

Hektar Real Estate Investment Trust



FIRST QUARTER 2010 FINANCIAL RESULTS PRESENTATION

HEKTAR ASSET MANAGEMENT SDN BHD
5 MAY 2010

The material that follows is a presentation of general background information about the activities of the Hektar Group (including Hektar REIT and any other affiliates) as at the date of this Presentation.

The information contained herein is given in summary form solely to provide an understanding of the business of the Hektar Group and does not purport to be complete. You should conduct your own investigation and analysis of the Hektar Group and other data contained in this Presentation. It is not intended to be relied upon as advice for investment or invitation to invest in the Hektar Group or an evaluation of the Hektar Group. No representation, warranty, express or implied, is made and no reliance should be placed on the accuracy, fairness or completeness of the information contained herein. This presentation may contain forward-looking statements that involves risks and uncertainties. Actual future results may vary materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. You are cautioned not to place undue reliance on these forward-looking statements, which are based on Hektar Group's current view of future events.

Whilst we have used our best endeavour and exercised reasonable diligence in collating information from public domain, we have not independently verified the accuracy of such information.

The Hektar Group and its affiliates or any of its directors, officers and employees shall not accept any responsibility for any errors or omission in this Presentation and shall not be liable for any loss or other consequence of any reliance upon the whole or any part of the contents of this Presentation thereon.

The past performance of Hektar REIT is not necessarily indicative of the future performance of Hektar REIT.

About Hektar

Hektar Real Estate Investment Trust (Hektar REIT) is Malaysia's first retail-focused REIT. Hektar REIT's principal objective is to provide its Unitholders with a defensible income distribution and to enhance the long-term value of the fund. Hektar REIT invests in income-producing real estate primarily used for retail purposes.

Hektar REIT's portfolio mainly consists of quality shopping centres situated in Subang Jaya, Bandar Melaka and Muar with a combined value of RM720 million as of 31 December 2009. Hektar REIT was listed on the Main Board of Bursa Malaysia Securities Berhad on 4 December 2006 and has outperformed its forecast in its first two years of listing.

The REIT's cornerstone investor is Frasers Centrepoint Trust, part of the Fraser & Neave Group, headquartered in Singapore. Hektar REIT is managed by Hektar Asset Management Sdn. Bhd., a part of the Hektar Group.

The Hektar Group was formed with a vision to develop world-class shopping centres for Malaysian consumers, based on international best practices.

For more information, please refer to the back page of this Presentation for Contact Information.

This Presentation should be read in conjunction with the Quarterly Report Announcement as reported on Bursa Malaysia.

First Quarter 2010 (1Q10)

1 January 2010 – 31 March 2010

Three (3) months

Commentary

- Implementing FRS 117, FRS 139 in financial statements
- Portion of Subang Parade land acquired by government for LRT extension project
- Hektar REIT management fee structure revised (see Financials)
- Mahkota Parade refurbishment completed; re-launch commenced in May 2010

Operational & Financial Performance

- Portfolio Occupancy: ~ 97.3%
- Rent Reversions: - 7%
- Net Income per Unit (Realised) **3.14 sen**
vs. previous comparable period¹: + 10%
- Dividend per Unit (DPU) **2.50 sen**
vs. previous comparable period¹: + 4.2%

¹ 1Q 09 Net Income per unit: 2.852 sen

Dividend Distribution

Dividend Per Unit

(DPU) : **2.50 sen**

DPU Yield²: **8.1%**

² Based on annualised DPU of 2.50 sen and closing price of RM1.23 on 31 March 2010.

