266	7,682,873	8,071,266	7,682,873
Unrealised	-	-	-	-
EARNINGS PER UNIT (b)				
- after manager's fees (sen)	2.07	1.97	2.07	1.97
- before manager's fees (sen)	2.42	2.31	2.42	2.31
EARNINGS PER UNIT (REALISED) (c)				
- after manager's fees (sen)	2.07	1.97	2.07	1.97
- before manager's fees (sen)	2.42	2.31	2.42	2.31

(a) This relates to the gain/(loss) on the remeasurement of the fair values of interest rate swaps ("IRSs").
(please refer Note B15)

(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.

QUILL CAPITA TRUST
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE PERIOD ENDED 31 MARCH 2012 (UNAUDITED)

	AS AT END OF CURRENT QUARTER 31.03.2012 UNAUDITED RM	AS AT PRECEDING FINANCIAL YEAR END 31.12.2011 AUDITED RM
NON-CURRENT ASSETS		
Plant and equipment	106	406
Investment properties	814,814,800	814,800,000
Derivative assets (i)	2,130,694	710,657
	<u>816,945,600</u>	<u>815,511,063</u>
CURRENT ASSETS		
Trade and other receivables	2,997,704	2,500,573
Deposits with licensed financial institution	17,003,767	28,227,032
Cash on hand and at banks	7,236,016	7,582,685
	<u>27,237,487</u>	<u>38,310,290</u>
CURRENT LIABILITIES		
Provision for income distribution	8,071,266	16,775,633
Trade and other payables	10,243,932	11,842,925
Security deposits	8,572,834	8,952,665
	<u>26,888,032</u>	<u>37,571,223</u>
NET CURRENT LIABILITIES	349,455	739,067
NON-CURRENT LIABILITIES		
Borrowings	303,874,624	305,013,206
Security deposits	6,885,417	6,121,947
	<u>310,760,041</u>	<u>311,135,153</u>
NET ASSETS	<u>506,535,014</u>	<u>505,114,977</u>
Represented by:		
UNITHOLDERS' FUND		
Unitholders' capital	411,712,067	411,712,067
Undistributed and Non-distributable income	94,822,947	93,402,910
	<u>506,535,014</u>	<u>505,114,977</u>
NET ASSET VALUE PER UNIT (before provision for distribution)	1.3191	1.3377
NET ASSET VALUE PER UNIT (after provision for distribution)	1.2984	1.2947
NUMBER OF UNITS IN CIRCULATION	390,131,000	390,131,000

(i) These relate to the fair values of the IRSs (Note B15).

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the financial statements.

QUILL CAPITAL TRUST
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN NET ASSET VALUE
FOR THE PERIOD ENDED 31 MARCH 2012 (UNAUDITED)

	Unit holders' Capital	Distributable	Non-Distributable		Total	Unit holders' Funds
	RM	Undistributed Realised Income	Undistributed Income Unrealised	Net Fair Value Gain/(Loss) On Derivatives Unrealised	Undistributed and Non- Distributable Income	RM
As at 1 January 2012						
Total Comprehensive Income for the period	411,712,067	4,926,229	89,273,932	(797,251)	93,402,910	505,114,977
	-	8,071,266	-	1,420,037	9,491,303	9,491,303
Unit holders' transactions:						
Provision for distribution	-	(8,071,266)	-	-	(8,071,266)	(8,071,266)
As at 31 March 2012	<u>411,712,067</u>	<u>4,926,229</u>	<u>89,273,932</u>	<u>622,786</u>	<u>94,822,947</u>	<u>506,535,014</u>

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 2011 and the accompanying explanatory notes attached to the financial statements.

QUILL CAPITA TRUST
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2012 (UNAUDITED)

	CURRENT YEAR TO DATE 31.03.2012 RM	PRECEDING YEAR TO DATE 31.03.2011 RM
OPERATING ACTIVITIES		
Income before tax	8,071,266	7,682,873
Adjustments for:		
Finance costs	3,457,446	3,581,015
Depreciation	300	300
Interest income	(197,823)	(158,283)
Operating cash flows before changes in working capital	11,331,189	11,105,905
Receivables	(753,811)	(714,034)
Payables	859,420	2,490,249
Cash flows from operations	11,436,798	12,882,120
Income tax paid	-	-
Net cash flows from operating activities	11,436,798	12,882,120
INVESTING ACTIVITIES		
Additions to investment properties	(14,800)	-
Interest income	223,689	159,774
Net cash flows generated from investing activities	208,889	159,774
FINANCING ACTIVITIES		
Distribution to unitholders	(16,775,633)	(16,307,476)
Finance costs paid	(6,439,988)	(3,426,605)
Net cash flows used in financing activities	(23,215,621)	(19,734,081)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(11,569,934)	(6,692,187)
CASH AND BANK BALANCES AT BEGINNING OF PERIOD	35,809,717	30,805,342
CASH AND BANK BALANCES AT END OF PERIOD	24,239,783	24,113,155
 Cash and cash equivalents at end of period comprises:		
Deposits with licensed financial institutions	17,003,767	13,338,630
Cash on hand and at banks	7,236,016	10,774,525
	24,239,783	24,113,155

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes to the financial statements.

QUILL CAPITA TRUST
EXPLANATORY NOTES FOR PERIOD ENDED 31 MARCH 2012

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 Malaysian Financial Reporting Standards, provisions of the Trust Deed and the Securities Commission's Guidelines on Real Estate Investment Trusts.

These are QCT's condensed consolidated interim financial statements for part of the period covered by QCT's first MFRS framework annual financial statements and MFRS1, First-Time Adoption of Malaysian Financial Reporting Standards has been applied. The transition to MFRS framework does not have any financial impact to the financial statement of QCT.

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. 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

These unaudited interim financial statements are for part of the period covered by QCT's first annual financial statements prepared under the MFRS framework. Accordingly, QCT has applied MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards in the transition to the MFRS framework on 1 January 2012. The MFRS did not result in any financial impact to QCT as the accounting policies adopted under the previous FRS framework were already in line with the requirements of the MFRS framework.

A4 AUDIT REPORT OF PRECEDING FINANCIAL YEAR ENDED 31 DECEMBER 2011

The audit report of the financial statements for the preceding year ended 31 December 2011 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 note B14, there were no repurchase, resale and repayment of debt and equity instruments for the current quarter .

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 profit or loss in the statement of comprehensive income.

