



QuillCap/ta

Trust

SECOND QUARTER 2008 FINANCIAL RESULTS
23 July 2008



Important Notice



This presentation is in relation to the Second Quarter 2008 Unaudited Results of Quill Capita Trust (QCT). This shall be read in conjunction with the QCT Group Forecast & Projections Statement announced on 21 April 2008 and all such other relevant announcements released by QCT to the Bursa Securities.

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.

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The information in this Announcement must not be published outside Malaysia.

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Financial Results



Summary of Profit & Loss

	2Q 2008 (RM'000)	YTD 30 June 2008 (RM'000)
Total Gross Revenue	13,695	25,075
Total Operating Exp	<u>(3,884)</u>	<u>(6,036)</u>
Net Property Income	9,811	19,039
Interest Income	<u>80</u>	<u>306</u>
Net Investment Income	9,891	19,345
Interest and Other Expenses	<u>(3,142)</u>	<u>(5,495)</u>
Income before taxation	6,749	13,850
Taxation	<u>0</u>	<u>0</u>
Income After Taxation	<u>6,749</u>	<u>13,850</u>

2Q 08 - EARNINGS PER UNIT Growth

EPU increased by **12.3%** compared to preceding year corresponding quarter

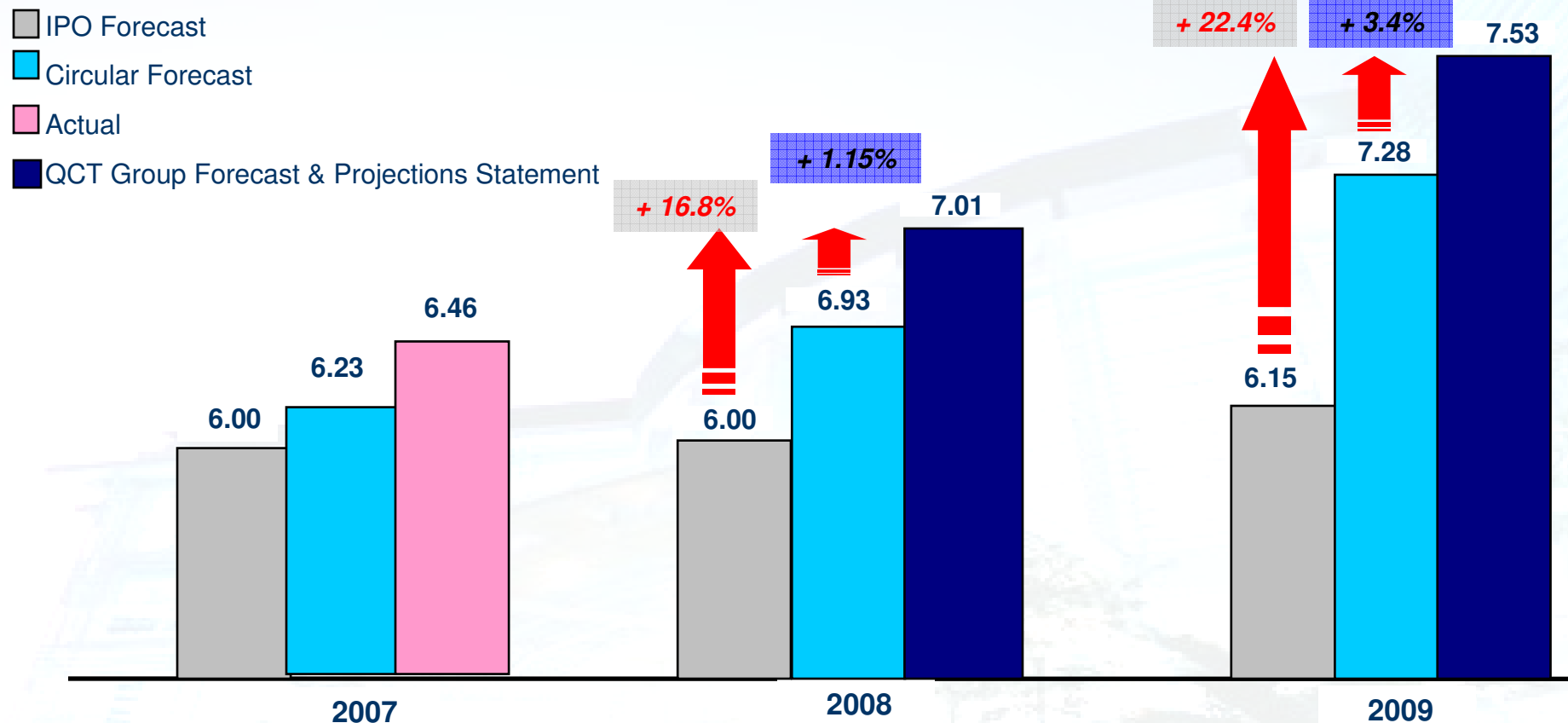
	2Q 2008 RM'000	2Q 2007 RM'000	Variance %
Gross Revenue	13,695	5,718	+139.5
Net Property Income	9,811	5,102	+ 92.3
Income After Taxation	6,749	3,678	+ 83.5
Earnings Per Unit (EPU)	1.73 sen	1.54 sen	+ 12.3