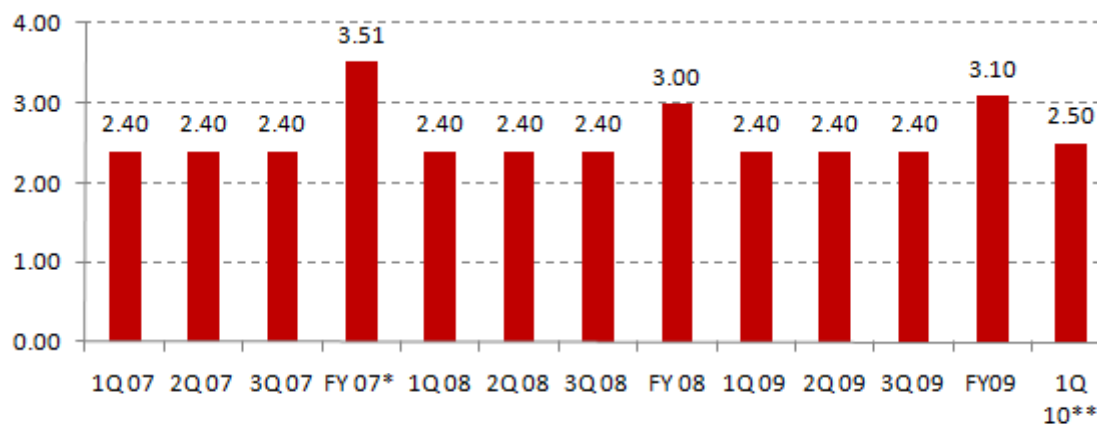
Hektar REIT Annual DPU Growth Positive Since IPO

Current Dividend Distribution Details

First Quarter 2010

- Distribution Period: 1 January – 31 March 2010
- Quarterly DPU: 2.50 sen
- Notice of Entitlement: 5 May 2010
- Ex-Dividend Date: 19 May 2010
- Book Closure Date: 21 May 2010
- Payment Date: 7 June 2010

