



15 December 2015


AmFIRST REIT Announces the Proposed Disposal of AmBank Group Leadership Centre for RM36 million

Am ARA REIT Managers Sdn Bhd, the manager of AmFIRST Real Estate Investment Trust ("AmFIRST REIT" or "Trust") has entered into a Sale and Purchase Agreement ("SPA") for the sale of AmBank Group Leadership Centre ("Property") for a total cash consideration of RM36 million.

The Sale and Purchase Agreement was executed between Maybank Trustees Berhad, in its capacity as trustee of AmFIRST REIT, and Techvance Properties Management Sdn Bhd. The sales price of RM36 million represents a premium of 57% to the Property's carrying value of RM22.9 million as at 30 September 2015 and is expected to result in a realised net gain of RM8.4 million.

Mr Wong Khim Chon, Executive Director/Chief Executive Officer, AmFIRST REIT said, "We are pleased to announce that we have successfully entered into a Sale and Purchase Agreement with Techvance Properties for the disposal of AmBank Group Leadership Centre. The divestment of the Property provides an opportunity for AmFIRST REIT to realise its investment at an attractive price. This move is also consistent with AmFIRST REIT's active asset management strategy to continuously evaluate its assets within the portfolio."

The realised net gain from the SPA will be distributed as income distribution and the balance net proceeds will be used to pare down existing debt to create additional headroom for future potential acquisitions and value enhancing investments. Post divestment, AmFIRST REIT's gearing will decline from 38.3% as at 30 September 2015 to 37.0%.



“AmFIRST REIT remains focused on its objective to create sustainable long term value by optimising its portfolio by selectively divesting assets which have limited scope of growth while strategically enhancing other owned properties”. Mr Wong added.

The divestment is expected to be completed by fourth quarter of financial year ending 31 March 2016. Following the divestment of the Property, AmFIRST REIT will continue to own eight properties, with seven located in Klang Valley and one in Melaka.

About the Property

The property, known as AmBank Group Leadership Centre, is a 13-storey commercial building consisting of 52 car park bays, situated on Lorong P. Ramlee. The Property is 25 years old with a net lettable area of 57,801 sq. ft.

About AmFIRST REIT

Listed on 21 December 2006, AmFIRST REIT is currently one of the larger commercial space REITs in Malaysia with nine (9) properties worth RM1.3 billion under its portfolio, namely Bangunan AmBank Group, AmBank Group Leadership Centre, Menara AmFIRST REIT, Menara AmBank, Wisma AmFIRST, The Summit Subang USJ, Prima 9, Prima 10 and Jaya 99. It aims to invest in income-producing real estate which primarily is used for commercial, retail and/or office purposes. AmFIRST REIT is managed by Am ARA.

About Am ARA

Am ARA was incorporated in Malaysia on 20 April 2006 and is wholly-owned by Am ARA REIT Holdings Sdn Bhd. Am ARA REIT Holdings Sdn Bhd is 70% owned by AmInvestment Group Berhad (“AIGB”) and 30% owned by ARA Asset Management (Malaysia) Limited (“ARA”).

AIGB is a wholly-owned subsidiary of AMMB Holdings Berhad while ARA is a wholly owned subsidiary of Singapore-based ARA AmFIRST (Singapore) Pte Ltd, which in turn is a wholly owned subsidiary of ARA Asset Management Limited (“ARA Group”), which is listed on the Main Board of the Singapore Exchange Securities Trading Limited.

For media enquiries, please contact Mr Wong Khim Chon, Executive Director/Chief Executive Officer, Tel: 03-7955 8122 or for more information, please visit our website at www.amfirstreit.com.my