DPU – In line with Full Year Forecast

	Actual (sen)	Annualised (sen)	Forecast (sen)
DPU paid (for the period from 1 January 2008 to 23 June 2008)	3.36	7.01	7.01

Note: Forecast refers to QCT Group Forecast & Projections Statement dated 21 April 2008

QCT Group Forecast & Projections Statement dated 21 April 2008



Important Notice : Please read the above in conjunction with the principal bases and assumptions in the QCT Group Forecast and Projections Statement announced on 21 April 2008

Note : 1) The IPO Forecast refers to the forecast in the IPO Prospectus dated 10 December 2006

2) The Circular Forecast refers to the forecast in the Circular dated 16 July 2007

3) Actual refers to the Total Distribution declared and paid from the distributable income for the financial year ended 31 Dec 2007

4) QCT Group Forecast & Projections Statement includes Quill Building 8 -IBM, Quill Building 8 – DHL (XPJ) & Quill Building 10-HSBC (Section 13) & has been verified by an external auditor

Total Assets – RM678.4 million
NAV per unit - RM1.20



	(Unaudited)				
	as at 30-Jun-07 (RM'000)	as at 30- Sep-07 (RM'000)	as at 31-Dec-07 (RM'000)	as at 31-Mar-08 (RM'000)	as at 30-Jun-08 (RM'000)
Non Current Assets	276,000	490,883	549,011	645,500	646,089
Current Assets	20,478	33,267	36,263	16,981	32,275
Total Assets	296,478	524,150	585,274	662,481	678,364
Current Liabilities	93,446	97,940	103,820	178,904	194,153
Non Current Liabilities	8,022	12,591	12,527	14,650	14,543
Net Assets	195,010	413,619	468,927	468,927	469,669
No of Units	238,691	390,131	390,131	390,131	390,131
NAV per unit (RM)	0.82	1.06	1.20	1.20	1.20

Strong Financial Ratios



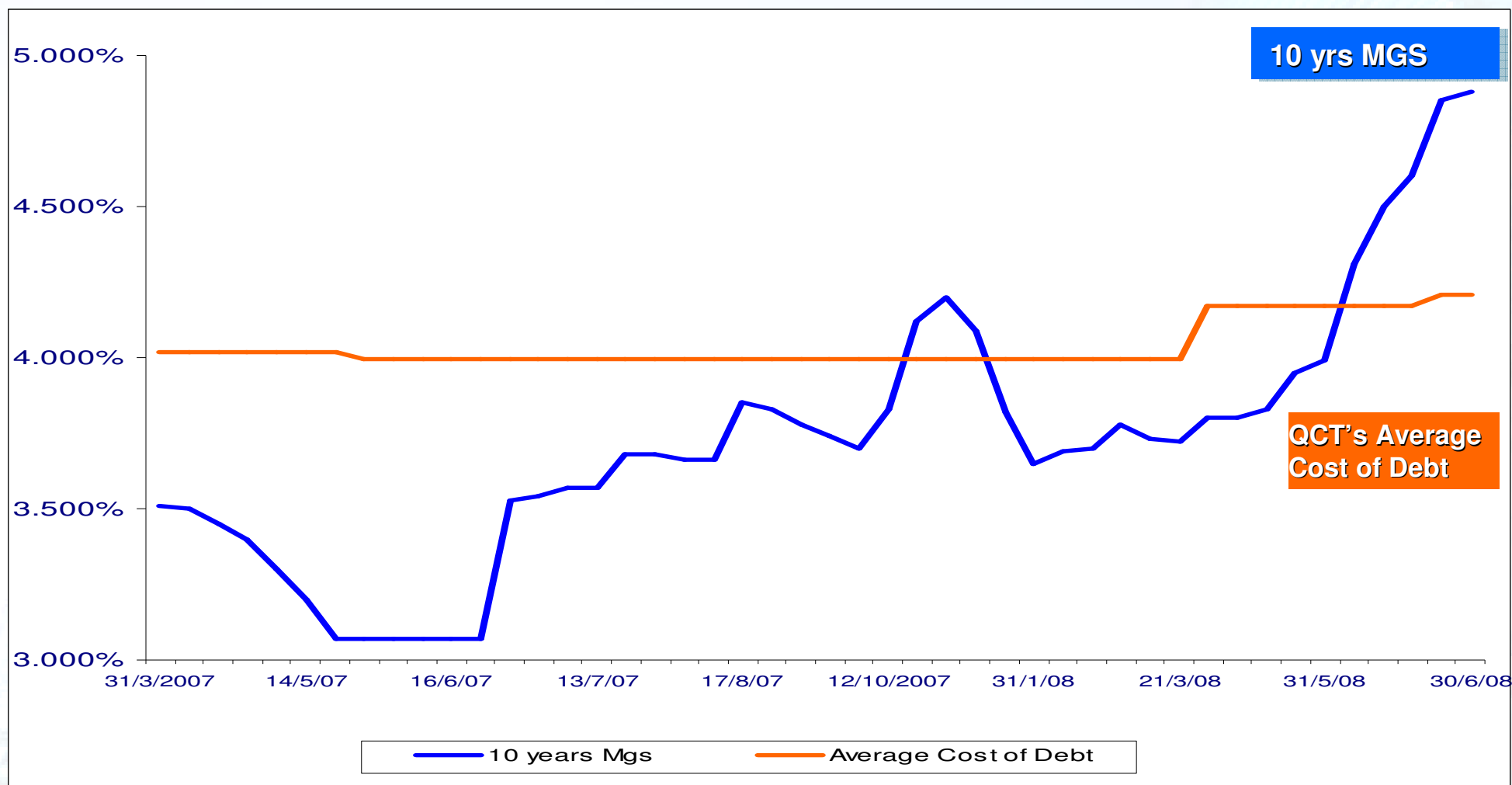
	(Unaudited)				
	As at 30-Jun-2007	As at 30-Sep-2007	As at 31-Dec-07	As at 31-Mar-08	As at 30-Jun-08
Total Debts (RM'000)	89,610	90,547	89,860	166,278	172,695
Gearing ratio	0.30x	0.17x	0.15x	0.25x	0.25x
Interest Service Cover ratio (for the quarter)	4.83x	5.82x	9.01x	7.36x	4.59x
Average Cost of Debt (p.a)	3.995%	3.995%	3.995%	4.17%	4.21%