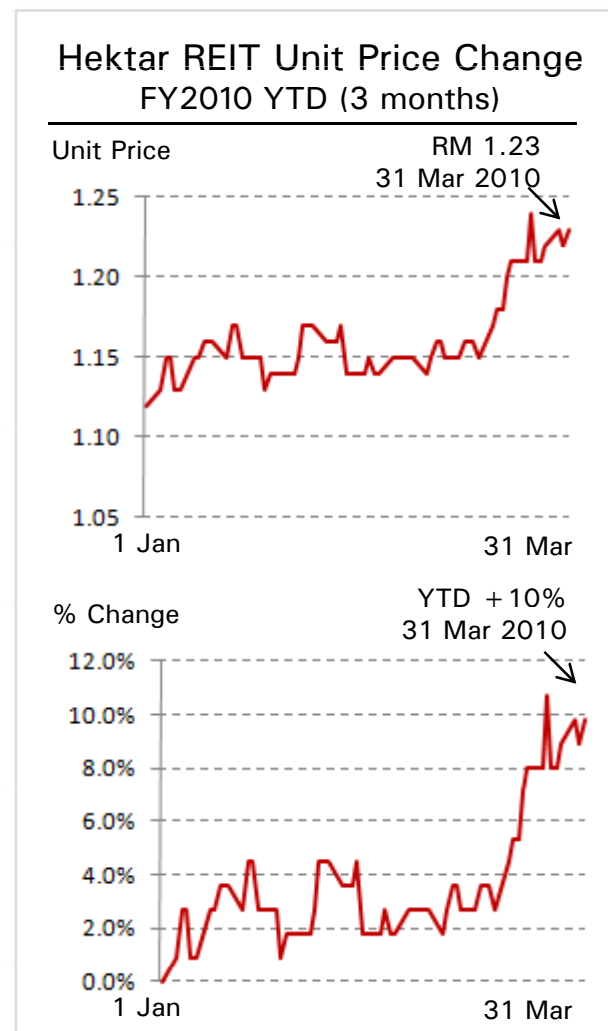
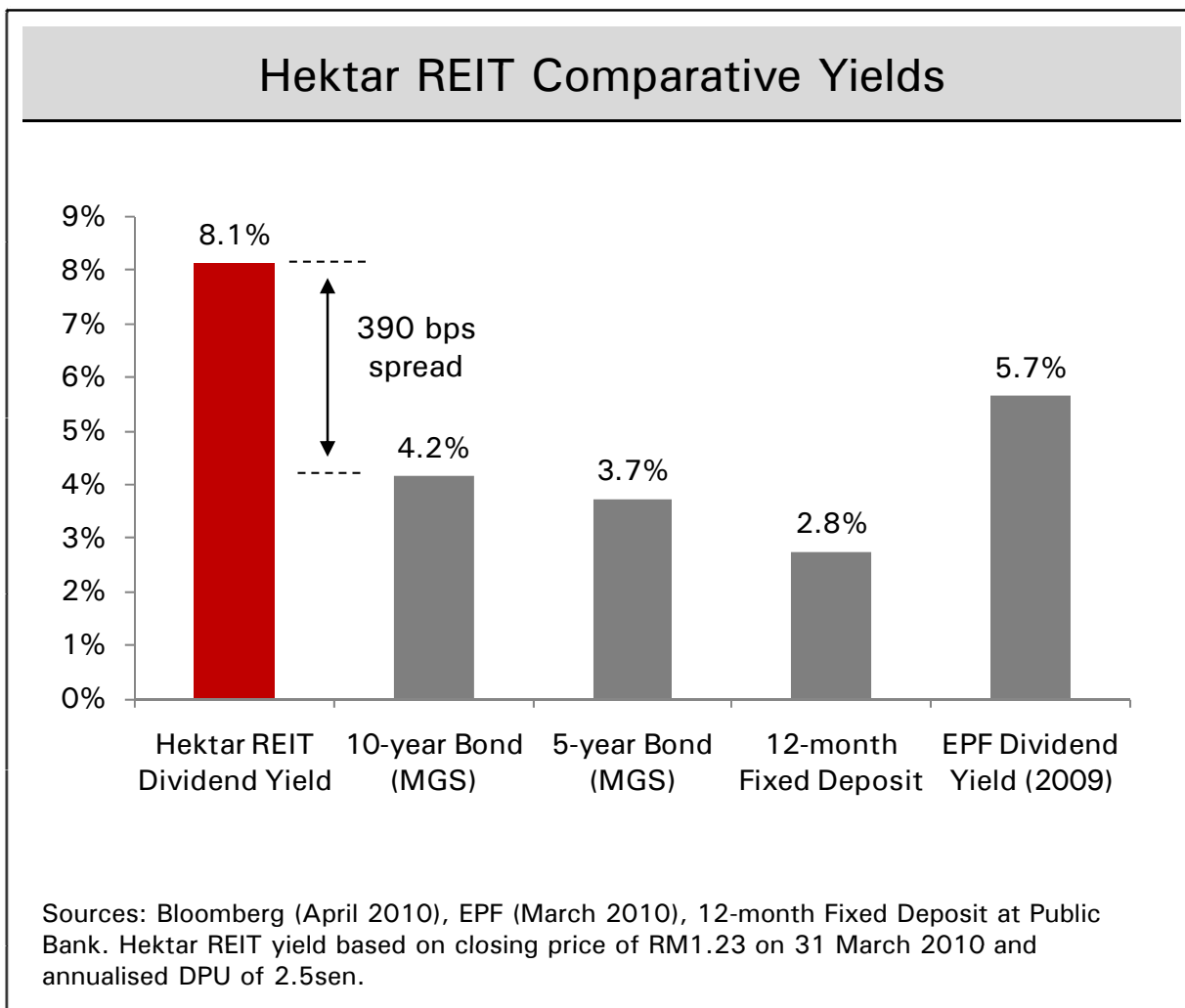
Dividend Distribution Track Record



* FY 07 represented a 13 month period from December 2006 to 31 December 2007 ** Declared

Hektar REIT DPU Dividend Yield at annualised 8.1%

- Traded at a 390 bps spread over MGS 10-year



Portfolio Performance

- Overall Occupancy at ~97.3% ►
- Rental Reversions down 7% for 1Q10 ►
- Tenancy Expiry Profile by Property ►
- 22% of Portfolio Tenancy Rental Income Expires in 2010 ►