For the quarter ended 31 March 2012, there was no revaluation of investment properties.

A12 SIGNIFICANT EVENTS DURING THE QUARTER ENDED 31 MARCH 2012

There were no significant events during the quarter ended 31 March 2012 not otherwise disclosed in the financial statements.

A13 SIGNIFICANT EVENTS SUBSEQUENT TO THE QUARTER ENDED 31 MARCH 2012

There were no significant events subsequent to the quarter ended 31 March 2012.

A14 CHANGES IN CONTINGENT LIABILITIES

There are no contingent liabilities to be disclosed.

A15 CAPITAL COMMITMENTS

There were no capital commitment as at 31 March 2012.

B1 REVIEW OF PERFORMANCE

Quarter and year todate results

QCT recorded total revenue of RM17.78 million and property operating expenses of RM4.49 million respectively for the current quarter ended 31 March 2012. Realised income of RM8.07 million was achieved. Borrowing costs of RM3.46 million and manager's fee of RM1.36 million were incurred during the quarter.

As compared with the preceding year corresponding quarter, the revenue is about 1.5% higher due mainly to increase in rental rates of some properties. Property operating expenses are higher marginally by 0.2%. Finance costs is 3.5% lower due to lower interest costs during the quarter. This is due mainly to the Manager's active interest rate management strategy to refinance QCT's borrowings and its ability to procure cheaper financing costs. Administrative expenses are higher by about 10.2% due to higher professional fees incurred in the current quarter. The realised income of RM8.07 million is 5.1% higher than the preceding year corresponding quarter mainly due to higher net income from the properties, lower finance cost net of higher administrative expenses in the current quarter.

As compared with the immediate preceding quarter, revenue of RM17.78 million is higher by 1.6% mainly due to a new tenant. Property operating expenses were lower by 2.1% due to lesser repair cost incurred. Finance costs are lower by 7.8% mainly due to lower interest on borrowings and adjustments to amortisation of transaction costs in the current quarter. There is no major variance between the realised income of the current quarter as compared with the immediate preceding quarter.

The performance of QCT for the quarter and period ended 31 March 2012 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 2011.

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 2011 as they remain relevant in the current market conditions.

B3 REVIEW OF THE MARKETS IN WHICH QCT INVESTS IN DURING THE PERIOD AND GENERAL ASSESSMENT OF THE FUTURE PROSPECTS OF THESE MARKETS

Review of Office Market - Klang Valley

For 4Q 2011, there is no change in the overall rents compared with 3Q 2011. The overall occupancy rate in KL city centre rose 1.2% from the previous quarter to 84.5% while in the fringes of KL, dipped 3.3% to 86%. The Klang Valley office market is expected to remain challenging for the next 2- 3 years with new supply in excess of 12 million sq. ft. coming on stream now until 2014.

**B3 REVIEW OF THE MARKETS IN WHICH QCT INVESTS IN DURING THE PERIOD
AND GENERAL ASSESSMENT OF THE FUTURE PROSPECTS OF THESE MARKETS (CONT'D)**

Review of retail market - Klang Valley

With the continuing government support, the retail market continue to be resilient and vibrant with high occupancy rates especially in the popular and established malls. The Klang Valley retail sector achieved an average occupancy of 85% for the past 5 years. However, rental rates are expected to remain challenging especially in outer KL and suburban areas where future supply is concentrated.

Review of retail market - Penang

The retail sector in Penang will continue to expand with overall existing supply increasing slightly to approximately 9.5 million sq. ft. of net lettable area while the overall occupancy rate stands at 74% as at end 2011.

(Sources : The Edge Knight Frank Klang Valley Office Monitor 4Q 2011 and CH Williams Talhar & Wong Property Report 2012)

B4 PROSPECTS

The overall office demand-supply is expected to be softer this year due to the entry of new supply to the market. However, the Manager will continue to explore acquisition opportunities as well as to focus on active asset management and capital and portfolio management initiatives.

For leases due for renewal in 2012 which amounts to 38% of total Net Lettable Area, 14% has been renewed, 5% did not renew and 19% is not due for renewal as at the first quarter. Notwithstanding, the lease that was not renewed namely QB10-HSBC Section 13 which contributes less than 3% of QCT's total rental income for 2012, we are confident that the lease will be taken up as negotiations with a few potential new tenants are already in progress. The Manager is confident that QCT will be able to achieve sustainable income distribution for the year.

B5 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.

B6 PROFIT FORECAST / PROFIT GUARANTEE VARIANCE**a) Profit forecast**

There has been no profit forecast issued by QCT for the financial year 2012.

b) Profit guarantee

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

B7 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.

B8 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 todate.

B9 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 todate.

B10 STATUS OF CORPORATE PROPOSALS

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

B11 UTILISATION OF PROCEEDS RAISED FROM ANY NEW ISSUANCE

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

B12 CIRCUMSTANCES WHICH MATERIALLY AFFECT ANY INTEREST OF THE UNITHOLDERS

As at the date of this report, the directors of the manager are not aware of any circumstances not otherwise disclosed in this report which would materially affect interest of the unitholders.

B13 COMPOSITION OF INVESTMENT PORTFOLIO AS AT 31 MARCH 2012

As at 31 March 2012, QCT's portfolio comprised of ten buildings as follows:

Investment properties	Cost of Investment	Market Value /Net Carrying amount as at 31 March 2012	Market value /Net Carrying amount as % of NAV
	RM	RM	
<u>Commercial buildings</u>			
1 QB1 - DHL 1 & QB 4 - DHL 2	109,100,000	122,800,000	24.24%
2 QB 2 - HSBC	107,500,000	118,000,000	23.30%
3 QB 3 - BMW	59,400,000	72,500,000	14.31%
4 Wisma Technip	125,000,000	156,000,000	30.80%
5 Part of Plaza Mont' Kiara	90,000,000	110,000,000	21.72%
6 QB5 - IBM	43,000,000	45,000,000	8.88%
7 QB10 - HSBC Section 13	22,740,000	26,500,000	5.23%
8 Tesco Building Penang	132,000,000	139,000,000	27.44%
<u>Industrial building</u>			
9 QB 8 - DHL XPJ	28,800,000	25,014,800	4.94%
	<u>717,540,000</u>	<u>814,814,800</u>	

There were no changes to the total number of buildings held by QCT since the preceding financial year ended 31 December 2011.