Notes: (1) Gearing Ratio refers to Total Debts over Total Assets

(2) Interest Service Cover Ratio is calculated based on profit before taxation and interest expenses over interest expenses

(3) Average Cost of Debt is calculated based on interest rates applicable during the period

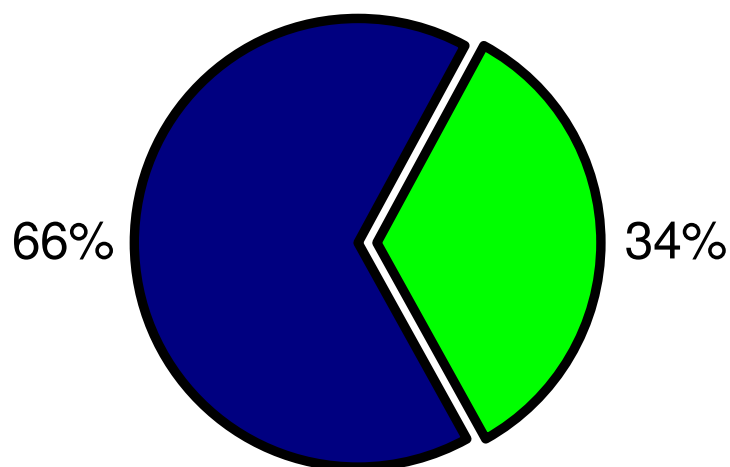
Interest Rate Trend



Note : 10 yrs MGS refers to coupon-bearing long term bonds issued by the Government of Malaysia with original maturity of 10 years
Source : Bloomberg & QCT

Long Term Debts Vs Short Term Debts

Total Debt RM173 million



■ Long Term Debt ■ Short Term Debt

- ❑ Long term debt of RM118 million Commercial Paper (CP) has been committed until Nov 2011.
- ❑ Short term bridging loan of RM59.24 million would be refinanced by the issuance of Private Debt Securities ('PDS') to secure fixed rate and long term funding
- ❑ Securities Commission's approval for RM134 million PDS was obtained vide SC's approval letter dated 11 July 2008.
- ❑ The PDS is expected to be issued by 3Q 2008



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Portfolio Update

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Portfolio as at 8 January 2007 (IPO Date)

Quill Building 1 – DHL 1



NLA : 92,284 sq ft

Purchase Price : RM 52.1 mil
Current Value : RM56.5 mil

Quill Building 2 - HSBC



NLA : 184,453 sq ft

Purchase Price : RM 107.5 mil
Current Value : RM117.5 mil

Quill Building 3 - BMW



NLA : 117,198 sq ft

Purchase Price : RM 59.4 mil
Current Value : RM66.9 mil

Quill Building 4 – DHL 2



NLA : 99,183 sq ft

Purchase Price : RM 57.0 mil
Current Value : RM62.1 mil

Net Lettable Area
493,118 sq. ft

Note: The current market value of the respective buildings was valued by CH Williams Talhar & Wong on 1 December 2007.