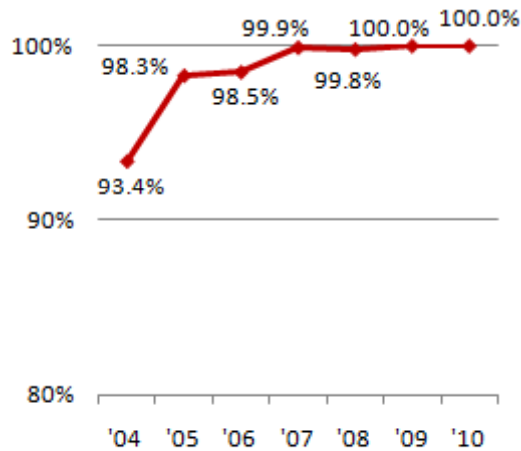
Overall Portfolio Occupancy at ~97.3%

Hektar REIT Portfolio Occupancy

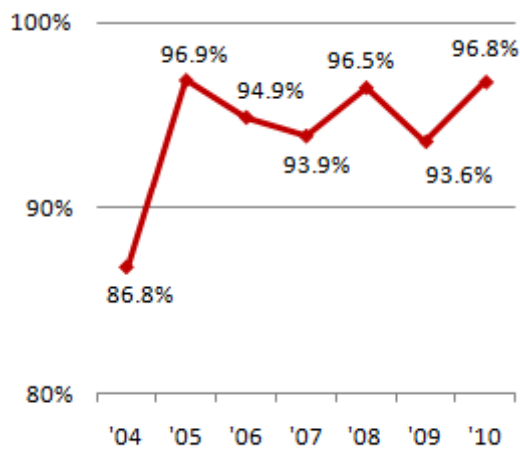
Property	As at 31 December 2004	As at 31 December 2005	As at 30 September 2006	As at 31 December 2007	As at 31 December 2008	As at 31 December 2009	As at 31 March 2010
Subang Parade	93.4%	98.3%	98.5%	99.9%	99.8%	100.0%	100.0%
Mahkota Parade	86.8%	96.9%	94.9%	93.9%	96.5%	93.6%	96.8%
Wetex Parade					83.1%	90.1%	91.2%
Overall*	91.3%	97.6%	96.7%	96.9%	95.8%	95.8%	97.3%

* Approximate average, weighted by Net Lettable Area.

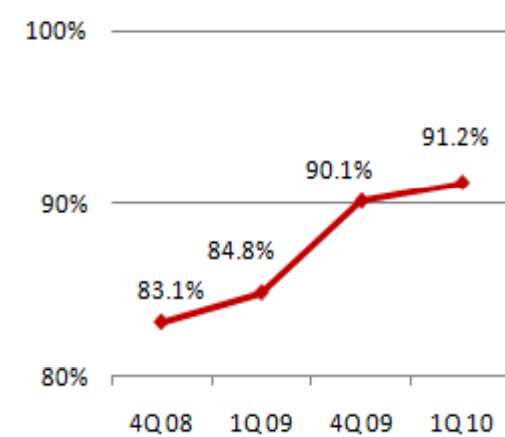
Subang Parade
Occupancy (%)



Mahkota Parade
Occupancy (%)



Wetex Parade
Occupancy (%)



Rental Reversions down 7% for the quarter

- 1Q 10: 20 new tenancies / renewals at an average 7% lower rental rate
- Mahkota Parade rental reversions impacted by refurbishment exercise
- Subang Parade rental reversions flat
- Wetex Parade rental reversions remain positive

Hektar REIT Rental Reversions				
First Quarter (3 months) (Ended 31 March)	No. of New Tenancies / Renewals	NLA (sq ft)	% of Total NLA	Increase / (Decrease) Over Previous Rent Rates
Subang Parade	8	15,697	3%	-2%
Mahkota Parade	6	16,694	4%	-16%
Wetex Parade	6	2,927	2%	6%
Total / Average*	20	35,318	3%	-7%