Capital expenditure of RM14,800 was incurred during the quarter. Maintenance costs were normal expenses incurred for the upkeep of the buildings.

B14 BORROWINGS AND DEBT SECURITIES

	As at end of current quarter ended 31 March 2012
	RM
Non-current liabilities:	
<u>RM134 million CP/MTN Programme</u>	
Face value of MTNs issued	117,000,000
Transaction costs c/f	(450,182)
	<u>116,549,818</u>
Amortisation of transaction costs during the period	67,527
	<u>116,617,345</u>
<u>RM 270 million CP/MTN Programme</u>	
Face value of CPs and MTNs issued	190,000,000
Discount	(2,392,000)
Cash proceeds	<u>187,608,000</u>
Interest expense on CPs	351,000
	<u>187,959,000</u>
Transaction costs c/f	(704,787)
Amortisation of transaction costs during the period	3,066
	<u>187,257,279</u>
Total Non-Current Borrowings	<u><u>303,874,624</u></u>

B14 BORROWINGS AND DEBT SECURITIES (CONT'D)

(a) 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 B15.
- 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.

This programme is a secured borrowings.

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

On 18 July 2011, QCT through its SPE, Kinabalu Capital Sdn. Bhd. ("Kinabalu"), established a CPs/MTNs programme of up to RM270 million ("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. The effective interest rate for the RM12 million CPs is 3.34 % p.a due to the IRS arrangement as disclosed in Note B15.
- RM60 million of MTNs for 3 years, at interest rate of 4.9% p.a.

The proceeds from the issuance were utilised for the full repayment of the RM80 million 5-year Term Loan Facilities of Samwise Capital Sdn. Bhd.

- On 30 November 2011, RM118 million nominal values of CPs were issued. The effective interest rate for the RM118 million CP is 3.34 % p.a due to the IRS arrangement as disclosed in Note B15.

The proceeds from the issuance were utilised to fully redeem the RM118 million CP/MTN programme procured by Gandalf Capital Sdn. Bhd. which matured in November 2011.

The RM270 million Programme is a secured borrowings.

B15 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 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.
- (ii) 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.
- (iii) On 21 November 2011, an IRS arrangement swapping floating rate for fixed rate for a notional amount of RM65 million ("IRS No.5") was entered into in relation to part of the RM 130 million CPs issued by Kinabalu. Pursuant to IRS No.5, QCT will pay a fixed rate of 3.34 % to the Bank whilst the Bank will pay a floating rate to QCT. IRS No.5 commenced on 30 November 2011 and will mature on 5 September 2016.
- (iv) On 21 November 2011, an IRS arrangement swapping floating rate for fixed rate for a notional amount of RM65 million ("IRS No.6 ") was entered into in relation to part of the RM 130 million CPs issued by Kinabalu. Pursuant to IRS No.6, QCT will pay a fixed rate of 3.34 % to the Bank whilst the Bank will pay a floating rate to QCT. IRS No. 6 commenced on 30 November 2011 and will mature on 5 September 2016.

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.

The fair values of the IRSs and the maturity profile as at 31 March 2012 are as follows:

	Fair values of derivative assets/(liabilities) as at 31 March 2012
	RM
- less than one year	-
- one to three years	761,819
- more than three years	1,368,875
Total	<u>2,130,694</u>

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 recognised in other comprehensive income. Prior to adoption of hedge accounting, the fair value changes of the IRSs were recognised in the profit or loss.

B16 CHANGES IN MATERIAL LITIGATION

The manager is not aware of any pending material litigation as at the date of issuance of this report.

B17 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.

A provision for income distribution of RM8,071,266 being 100% of the realised income for the quarter ended 31 March 2012 has been made in the unaudited financial statements. However, there is no declaration for income distribution for the quarter ended 31 March 2012.

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%

B18 CHANGES IN NAV AND MARKET PRICE SINCE THE LAST REPORTING DATE

	As at 31 March 2012	As at 31 December 2011
NAV (RM)	506,535,014	505,114,977
Number of units in circulation (unit)	390,131,000	390,131,000
NAV per unit (RM)	1.2984	1.2947
(after provision for distribution)		
Market price (RM)	1.13	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 mainly due to gain on remeasurement of fair values of interest rate swaps.

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

B19 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 31 March 2012 are :

	RM
Base fee	903,958
Performance fee	459,079
	<u>1,363,037</u>

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.

B20 TRUSTEE'S FEE

Trustee's fee is payable to Maybank Trustees Berhad (Formerly known as 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 31 March 2012 amounted to RM63,936.

B21 UNITHOLDINGS BY THE MANAGER

As at 31 March 2012, the Manager did not hold any units in QCT.

B22 UNITHOLDINGS BY PARTIES RELATED TO THE MANAGER

	No. of units	Percentage of total units	Market Value as at 31 March 2012 RM
HLG Nominee (Tempatan) Sdn. Bhd. for :			
- Quill Properties Sdn. Bhd.	45,997,000	11.79%	51,976,610
- Quill Land Sdn. Bhd.	48,767,000	12.50%	55,106,710
- Quill Estates Sdn. Bhd.	22,276,000	5.71%	25,171,880
HSBC Nominees (Asing) Sdn. Bhd. for CapitaCommercial Trust	117,040,000	30.00%	132,255,200
	<u>234,080,000</u>	<u>60.00%</u>	<u>264,510,400</u>

The Manager's directors' direct unitholding in QCT:

	No. of units	Percentage of total units	Market Value as at 31 March 2012 RM
Dato' Dr. Low Moi Ing, J.P	50,000	0.01%	56,500
Dato' Michael Ong Leng Chun	55,000	0.01%	62,150
Datuk Hj Abdul Karim Bin Abu Bakar	1,000	0.00%	1,130
Datuk Dr. Mohamed Arif Bin Nun	50,000	0.01%	56,500
Aw Hong Boo (Alternate to Dato' Dr. Low Moi Ing, J.P)	50,000	0.01%	56,500

The Manager's directors' indirect unitholding in QCT:

	No. of units	Percentage of total units	Market Value as at 31 March 2012 RM
Dato' Dr. Low Moi Ing, J.P	117,040,000 (a)	30.00%	132,255,200
Dato' Michael Ong Leng Chun	117,040,000 (b)	30.00%	132,255,200

(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. and Quill Estates Sdn. Bhd.

The market value of the units is computed based on the closing price as of 31 March 2012 of RM1.13 per unit.