Acquisitions within 5 months after the IPO

**Net Lettable
Area for 6
properties
799,547 sq. ft**

*Excluding car park area

Wisma Technip



NLA : 233,021sq ft

Purchase Price: RM125 mil

Current Value : RM141 mil

Part of Plaza Mont' Kiara



NLA : 73,408 sq ft *

Purchase Price: RM90 mil

Current Value : RM105 mil

- ✓ **The Sale & Purchase Agreements for the acquisitions of both Wisma Technip and part of Plaza Mont' Kiara were entered into on 8 June 2007.**

Note: The current market value of the respective buildings was valued by CH Williams Talhar & Wong on 1 December 2007.

Acquisitions in 1Q 2008

Quill Building 5 – IBM
Acquisition was completed
on 14 March 08



Quill Building 8 – DHL (XPJ)
Acquisition was completed
on 25 March 08



Quill Building 10 – HSBC (Section 13)
Acquisition was completed
on 25 March 08



NLA : 80,000 sq ft
Valuation Price : RM43 mil
Purchase Price : RM43 mil

NLA : 65,205 sq ft
Valuation Price: RM28.8 mil
Purchase Price: RM28.8 mil

NLA : 58,428 sq ft
Valuation Price : RM22.74 mil
Purchase Price : RM22.74 mil

**Current Net Lettable
Area for 9 Properties**
1,003,180 sq ft

**Excluding car park area*

Note: The current market value of the respective buildings was valued by CH Williams Talhar & Wong on 7 January 2008.

Acquisition of TESCO Building, Jelutong in 2Q 2008

TESCO Building, Jelutong



**Net Lettable Area
for 10 Properties**

1,278,200 sq ft

**Excluding car park area*

Lease Area	: 275,020 sq. ft
Valuation Price	: RM132.5 mil
Purchase Price	: RM132.0 mil

- ✓ **The Proposed Acquisition of TESCO Building, Jelutong is expected to be completed by 4Q of 2008.**

Note: The Valuation Price of the TESCO Building, Jelutong was valued by CH Williams Talhar & Wong on 9 May 2008.

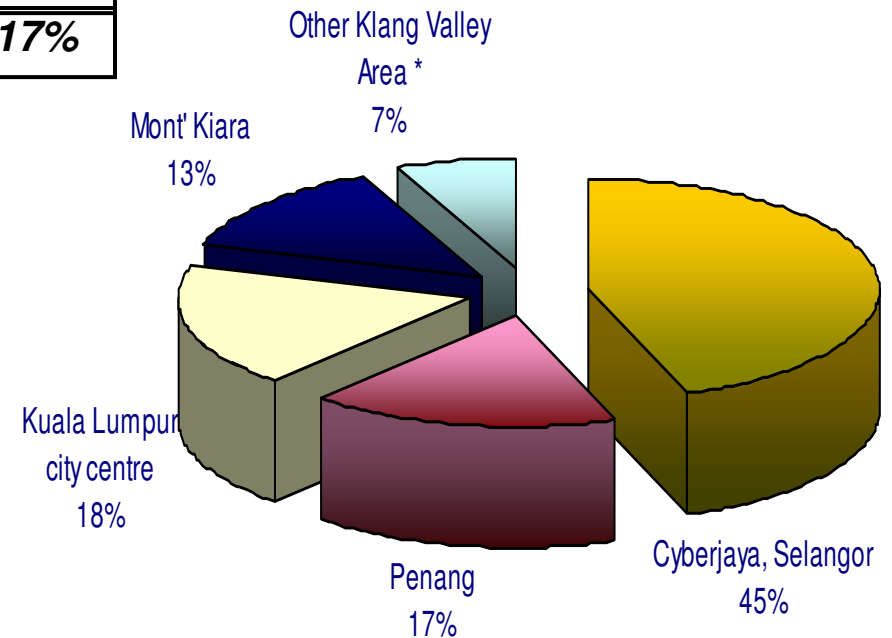
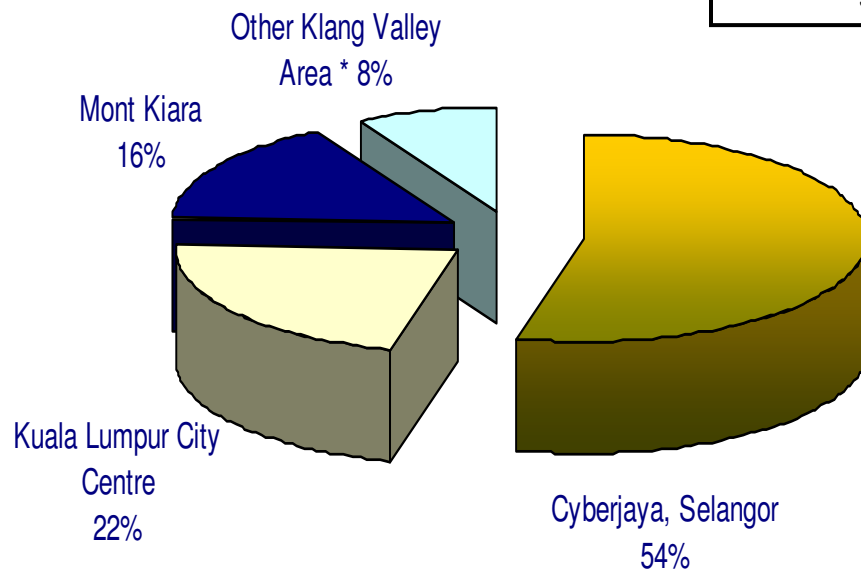
Further Geographical Diversification

