



Form Version 2.0

General Announcement

Reference No QC-080114-75417

Submitting Merchant Bank :
(if applicable)
Submitting Secretarial Firm Name :
(if applicable)
* Company name : Quill Capita Trust
* Stock name : QCAPITA
* Stock code : 5123
* Contact person : Corinne Tan
* Designation : Finance & Compliance Manager

* Type : Announcement Reply to query

* Subject :

News Release : Quill Capita Trust's distributable income jumps 34.5% from IPO Forecast ;

To acquire three more prime assets for RM94.5 million to become one of the fastest growing commercial REITs in Malaysia

* Contents :-

Kuala Lumpur, Tuesday, 15 January 2008 : Quill Capita Management Sdn. Bhd (QCM), the manager of Quill Capita Trust (QCT) , a real estate investment trust (REIT), today announced that QCT has increased its distributable income by 34.5 per cent from its forecast of RM14.32 million as stated in its Initial Public Offering (IPO) prospectus dated 10 December 2006 (IPO Forecast) to RM19.26 million for the financial year ended 31 December 2007. For further details of the news release please see file attached .



QCT_News_Release_15 Jan 08.

Tables Section - This section is to be used to create and insert tables. Please make the appropriate reference to the table(s) in the Contents of the Announcement:



NEWS RELEASE

Quill Capita Trust's distributable income jumps 34.5% from IPO forecast

To acquire three more prime assets for RM94.5 million to become one of the fastest growing commercial REITs in Malaysia

Kuala Lumpur, Tuesday, 15 January 2008: Quill Capita Management Sdn Bhd (QCM), the manager of Quill Capita Trust (QCT), a real estate investment trust (REIT), today announced that QCT has increased its distributable income by 34.5 per cent from its forecast of RM14.32 million as stated in its Initial Public Offering (IPO) prospectus dated 10 December 2006 (IPO Forecast) to RM19.26 million for the financial year ended 31 December 2007. This is a 5.6 per cent increase compared to the forecast of RM18.25 million stated in its circular to unitholders dated 16 July 2007 (Circular Forecast).

The main contribution to the increase in distributable income is the rental income of Wisma Technip and the commercial units of Plaza Mont'Kiara, which were acquired by QCT during the financial year, and lower interest expense.

The distributable income of RM19.26 million translates into a distribution per unit (DPU) of 6.46 sen, which is 7.7 per cent above the IPO forecast of 6.00 sen. An interim DPU of 3.99 sen has been paid in September 2007, while the remaining 2.47 sen is expected to be paid in February 2008.

Summary of QCT's Financial Year 2007 Results

	(unaudited) FYE 31 Dec 2007 (RM '000)	IPO Forecast (RM '000)	Variance %
Gross Revenue	31,382	23,845	+31.6
Net Property Income	25,392	20,167	+26.0
Distributable Income	19,268*	14,322	+34.5
Distribution Per Unit	6.46 sen	6.00 sen	+7.7

Note:

* Income after tax (excluding revaluation surplus)

Chan Say Yeong, Chief Executive Officer, QCM said: "QCT, in its first year since listing on 8 January 2007, has delivered strong DPU growth to its unitholders through its pro-active acquisition strategy. Our efforts in acquiring the yield-accretive assets have resulted in a quality asset portfolio and a higher than expected DPU over its IPO Forecast and Circular Forecast for unitholders. With the acquisitions of Wisma Technip and the commercial units of Plaza Mont' Kiara in 2007 and the recent revaluation increase in its portfolio by RM57.1 million, QCT has doubled its total assets from RM290.6 million to RM584.9 million, making it one of the fastest growing commercial REITs in Malaysia. Consequently, QCT's net asset value per unit increased by 50 per cent to RM1.20 as at 31 December 2007."

Added Chan: "We have been prudent in managing our interest cost and have locked in all our borrowings comprising RM90 million at an interest rate of 3.995% per annum till 2011. Thus QCT is not exposed to credit woes gripping the market now. Looking ahead in 2008, QCT will continue to be active in its acquisition strategy, acquiring properties in prime locations which will not only attract blue-chip tenants, but have the potential for long term value appreciation."

QCM also announced today the proposed acquisitions of three new assets for a total purchase price of RM94.5 million. The proposed new assets are Quill Building 5-IBM, a five-storey property with net lettable area (NLA) of 80,000 sq ft located in Cyberjaya; Quill Building 8-XPJ, a three-storey property with NLA of 65,205 sq ft sited at Shah Alam and Quill Building 10-HSBC a four-storey property with NLA of 58,428 sq ft located in Section 13, Petaling Jaya. (Please refer to separate announcement dated 15 January 2008 on Bursa Malaysia Berhad for more details). The acquisition of the three assets is expected to be completed by April 2008 and together, provide an initial net property yield of 6.3% p.a. and would be yield-accretive to QCT. The acquisition would be funded by internal funds and borrowings. The Manager does not expect to raise equity to fund these acquisitions.