B23 UNITHOLDERS CAPITAL

	No. of units	
	Current Quarter	Preceding Quarter
Approved fund size	<u>490,131,000</u>	<u>490,131,000</u>
Issued and fully paid	<u>390,131,000</u>	<u>390,131,000</u>

There was no movement in the number of units during the current quarter.

B24 FINANCE COSTS INCURRED DURING THE QUARTER AND YEAR TODATE

	Current Quarter RM	Cumulative Quarter RM
Interest expenses	3,305,041	3,305,041
Amortisation of transaction costs and credit facility costs	152,405	152,405
Total finance costs	<u>3,457,446</u>	<u>3,457,446</u>

B25 OTHER INCOME AND EXPENSES

For the current quarter and year todate, the following were credited or charged to the profit or loss in the statement of comprehensive income:

	RM
Depreciation	300
Provision for / write off of receivables	-
Provision for / write off of inventories	-
Gain/loss on quoted and unquoted investment or properties	-
Impairment of assets	-
Foreign exchange gain or loss	-
Exceptional items	-

B26 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 MFRS 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 31 March 2012 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 May 2012.

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 May 2012



General Announcement

Form Version 8.1 (Enhanced)

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 Submitted by QUILL CAPITA TRUST on 03/05/2012 05:01:34 PM
 Reference No QC-120413-50438

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 : NEWS RELEASE -

Quill Capita Trust's Realised Earnings Per Unit increased by 5.1% in 1Q 2012

Announcement Details/Table Section :-

(This field is for the details of the announcement, if applicable)

Kuala Lumpur, 3 May 2011: Quill Capita Management Sdn Bhd ("QCM"), the manager of Quill Capita Trust ("QCT"), a listed real estate investment trust ("REIT"), announced that QCT's realised net income for the first quarter ended 31 March 2012 ("1Q 2012") increased by 5.1% to RM8.07 million from RM7.68 million reported in the corresponding quarter in 2011 ("1Q 2011"), resulting in a realised earnings per unit ("EPU") of 2.07 sen, an increase from 1.97 sen in 1Q 2011.

QCT's unaudited Consolidated Financial Statements for 1Q 2012 are available on its website (www.qct.com.my) and on Bursa Malaysia's website (www.bursamalaysia.com).

For further details of the news release, please refer to the file as attached.

Attachment(s):- (please attach the attachments here)

[News Release QCT 1Q2012.pdf](#)

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NEWS RELEASE

Quill Capita Trust's Realised Earnings Per Unit Increased by 5.1% in 1Q 2012

Kuala Lumpur, 3 May 2011: Quill Capita Management Sdn Bhd ("QCM"), the manager of Quill Capita Trust ("QCT"), a listed real estate investment trust ("REIT"), announced that QCT's realised net income for the first quarter ended 31 March 2012 ("1Q 2012") increased by 5.1% to RM8.07 million from RM7.68 million reported in the corresponding quarter in 2011 ("1Q 2011"), resulting in a realised earnings per unit ("EPU") of 2.07 sen, an increase from 1.97 sen in 1Q 2011.

QCT's unaudited Consolidated Financial Statements for 1Q 2012 are available on its website (www.qct.com.my) and on Bursa Malaysia's website (www.bursamalaysia.com).

Summary of QCT's 1Q 2012 Results

	1Q 2012 (RM'000)	1Q 2011 (RM'000)	Variance %
Gross Revenue	17,784	17,513	+1.5%
Net Property Income	13,290	13,027	+2.0%
Total Expenditure	(5,417)	(5,502)	-1.5%
Realised Income After Taxation	8,071	7,683	+5.1%

Dato' Mohammed Hussein, Chairman of QCM said: "The improvement in QCT's realised net income and EPU is a result of higher net property income and lower total expenditure. We are mindful that 24% of QCT's leases (by net lettable area) are due for renewal in 2012 and have already started engaging the tenants for lease renewal negotiation. In 2012, we will continue to drive asset enhancement initiatives that will add value to the REIT and build strong tenant relations to ensure high occupancy rates for QCT's portfolio."

"As part of QCT's corporate social responsibility efforts to promote a greener environment, we garnered the support and participation of the tenants from several of QCT's properties namely QB2 – HSBC, QB5 – IBM and Wisma Technip in QCT's "Wear Less Day" Campaign on 30 March 2012. The aim of the event is to save energy and this was achieved by increasing the indoor air-conditioning temperature for the said properties by 1 degree Celsius on 30 March 2012."

"As at 31 March 2012, QCT's gearing level is 36 per cent with an average cost of debt of 4.32 per cent. Due to the Manager's proactive capital management strategy, the average cost of debt in 1Q2012 was reduced by 3.5% as compared to 1Q2011. This is mainly attributed to the Manager's proactive interest rate management strategy to refinance QCT's borrowings and its ability to procure cheaper financing cost. In addition, QCT has no more refinancing requirements in 2012 as its borrowings are maturing in 2013 and beyond."

- 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 ten buildings comprising five in Cyberjaya, two in Kuala Lumpur, one each in Shah Alam and Petaling Jaya and one in Penang, valued at RM814.8 million as at 31 December 2011.

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

For media enquiries, please contact:

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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.



General Announcement

Form Version 8.1 (Enhanced)

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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 May 2012

Announcement Details/Table Section :-

(This field is for the details of the announcement, if applicable)

Corporate Presentation slides dated 3 May 2012 are attached for reference.