As at 30 June 2008

Post- Acquisition of TESCO Building Jelutong

QCT will further diversify geographically to other States - Penang

Klang Valley	38%
Cyberjaya	45%
Penang	17%



Notes: (1) Other Klang Valley Area refers to Klang Valley generally excluding KLCC and Mont' Kiara

(2) As at 31 December 2007, the real estate portfolio comprises 4 properties injected during the IPO, part of Plaza Mont' Kiara and Wisma Technip. The current market value of all 6 properties was valued by C H Williams Talhar & Wong on 1 December 2007

(3) The 3 new properties acquired in March 2008 were valued at RM94.5 million by CH Williams Talhar & Wong on 7 January 2008

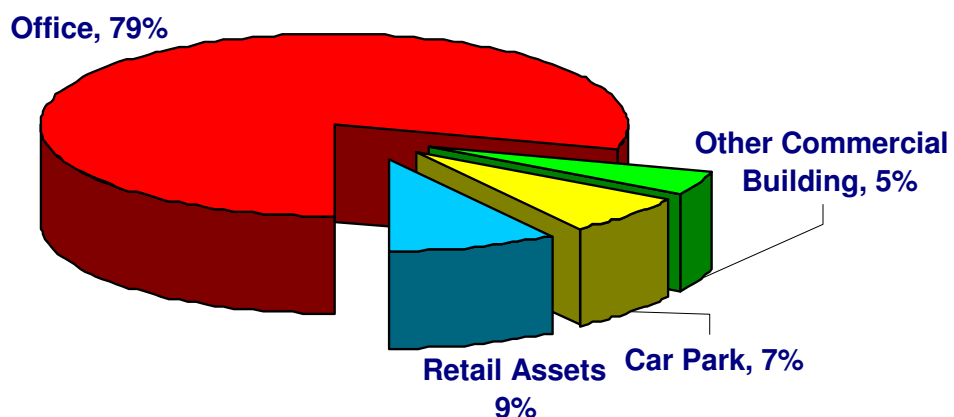
(4) TESCO Building, Jelutong was valued at RM132.5 million by CH Williams Talhar & Wong on 9 May 2008

