

General Announcement
Reference No **TR-100203-51245**

Company Name : **TOWER REAL ESTATE INVESTMENT TRUST**
Stock Name : **TWRREIT**
Date Announced : **03/02/2010**

Type : **Announcement**
Subject : **Variance of unaudited results for the year ended 31 December 2009 compared to the projected results for the same period as disclosed in the Circular to Unitholders of Tower Real Estate Investment Trust ("Tower REIT") dated 14 February 2007 in relation to the acquisition of Menara ING (the "Circular")**

Contents : **GLM REIT Management Sdn Bhd, the Manager of Tower REIT, announces that the unaudited net income for the year ended 31 December 2009 of RM35.826 million has exceeded the projected results for the same period of RM21.782 million as disclosed in the Circular, by RM14.044 million or 64.5%.**

The positive variance of RM14.044 million was partly attributed to the surplus of RM5.770 million arising from the revaluation of the three investment properties of Tower REIT, namely, Menara HLA, HP Towers and Menara ING, in compliance with the fair value model stipulated in the Financial Reporting Standards 140 and paragraph 10.03 of the Securities Commission Guidelines on Real Estate Investment Trusts.

Excluding the surplus from fair value adjustments of investment properties of RM5.770 million, the unaudited realised and distributable net income for the year ended 31 December 2009 of RM30.056 million exceeded the projected results of RM21.782 million as disclosed in the Circular, by RM8.274 million or 38.0%. This variance was mainly due to the following:-

(i) Total revenue increased by RM6.643 million mainly due to the higher than expected property revenue resulting from the higher rental rates of Menara HLA and HP Towers as well as higher carpark income; and

(ii) Borrowing cost was lower than the projected figure by RM2.240 million due to the lower than expected interest rate.

Please refer to the attached income statement for further details on the variance of the unaudited results for the year ended 31 December 2009 against the projected results for the same period as disclosed in the Circular.

This announcement is dated 3 February 2010

Attachments : [☞Variance.pdf](#)

Announcement Details :