Refurbishment Completed Mahkota Parade Re-launch in May 2010

* Average Weighted by NLA. NLA = Net Lettable Area

Hektar REIT Tenancy Expiry Profile by Property

Hektar REIT Tenancy Expiry Profile by Property

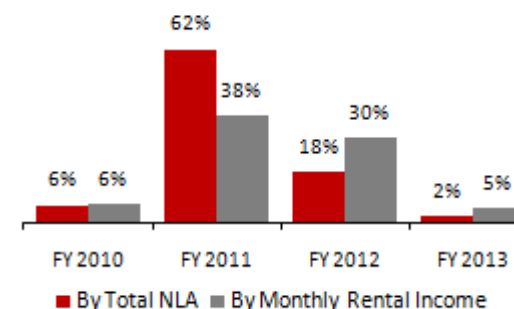
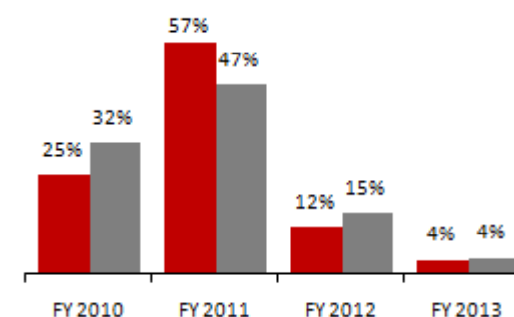
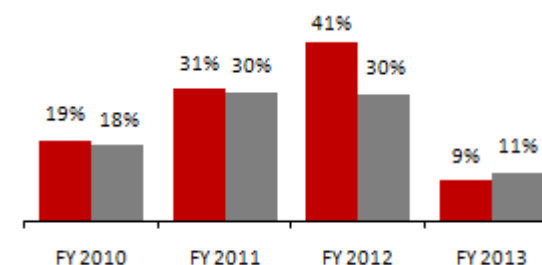
As At 31 March 2010

Subang Parade For Year Ending 31 December	No. of Tenancies Expiring	NLA of Tenancies Expiring (sq ft)	NLA of Tenancies Expiring as % of Total NLA	% of Total Monthly Rental Income*
FY 2010	25	89,231	19%	18%
FY 2011	49	145,763	31%	30%
FY 2012	30	196,814	41%	30%
FY 2013	17	44,085	9%	11%

Mahkota Parade For Year Ending 31 December	No. of Tenancies Expiring	NLA of Tenancies Expiring (sq ft)	NLA of Tenancies Expiring as % of Total NLA	% of Total Monthly Rental Income*
FY 2010	39	113,190	25%	32%
FY 2011	38	261,677	57%	47%
FY 2012	28	54,069	12%	15%
FY 2013	7	16,749	4%	4%

Wetex Parade For Year Ending 31 December	No. of Tenancies Expiring	NLA of Tenancies Expiring (sq ft)	NLA of Tenancies Expiring as % of Total NLA	% of Total Monthly Rental Income*
FY 2010	11	9,875	6%	6%
FY 2011	18	103,858	62%	38%
FY 2012	44	30,166	18%	30%
FY 2013	6	3,551	2%	5%

*Based on monthly rental income for March 2010. Figures may not round to 100% due to misc items



■ By Total NLA ■ By Monthly Rental Income

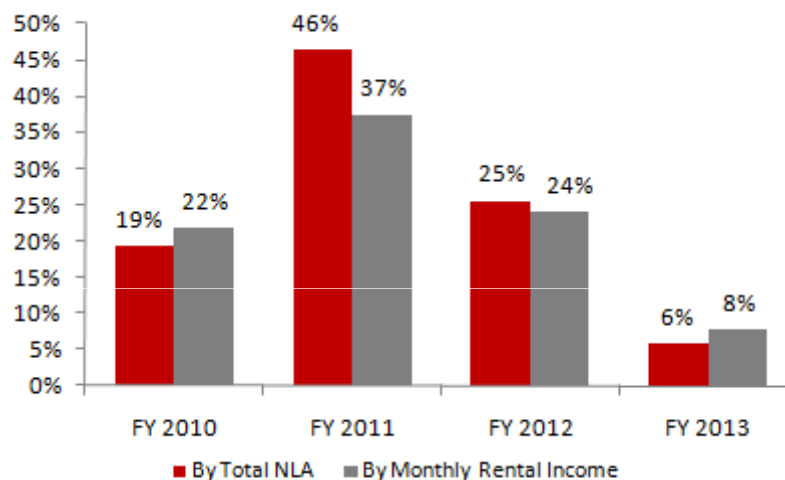
Tenancy Portfolio Expiry Profile 2010 – 2013