Segmental Contributions

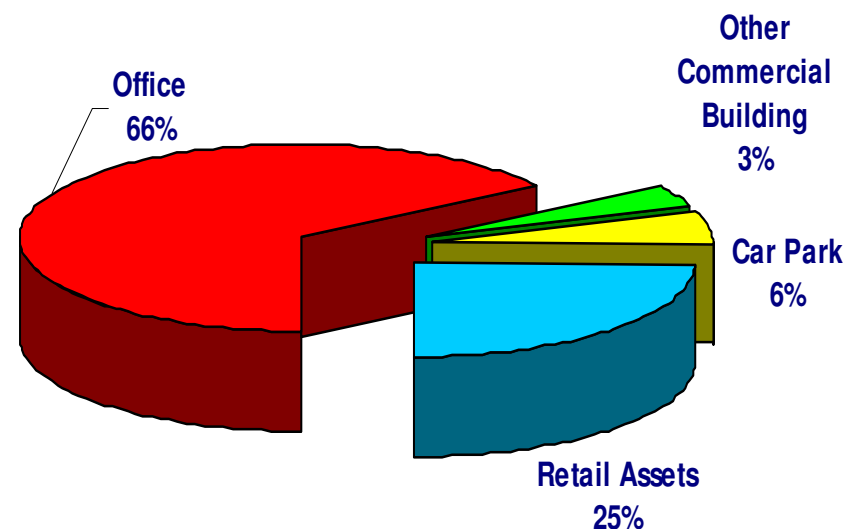


By Valuation

30 June 2008



Post Acquisition of
TESCO Building Jelutong

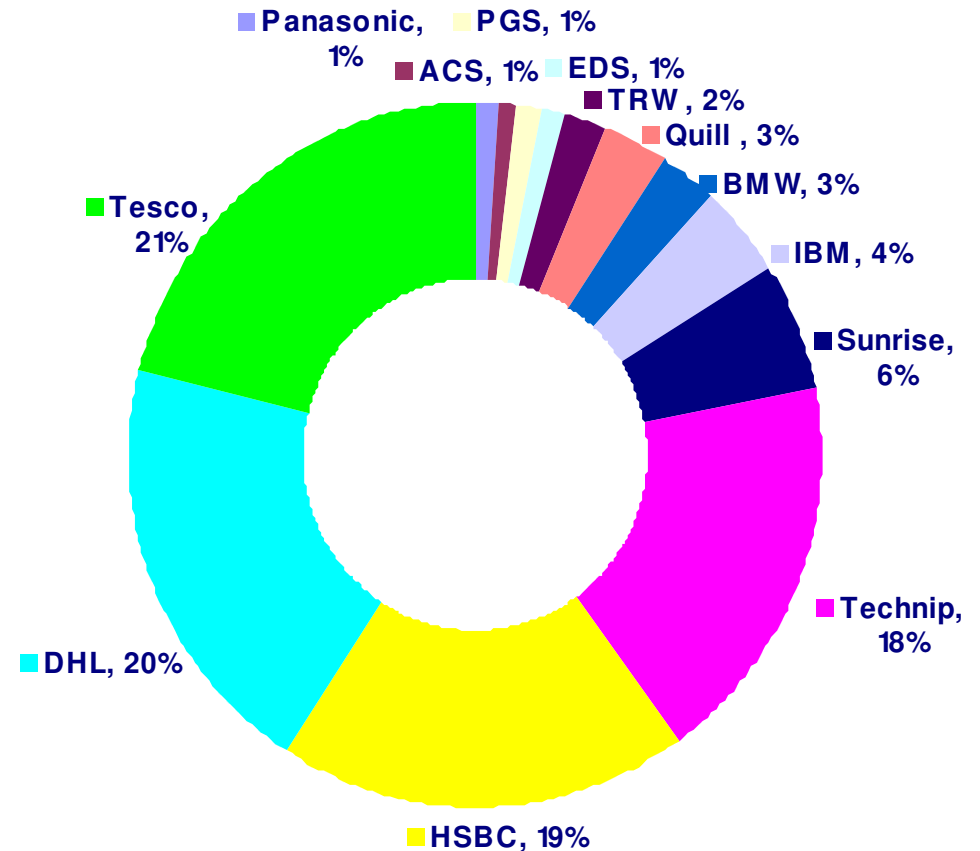
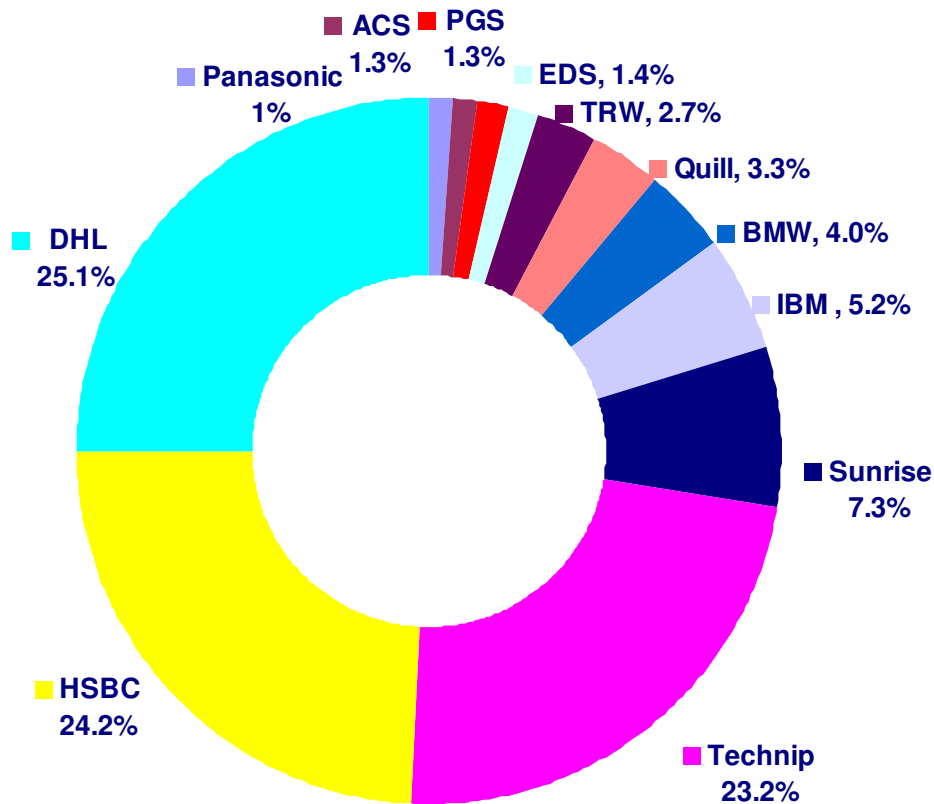


- Notes: (1) Office comprises Quill Buildings (excluding Quill Building 8-DHL (XPJ) at Glenmarie, Shah Alam) and Wisma Technip
(2) Retail Assets refers to retail portion of Plaza Mont' Kiara (& Tesco Building Jelutong upon completion of the acquisition)
(3) Car Park refers to car parking bays in Plaza Mont' Kiara
(4) Other commercial building refers to Quill- Building 8- DHL (XPJ) at Glenmarie, Shah Alam