QCT's current property portfolio of six properties comprises four initial properties in Cyberjaya, Wisma Technip and commercial units of Plaza Mont' Kiara. The three new assets are expected to increase QCT's asset value to approximately RM680.0 million or 134 per cent increase from its initial asset value at IPO.

The proposed three new properties to be injected are acquired from the Quill Group of Companies, one of the two main sponsors of the REIT along with Capitaland. These yield-accretive properties are fully occupied mainly by multinationals namely HSBC Bank Malaysia, DHL and IBM with long term leases.

"Both sponsors, Quill Group of Companies and Capitaland, have and will continue to provide QCT the opportunity to access pipelines of completed properties, either through acquisitions or development," said Chan.

"We have managed to deliver our commitment to provide unitholders with one of the highest total returns on investment. Taking into consideration the capital appreciation of QCT units to-date and distributable income for the year, unitholders now enjoy a total return in excess of 60% in just one year," added Chan.

- 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. Current properties under Quill Capita Trust include four buildings in Cyberjaya, part of Plaza Mont'Kiara and Wisma Technip in Kuala Lumpur. QCM is owned by Quill Resources Holding Sdn Bhd (30%); CapitaLand RECM Pte Ltd (40%), a wholly-owned subsidiary of CapitaLand Financial Limited, the financial services arm of CapitaLand Limited; and Coast Capital Sdn Bhd (30%).

About Quill Group of Companies

The Quill Group is an established one-stop resource in the business of financing, fast-track design, construction and lease-back of purpose-built buildings and facilities to both Malaysian and multinational companies within the Multimedia Super Corridor and elsewhere. Its specialty lies in the integration of IT and M&E requirements in the built- to-suit environment. Examples of these are data centres, call centres and business process outsourcing centres.

Established in 1987, Quill is a reputable multi-disciplinary company in Malaysia, with its in-house teams of architects, engineers, space planners, builders and interior designers. Quill also owns furniture factories and a construction company.

Its track record includes the ownership, design, construction and lease-back of the HSBC Global Electronic Processing Centre, the BMW Headquarters and Regional Group Data Centre, and the DHL Global Information Services Centres. These are amongst the largest facilities in Cyberjaya.

Some recent developments at Quill include:

- a 60:40 joint venture with the Malaysia Commercial Development Fund, a closed-end private fund sponsored by the CapitaLand Group, to build a 29-storey office building with a six-storey podium known as Tower D at Lot J, KL Sentral.
- an agreement with HSBC Malaysia Berhad to develop, design, build and lease back HSBC's proposed new headquarters, a 24-storey annexe adjacent to the current HSBC Malaysia headquarters.
- an agreement to acquire Vision City, an integrated development, comprising retail, serviced apartment and office space, for RM430 million from Vision City (M) Sdn Bhd, a wholly-owned subsidiary of Rashid Hussain Berhad.

About Capitaland Group

Capitaland is one of the largest listed real estate companies in Asia. Headquartered in Singapore, the multinational company's core businesses in real estate, hospitality and real estate financial services are focused in gateway cities in Asia Pacific, Europe and the Middle East.

The company's real estate and hospitality portfolio spans more than 100 cities in over 20 countries. Capitaland also leverages on its significant real estate asset base, financial skills and market knowledge to develop real estate financial products and services in Singapore and the region.

The listed subsidiaries and associates of Capitaland include The Ascott Group, CapitaMall Trust, CapitaCommercial Trust, Ascott Residence Trust, CapitaRetail China Trust, Quill Capita Trust and Australand.

In Malaysia, Capitaland is one of the sponsors of the US\$270 million Malaysia Commercial Development Fund, a closed-end private equity investment fund with an expected gross development value of US\$1 billion. The Fund invests in real estate development properties primarily in Kuala Lumpur and the Klang Valley. Capitaland also has a 30% stake in Menara Citibank, a prime 50-storey office tower in Kuala Lumpur's Golden Triangle.

Issued by Fleishman-Hillard Kuala Lumpur on behalf of Quill Capita Management

For media enquiries, please contact:

Zaridah Zainal Azman/ Nico Marco

Tel: 03-2283 2730

Fax: 03-2283 2750

Email: jida.zainalazman@fleishman.com/nico.marco@fleishman.com