- FY2010 tenancy expiries account for approximately 22% of monthly rental income*

Hektar REIT Tenancy Expiry Profile – Overall Portfolio

As At 31 March 2010

Portfolio For Year Ending 31 December	No. of Tenancies Expiring	NLA of Tenancies Expiring (sq ft)	NLA of Tenancies Expiring as % of Total NLA	% of Total Monthly Rental Income*
FY 2010	75	212,296	19%	22%
FY 2011	105	511,298	46%	37%
FY 2012	102	281,049	25%	24%
FY 2013	30	64,385	6%	8%



* Based on monthly rental income for March 2010. NLA = Net Lettable Area

Hektar REIT Portfolio – Subang Parade Land Acquisition

Subang Parade Land Acquisition by Government for LRT

- Compulsory Land Acquisition of part of Subang Parade land near Parkson
- Land is for proposed extension of Kelana Jaya Light Rail Transit Phase 2
- Parcel of land measures approximately 0.328 acres (~ 3% of existing land area)
- Compensation awarded RM4,155,518 (Notice of Award Borang H)
- AmTrustee, Trustee for Hektar REIT has filed an appeal on compensation



Approximate Area of Land
Acquired by Government

Financial Results

- Gross Revenue up 5.7% over 1Q09 ►
- First Quarter 2010 Net Income up 10% from previous quarter ►
- Hektar REIT trading at a 3.6% discount to NAV as at end FY09 ►
- Debt Profile Stable for 2010 ►

Gross Revenue up 5.7% over 1Q09

For First Quarter Period 1 January – 31 March 2010

Revenue & Expense	1Q10	1Q09	Variance
First Quarter 2010 (Unaudited)	(RM '000)	(RM '000)	(%)
Rental Income			
Revenue from Tenancy	21,113	19,991	+ 5.6%
Car Park	1,902	1,777	+ 7.0%
Revenue	23,015	21,768	+ 5.7%
Direct Cost & Property Expenses			
Property Management Fees	(452)	(436)	+ 3.8%
Assessment, Quit Rent & Insurance	(810)	(712)	+ 13.8%
Other Operating Expenses	(7,623)	(7,132)	+ 6.9%
Total Property Expenses	(8,886)	(8,280)	+ 7.3%
Trust Fees & Expenses			
Manager's Fee			
Base Fee	(679)	(461)	+ 47.2%
Performance Fee	(708)	(487)	+ 45.3%
Trustee's Fee	(36)	(36)	+ 1.5%
Valuation Fee	(15)	(12)	+ 20.0%
Administration expenses	(240)	(195)	+ 23.3%
Total Trust Fees & Expenses	(1,678)	(1,192)	+ 40.9%

In line with Clause 15.1.2 of the Trust Deed constituting Hektar REIT dated 5 October 2006, annual management fees has been revised as below.

Base Fee Revision: As at 1 January 2010, Base Fee is 0.35% of Gross Asset Value (previously: 0.25%)

Performance Fee Revision: As at 1 January 2010, Performance Fee is 5% of Net Property Income (previously: 3.5%)

Income Statement – Quarter Comparative

First Quarter '10 Net Income up 10% vs previous quarter

For Period 1 January – 31 March 2010 (versus previous comparable period)