Blue-Chip Tenants

30 June 2008 - Tenants from 9 Properties

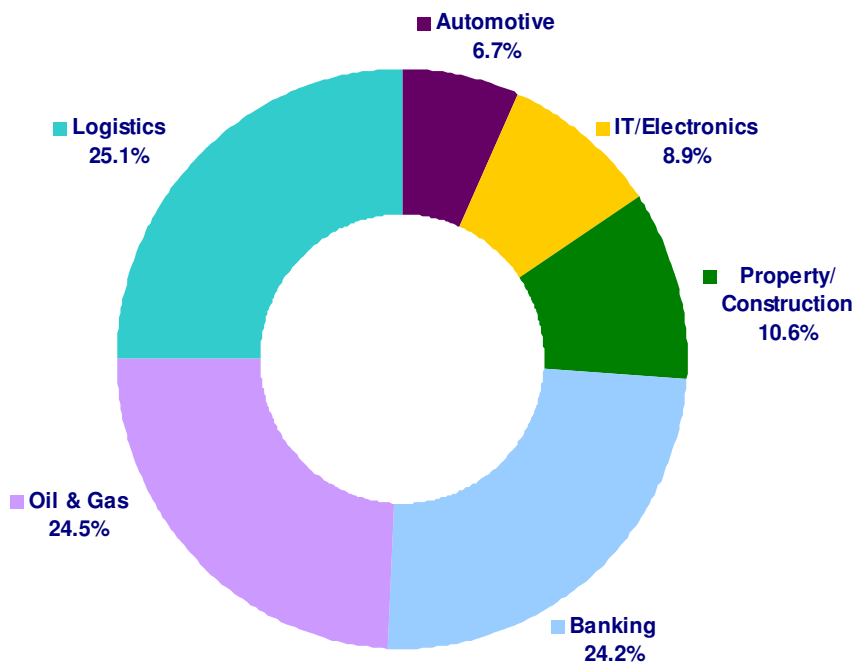
Post-Acquisition of TESCO Building, Jelutong



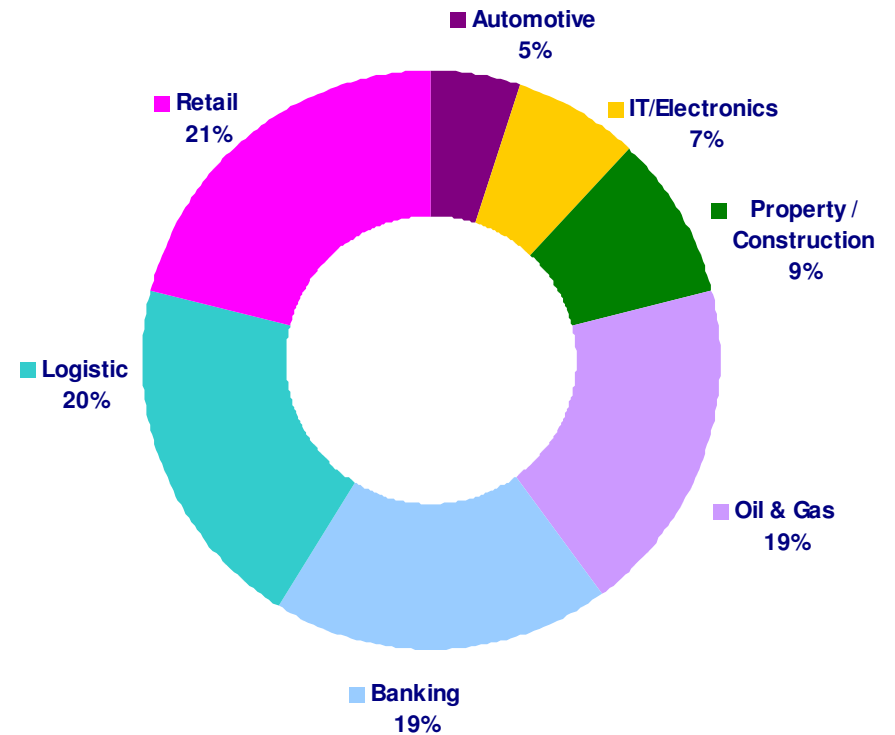
Note : The above tenancy mix is calculated based on NLA

A Well Balanced Tenancy Mix

30 June 2008 - Tenants from 9 Properties



Post-Acquisition of TESCO Building, Jelutong



Note : The above tenancy mix is calculated based on NLA



KL Office Market Uptrend Continues



KL Office Market Uptrend Continues

- **Sustainable and healthy economic growth**
 - Strong focus on Klang Valley, Penang and Johor

- **KL office market experiencing market upturn**
 - Healthy demand from business expansion, especially in Finance, Insurance, Oil & Gas and business sector
 - Take up rate expected to remain healthy

