

OFFICE SECTOR

Klang Valley
First Quarter of 2007



SUPPLY as at 1Q 2007:

Zone	Qtr	New Building	New NLA	Total NLA
KL	1Q 07	Menara TSH	125,000 sq ft	52.9 mil sq ft
SUB	1Q 07	Centro Klang	300,000 sq ft	13.1 mil sq ft
Total KV				66.0 mil sq ft
Future Supply	2007	KL Sentral - Lot N, Plaza Cygal Tower 2, 3 2 Square, Mid Valley City - Centrepoint North & South, Jaya 33, Menara Taipan, Capital Square – Signature Offices, UOA Pantai, Menara LYL, UOA Damansara II, Dell Building, Prima 7, 26 Boulevard, Quill 5 – IBM & SME Building II		
	2008	One Chulan Tower (One Residency – Office), Menara Commerce, PJ Eight, KL Pavilion - DBKL Tower, BBT One - The Towers, Menara Perak, UEM Headquarters at KL Sentral, Proposed Office Buildings at Mid Valley City Phase 2, TM Cyberjaya R&D, Bangunan Mustapha Kamal, Menara UAC & MKN Embassy Techzone		
	2009	Petaling Jaya Exchange, PJ Trade Centre, TRW Boulevard Square, Surian Tower, Puchong Financial Corporate Centre, PJ City Blocks A & B, The Icon & G Tower (Goldis)		

DEMAND as at 1Q 2007:

§ Vacancy rate decreased to 11.5% in 1Q 2007 from 12.8% in 4Q 2006 with a take up of 1.23 million sq ft in 1Q 2007.

§ Selected major movers in 1Q 2007:

Zone	Major Movers	Building (New Location)
KL	Ranhill Berhad	Empire Tower
	Perbadanan Usahawan Nasional Berhad	Plaza Sentral – Block 1B
	Sony (Malaysia) Sdn Bhd	Mid Valley City – Northpoint
	TSH Resources Berhad	Menara TSH
SUB	Citibank	Centro Klang

§ Average prime rent in KL ranges between RM5.00 – RM7.00 per sq ft. Prime capital values and yields in KL record at RM610 – RM620 per sq ft and 6.5% – 7.0% respectively.

§ Selected major office transactions in 1Q 2007:

Zone	Building	Consideration / Valuation
KL	Menara SPK	RM80.0 mil
	Wisma AmanahRaya	RM68.0 mil
	Wisma Amanah Raya Berhad	RM53.0 mil
SUB	Wisma UEP	RM35.5 mil

OTHER RELATED NEWS:

§ AmanahRaya REIT was listed on the Main Board of Bursa Malaysia in 26 February 2007 with a total market value of RM341.8 million. Portfolio of properties included Holiday Villa Alor Setar, Holiday Villa Langkawi, Permais Factory, SEGi College, Blocks A & B South City Plaza, Wisma AmanahRaya, Wisma Amanah Raya Berhad and Wisma UEP.

§ Following the abortive sale of Wisma Denmark by Great Eastern Assurance, Sunway City Berhad had announced their interest in purchasing the building for RM170 million.

§ Malaysian Resources Corporation Berhad had agreed to construct the headquarters for Malaysian Industrial Development Authority and Companies Commission of Malaysia at KL Sentral for RM148.58 million and RM147.50 million respectively.

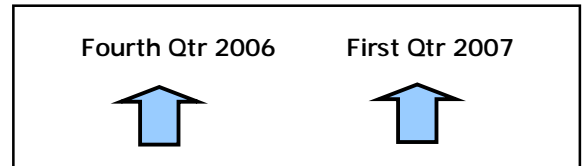
SUMMARY / OUTLOOK:

§ New supply of office buildings with possible completion at end 2007 are expected to contribute a total of about 3.3 million sq ft, with KL contributing nearly 2.0 million sq ft of new office space.

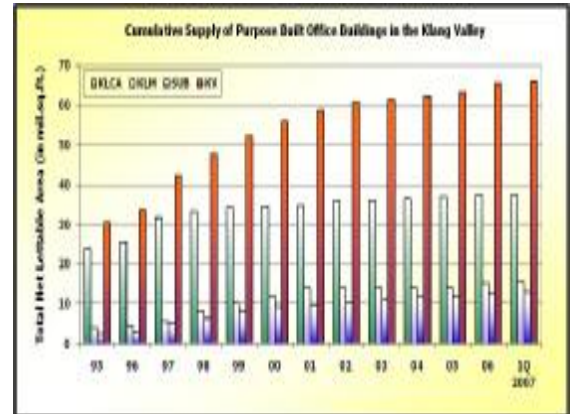
§ Tight supply trailed by healthy demand is expected to augur well for the prime office market in the short term.

§ The exemption of Real Property Gains Tax with effect from 1st April 2007 is anticipated to boost the property sector and spur the investment market.

PERFORMANCE



CUMULATIVE SUPPLY



AVERAGE OCCUPANCY RATES



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This market overview is intended for general purposes only as an introduction to current market conditions. Real estate is a long term investment and requires careful consideration of financial objectives and independent research before investing.

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Unless otherwise stated, all currencies are expressed in Ringgit Malaysia (RM)

*All dimensions are expressed in square feet.
(1 square metre = 10.7639 square feet)*