Income Statement	1Q10	1Q09	Variance
First Quarter 2010 (Unaudited)	(RM '000)	(RM '000)	(%)
Revenue	23,015	21,768	+ 5.7%
Direct Cost & Property Expenses	(8,886)	(8,280)	+ 7.3%
Net Property Income (NPI)	14,130	13,488	+ 4.8%
Interest & Other Income	39	30	+ 31.6%
Total Income	14,168	13,518	+ 4.8%
Trust Fees & Expenses	(1,678)	(1,192)	+ 40.9%
Interest Expense	(2,452)	(3,200)	- 23.4%
Net Income Before Tax - Realised	10,037	9,126	+ 10.0%
Net Income per Unit (sen)	3.14	2.85	+ 10.0%

Note: revenue is now reported following implementation of FRS 117, which recognises rental income on an averaged basis over the term of tenancy; step-up rent in future periods is averaged and reported proportionately in the present period, while turnover rent is recognised in each accounting period on a receipt basis.

Hektar REIT trading at a 3.6% discount to NAV as at end 1Q10

Balance Sheet in RM '000	As at 31.3.2010 (Unaudited)	As at 31.12.2009 (Audited)
Non-Current Assets		
Investment Properties	715,973	720,000
Current Assets		
Trade Receivables	580	375
Other Receivables, Deposits, Prepayments	10,778	5,974
Capital Work in Progress	23,093	14,202
Cash and Bank Balances	25,287	36,574
TOTAL ASSETS	775,710	777,125
Liabilities		
Trade Payables	1,806	3,466
Other Payables and Accruals	2,615	2,776
Tenancy Deposits	19,957	20,685
Deferred Income	1,017	-
Provision for Income Distribution	8,000	9,920
Borrowings	334,000	334,000
TOTAL LIABILITIES	367,395	370,847
NET ASSET VALUE	408,316	406,278
Unitholders' Capital	328,137	328,137
Retained Earnings - realised	11,822	9,785
Retained Earnings - unrealised	68,357	68,357
TOTAL UNITHOLDERS' FUND	408,316	406,278

Unit Price Statistics As at 31 March 2010
No. of Units Outstanding 320,001,000
Net Asset Value (RM) 1.276
Unit Price (RM) 1.23
Premium / (Discount) to NAV (3.6%)

Includes government acquisition of a portion of land in Subang Parade for LRT extension project, announced 12 March 2010

Implementation of FRS 139: Fair value measure of tenancy deposits valued in future discounted to present value and recognised as deferred income

Debt Profile for FY2010

Debt Information

As at 1 May 2010

- Total Debt: **RM334 million**
- Weighted Cost of Debt: **3.27%**
- Gearing Ratio¹: **43%**
- Unencumbered Asset: **Wetex Parade**

¹ Gearing ratio calculated by liabilities (borrowings) over Gross Asset Value.

Financing Details

AI-Murabahah / OD

Fixed Term Loan, Annual Floating Rate

Structure: Cost of Funds + 0.75%

Tranche 1

- Term: 5 Years, Expiring 2011
- Pledged: Subang Parade
- Facility Size: RM184 million
- Cost: 3.26%
- Rate Reset: December 2010

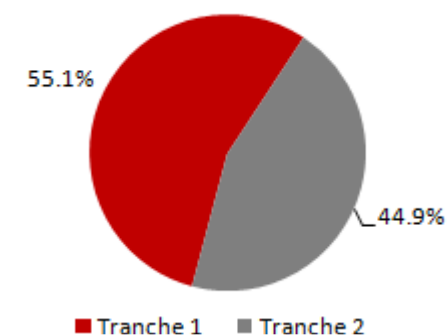
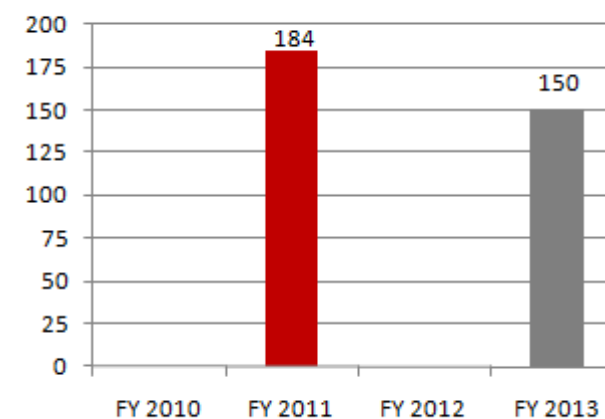
Tranche 2