Attachment(s) :- (please attach the attachments here)

QCT Corporate Presentation - 1Q2012.pdf

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1st QUARTER 2012 FINANCIAL RESULTS



3 May 2012

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) 1Q 2012
Total Gross Revenue	17,784
Total Operating Expenses	(4,494)
Net Property Income	13,290
Interest Income	198
Net Investment Income	13,488
Interest and Other Expenses	(5,417)
Income Before Taxation	8,071
Net Income	8,071

1Q 2012 EPU Outperformed 1Q 2011 by 5.1%

(RM'000)	(Unaudited) 1Q 2011	(Unaudited) 1Q 2012	Variance
Gross Revenue	17,513	17,784	+1.5%
NPI ¹	13,027	13,290	+2.0%
Net Income ²	7,683	8,071	+5.1%
EPU ³	1.97 sen	2.07 sen	+5.1%

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

Total Assets – RM844.18 million

NAV per unit – RM1.2984

	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)
	as at	as at	as at	as at
	30 Jun 11 (RM'000)	30 Sept 11 (RM'000)	31 Dec 11 (RM'000)	31 Mar 12 (RM'000)
Non Current Assets	810,369	810,516	815,511	816,946
Current Assets	36,042	28,164	38,310	27,237
Total Assets	846,411	838,680	853,821	844,183
Current Liabilities	152,822	145,324	37,571	26,888
Non Current Liabilities	194,170	194,056	311,135	310,760
Net Assets	499,419	499,300	505,115	506,535
No of Units	390,131	390,131	390,131	390,131
NAV per Unit (RM)	1.2801	1.2798	1.2947	1.2984

Stable Financial Indicators

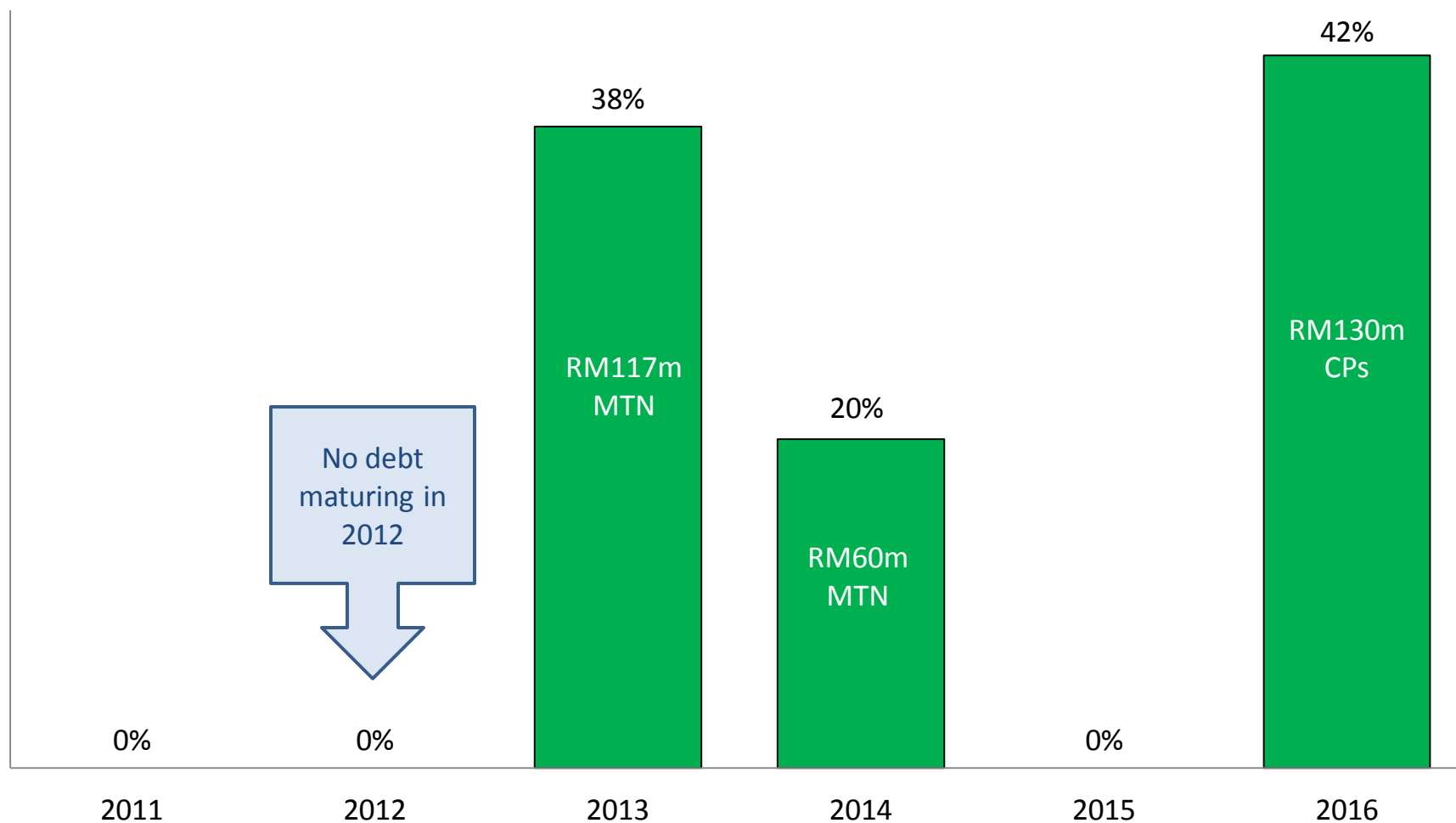
	Unaudited	Unaudited	Unaudited	Audited	Unaudited
	as at	as at	as at	as at	as at
	31 Mar 11 (RM'000)	30 Jun 11 (RM'000)	30 Sept 11 (RM'000)	31 Dec 11 (RM'000)	31 Mar 12 (RM'000)
Total Debts	305,185	304,288	305,346	305,013	303,875
Gearing Ratio (x)¹	0.36x	0.36x	0.36x	0.36x	0.36x
Net Debt as % of EBITDA (x)²	6.41x	5.58x	5.76x	5.77x	6.24x
Interest Coverage (x) ³	3.33x	3.77x	3.69x	3.64x	3.49x
Average Term to Maturity⁴	2.04	1.79	1.58	3.16	2.91
Average Cost of Debt (p.a)⁵	4.46%	4.45%	4.45%	4.44%	4.32%

Notes:

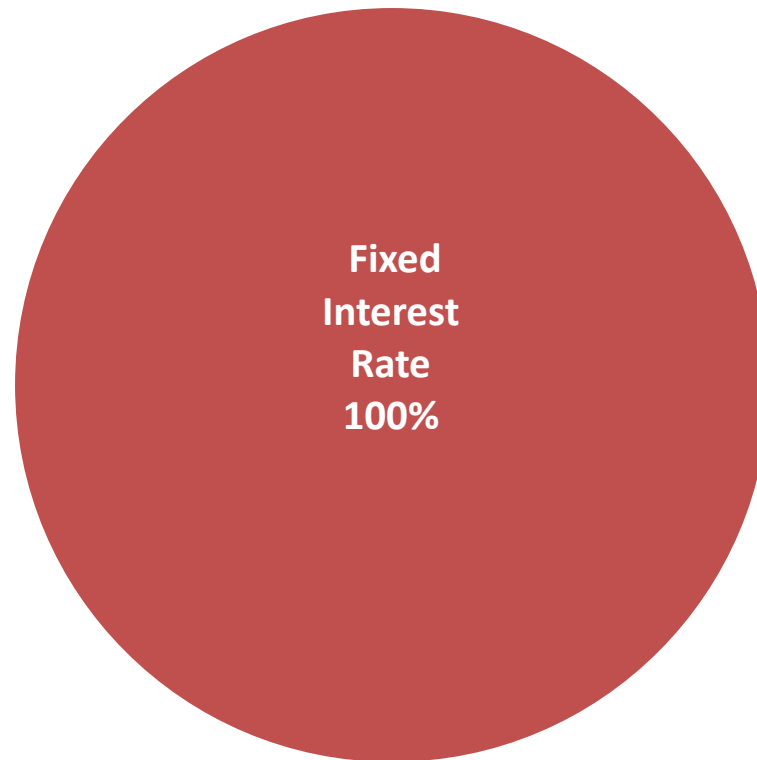
1. Gearing ratio refers to Gross Debt over Total Assets.
2. Net Debt as % of Earnings before Interest Taxation Depreciation and Amortization (EBITDA)
3. Interest coverage refers to year to date (YTD) EBITDA / YTD Interest Expense
4. Average Term to Maturity means weighted average time lapse to maturity
5. Average Cost of Debt is calculated based on YTD Interest Expense / Average Weighted Borrowing

Debt Profile

% of Debt



Low Interest Rate Risk - 100% Fixed Interest Rate as at 31 March 2012



Portfolio Update



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
RM814.8 million with
NLA of 1,289,751 sq ft**
*Excluding car park area

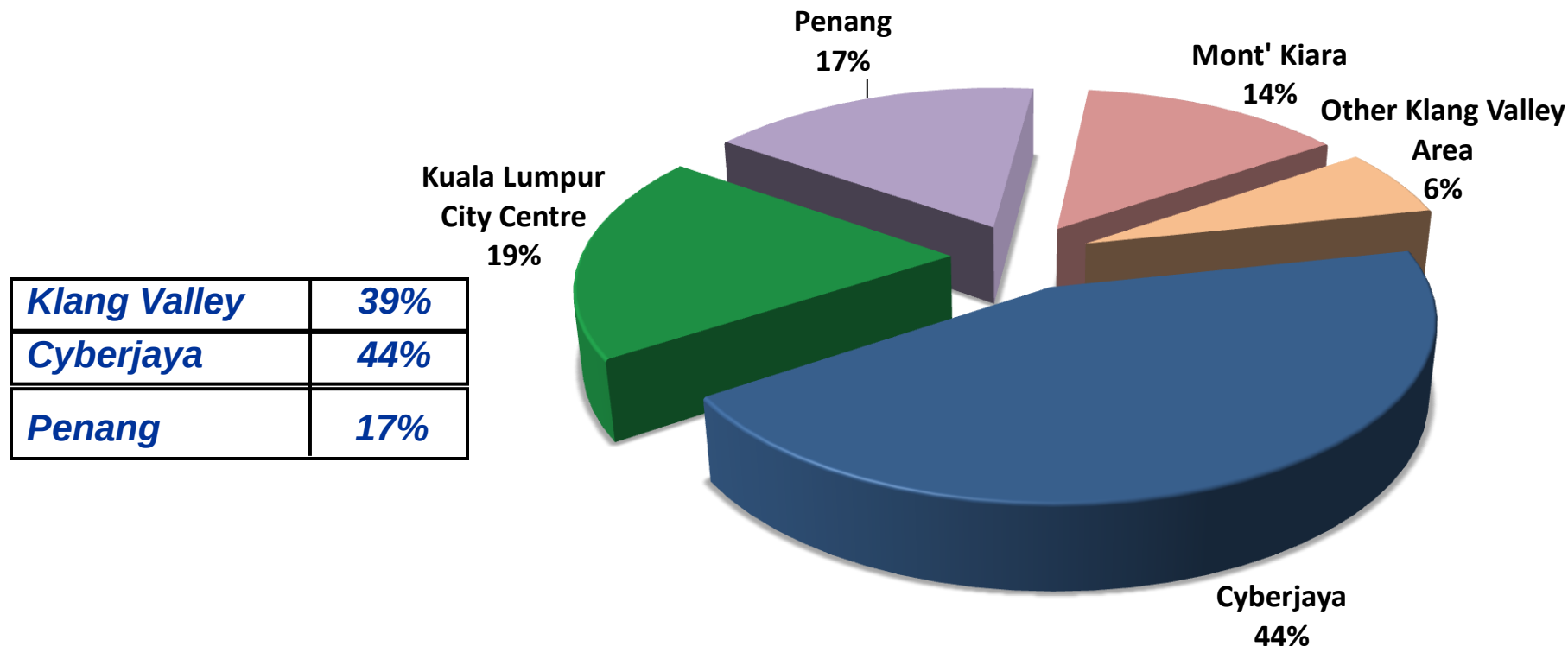
Note: The current market value of the respective buildings were valued by Henry Butcher Malaysia Sdn Bhd on 31 December 2011.