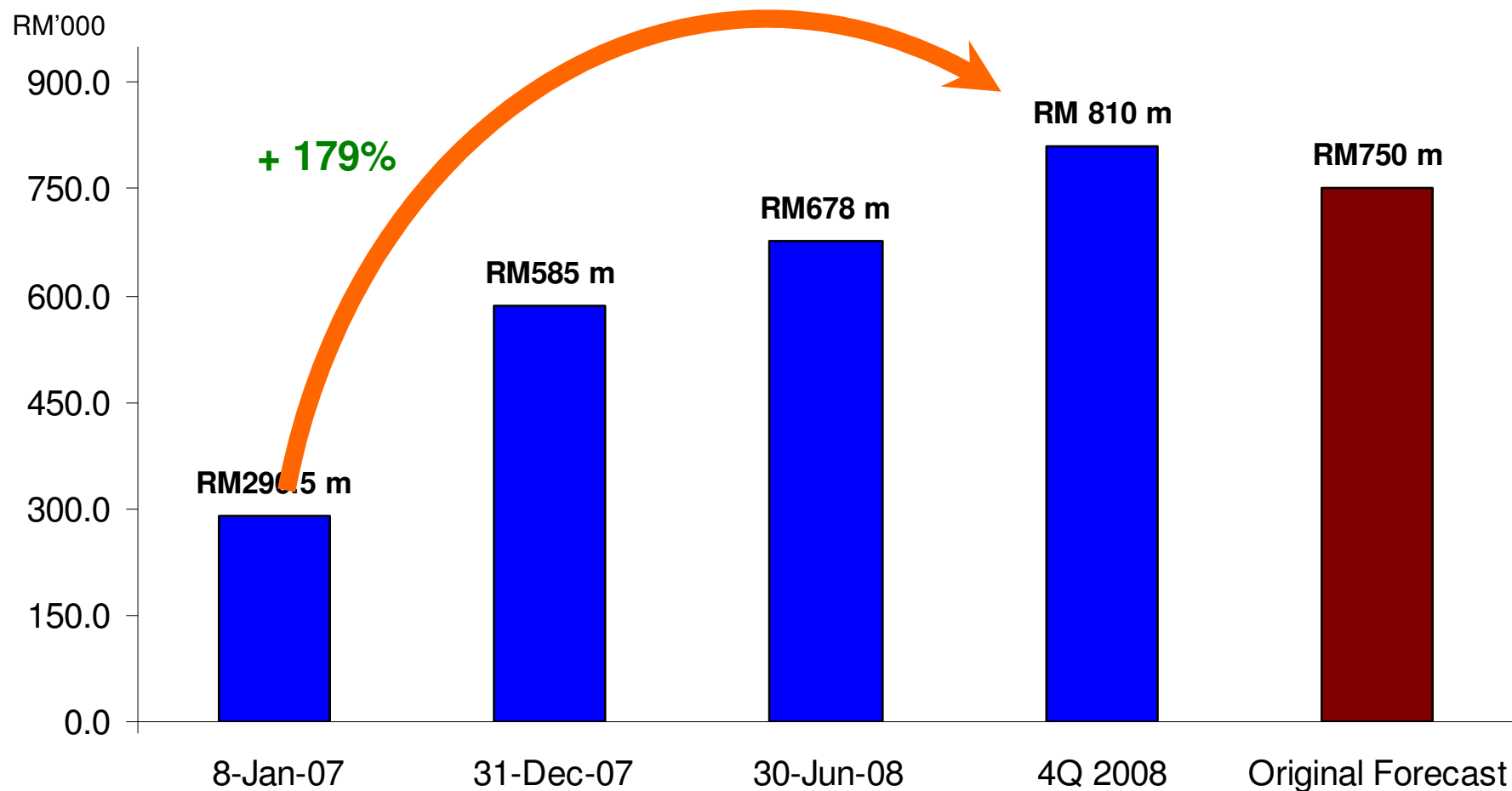
- **Increased foreign interests in KL property market**
 - Favourable foreign property investment policies
 - Offers attractive pricing & yields compared to regional peers
 - Developing M-REIT markets



QCT's Strategy



2008 Target Asset Size



Note: Assumed that the acquisition of TESCO Building, Jelutong will be completed in 4Q of 2008

Acquisition Growth

Active implementation of acquisition strategies as stated in QCT's prospectus since listing...

Pipeline of commercial properties from Quill's and CapitaLand's existing portfolio in Malaysia



New HSBC HQ ('10*)



KL Sentral Lot J ('11*)



Future vehicles or property funds created by Quill or CapitaLand in Malaysia



USD 270M (approx RM1B)
Malaysia Commercial Development Fund

Third party commercial properties

** Projected injection and/or development completion dates*

In Summary

2Q 2008: Positive Quarter

- Profit After Taxation surged 83.5% as compared to preceding year corresponding quarter
- EPU growth of 12.3% as compared to preceding year corresponding quarter

Going Forward

- Driven by asset enhancements and new acquisitions



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Thank You