- Term: 5 Years, Expiring 2013
- Pledged: Mahkota Parade
- Facility Size: RM150 million
- Cost: 3.28%
- Rate Reset: April 2011

Debt Expiry Profile

As at 1 May 2010

(RM million)



Mahkota Parade Refurbishment

- Refurbishment Pictures ►
- Mahkota Parade Relunched ►

Mahkota Parade Refurbishment Completed



External Entrance

Full Details of the Refurbishment published in Hektar REIT 2Q 2009 Financial Results Presentation.

Improved Ambience & Amenities

- Complete Refurbishment: Flooring, Ceiling, Lighting
- Improved Amenities: Guest Services, Car Park
- Improved Ambience: Brighter, Cleaner Look
- RM30 million refurbishment completed on time

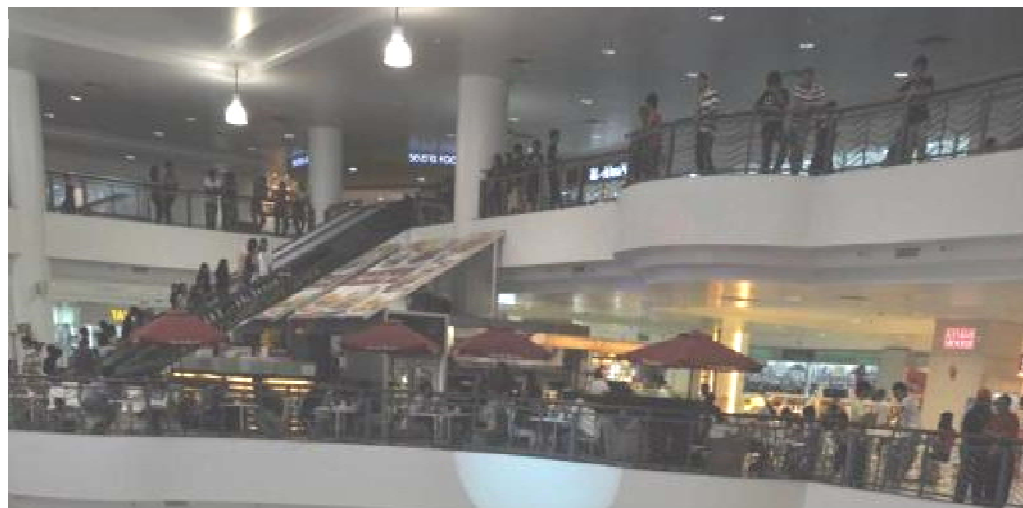


Mahkota Parade Refurbishment

Complete Refurbishment of Shopping Centre



East Wing



East Wing



Central Area Concert

Mahkota Parade Re-Launch

Mahkota Parade Celebrated a Re-Launch on 1 May

- Comprehensive programme graced by TYT Yang di-Pertua Negeri Melaka
- Fashion Show with Ford Models, Live Performances, Contests & Give-Aways



Hektar Asset Management CFO
Zalila Mohd Toon 's Opening Address



Live Performances & Contests




Fashion Walk Participants
Raised RM35,000 for Yayasan Toh Puan Zarina



“Creating The Places Where People Love To Shop”

Investor Relations
Hektar Asset Management Sdn Bhd
Block C-0-5, Plaza Damas
60 Jalan Sri Hartamas 1
Sri Hartamas
50480 Kuala Lumpur
MALAYSIA



 Tel: + 6 03 6201 1011

 Fax: + 6 03 6201 0012

 Web: www.HektarREIT.com

Please visit our website at www.HektarREIT.com. The Investor Information section offers current and previous quarterly presentations, annual and interim reports, press releases and announcements in downloadable Portable Document Format (PDF). Please register for our email alerts to receive timely updates.