Quill Capita Trust Presentation *May 2012*

Geographical Diversification

By Valuation

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

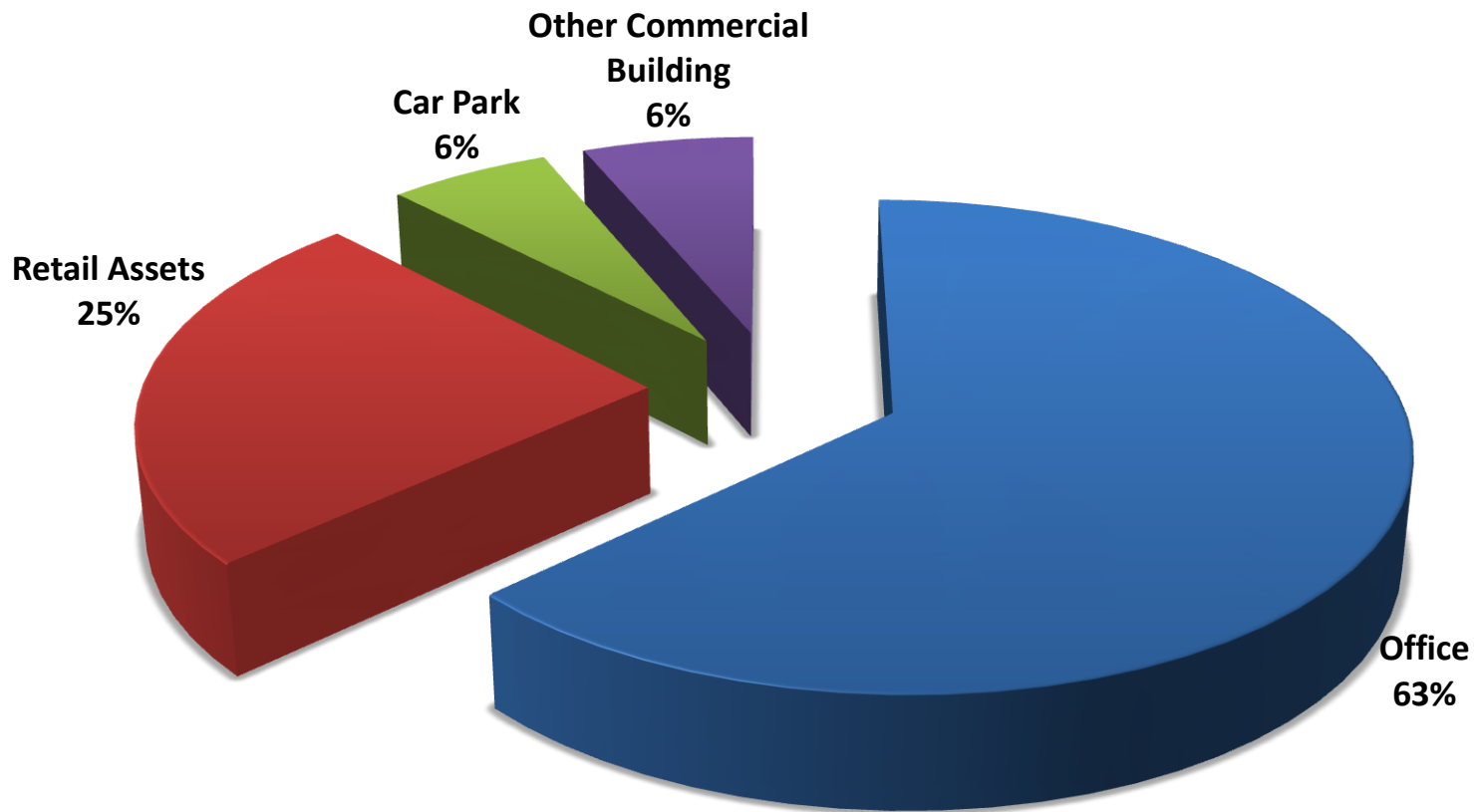


Notes:

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

Diversified Segmental Contributions

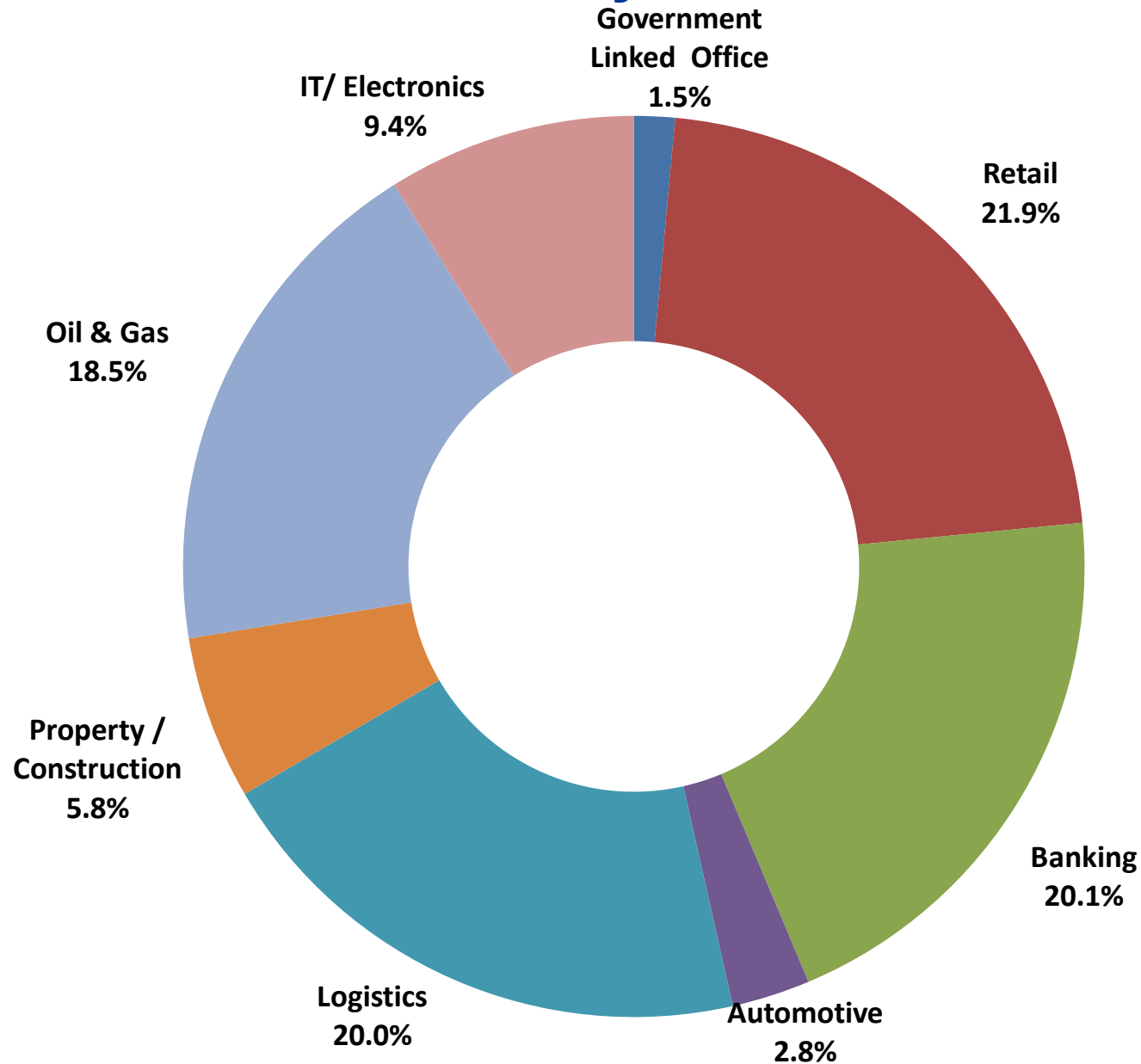
By Valuation



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 2011

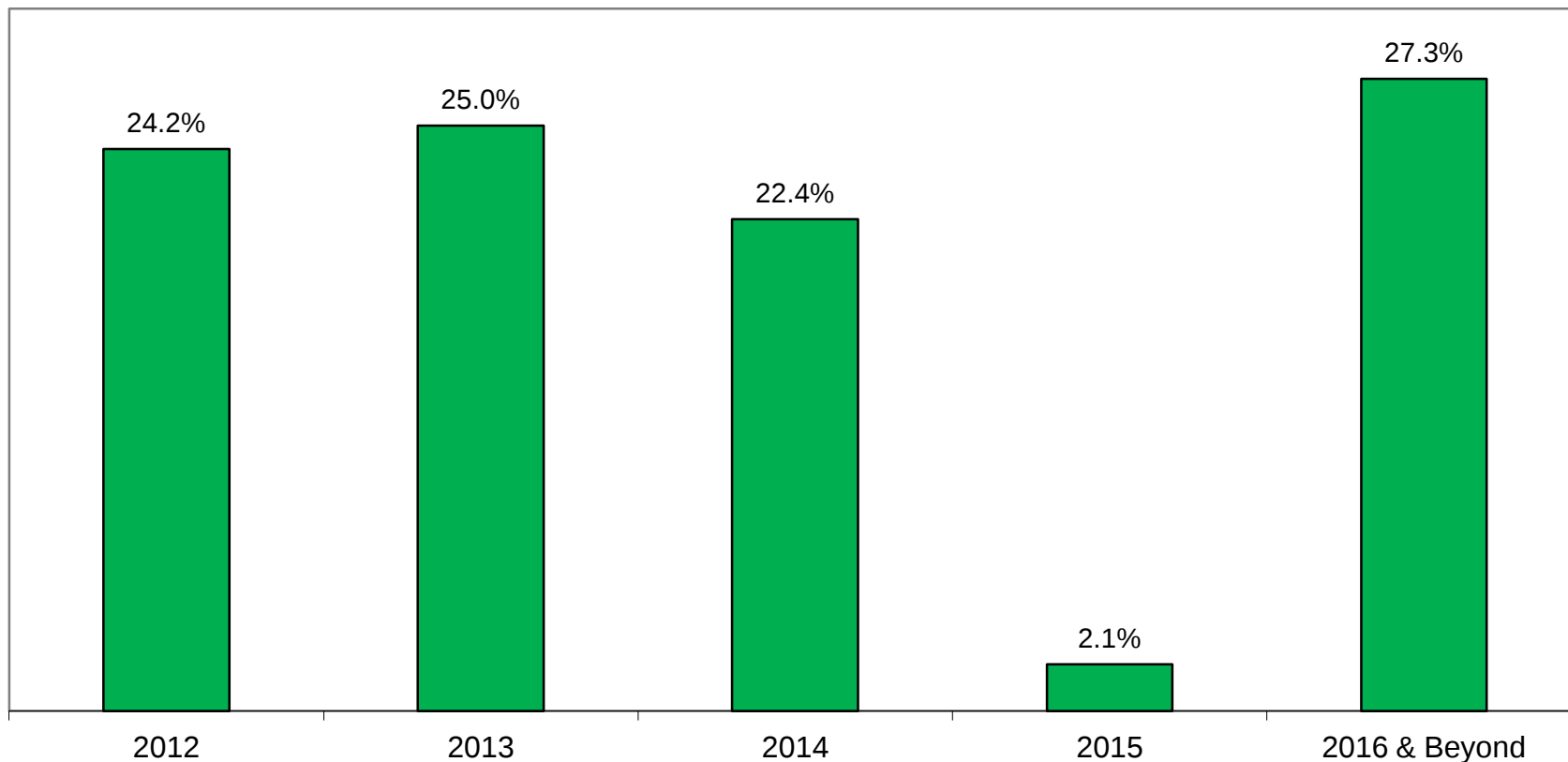
Well Balanced Tenancy Mix



By NLA

Lease Renewal Profile

Lease Up for Renewal by NLA as at 12 April 2012



The overall office demand-supply is expected to be softer this year due to the entry of new supply to the market. For leases due in 2012, 14% has been renewed, 5% is not renewed and 19% is not due for renewal as at the first quarter, but the management is confident of renewing these leases. The Manager will continue to explore acquisition opportunities as well as to focus on active asset management and capital and portfolio management initiatives. The Manager is confident that QCT will be able to achieve sustainable income distribution for the year.

Market Update

Review of Office Market - Klang Valley

For 4Q 2011, there is no change in the overall rents compared with 3Q 2011. The overall occupancy rate in KL city centre rose 1.2% from the previous quarter to 84.5% while in the fringes of KL, dipped 3.3% to 86%. The Klang Valley office market is expected to remain challenging for the next 2- 3 years with new supply in excess of 12 million sq. ft. coming on stream now until 2014.

Review of retail market - Klang Valley

With the continuing government support, the retail market continue to be resilient and vibrant with high occupancy rates especially in the popular and established malls. The Klang Valley retail sector achieved an average occupancy of 85% for the past 5 years. However, rental rates are expected to remain challenging especially in outer KL and suburban areas where future supply is concentrated.

Review of retail market – Penang

The retail sector in Penang will continue to expand with overall existing supply increasing slightly to approximately 9.5 million sq. ft. of net lettable area while the overall occupancy rate stands at 74% as at end 2011.

(Sources : The Edge Knight Frank Klang Valley Office Monitor 4Q 2011 and CH Williams)

Conclusion



In Summary

1Q 2012 : Satisfactory Quarter

- 1Q 2012 EPU increase by 5.1% compared to 1Q 2011
- In view of QCT's proactive capital management strategy, average cost of debt for 1Q 2012 has declined by 3.5% as compared to 1Q2011
- No borrowings maturing in financial year 2012

Year 2012 Prospects – Continuing Strategies

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

Thank You

For enquires, please contact:

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Ms Joyce Loh

Ms Corinne Tan

(General Line: 603-27888188)

(Fax : 603-27888199)